



---

**31<sup>ST</sup>**  
**ANNUAL REPORT**  
**2018-2019**

---

<b>BOARD OF DIRECTORS</b>	SHRI JAIKISHAN B. GUPTA - Chairman SHRI NAVEEN J. GUPTA - Managing Director SMT. SUDHA GUPTA - Director SHRI RAMESH CHAND - Director SHRI RAM BILAS - Director upto 23/07/2018
<b>AUDIT COMMITTEE</b>	SHRI RAMESH CHAND - Chairman SMT. SUDHA GUPTA - Member SHRI RAM BILAS - Member (upto 23/07/2018) SHRI JAIKISHAN GUPTA - Member (w.e.f. 31/07/2018)
<b>STAKEHOLDERS RELATIONSHIP COMMITTEE</b>	SHRI JAIKISHAN GUPTA - Chairman SHRI NAVEEN GUPTA - Member SHRI RAMESH CHAND - Member
<b>NOMINATION &amp; REMUNERATION COMMITTEE</b>	SHRI JAIKISHAN GUPTA - Chairman SMT. SUDHA GUPTA - Member SHRI RAM BILAS - Member (upto 23/07/2018) SHRI JAIKISHAN GUPTA - Member (w.e.f. 31/07/2018)
<b>STATUTORY AUDITOR</b>	PAVAN MAHESHWARI & CO. Chartered Accountants, DP-183, Maurya Enclave, Pitampura, Delhi - 110034 Phone : 011-49841491. Email : ca.mayank25@gmail.com
<b>BANKER</b>	INDIAN OVERSEAS BANK Stadium Road Branch, Ahmedabad
<b>REGISTRARS &amp; SHARES TRANSFER AGENTS</b>	LINK INTIME INDIA PVT. LTD. <b>HEAD OFFICE :</b> C-101, 247 Park, L.B.S.Marg, Vikhroli (West), Mumbai - 400083. Phone : 022 - 4918 6270, Fax : 022 - 4918 6060 <b>BRANCH OFFICE :</b> 5th Floor, 506 TO 508, Amarnath Business Centre – 1 ( ABC-1), Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off C G Road, Ellisbridge, Ahmedabad - 380006. Ph.: 079-26465179. Email : ahmedabad@linkintime.co.in
<b>E - VOTING AGENCY</b>	CENTRAL DEPOSITORY SERVICES (INDIA) LIMITED E-mail : helpdesk.evoting@cdslindia.com
<b>SCRUTINIZER</b>	CS ASHOK P. PATHAK Practising Company Secretary E-mail : csashokppathak@gmail.com
<b>REGISTERED OFFICE</b>	701, Avdhesh House, Opp. Gurudwara, Near Thaltej Chokdi, Ahmedabad-380054 Tel.: 079 2685 8510 / 11. E-mail : contact@kalptaru.co.in Website : www.kalptaru.co.in
<b>HEAD OFFICE</b>	C 8/10, Model Town, Delhi-110009
<b>WORKS</b>	Khatraj Chokdi, Village Karoli, Kalol, Dist. Gandhinagar, Gujarat

## NOTICE

**NOTICE** is hereby given that the 31st Annual General Meeting of the Members of the Company Kalptaru Papers Limited will be held on Monday, 30th day of September, 2019 at 11:00 a.m. at Registered office of the Company 701, Avdresh House, Opp. Gurudwara, Near Thaltej Chokdi, Ahmedabad-380054 to transact the following business :

### ORDINARY BUSINESS :

1. To receive, consider, approve and adopt the Audited Financial Statements for the Financial Year ended on 31st March 2019, and the reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Shri. Naveen J. Gupta who retires by rotation and being eligible, offers himself for reappointment.

### SPECIAL BUSINESS :

3. **TO CONSIDER, AND IF THOUGHT FIT, TO PASS, WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS A SPECIAL RESOLUTION**

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 178 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), rules framed thereunder and Schedule IV to the Act, approval of the members of the Company be and is hereby accorded to the re-appointment of Ms. Sudha Gupta as an Independent Director of the Company, not liable to retire by rotation, for his second term of five consecutive years w.e.f. 1st April, 2020."

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby severally authorized to do all acts, deeds and things as may be necessary or expedient to give effect to the resolution."

### Regd. Office:

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

**Date: 26.08.2019**

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

**Jaikishan B. Gupta  
Chairman**

DIN: 00148067

### NOTES:

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

Proxies in order to be effective must be received by the Company not less than 48 hours before the meeting.

2. A person can act as a proxy on behalf of Members not exceeding fifty in number and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other person or shareholder.
3. An explanatory statement pursuant to section 102 of the Companies Act, 2013, in respect of special business in the Notice is annexed hereto as **Annexure -A**
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 a.m. and 1 p.m. up to the date of meeting.
5. The Annual Report for the year 2018-2019 of the company as circulated to the members will be made available on the Company's website at [www.kalptaru.co.in](http://www.kalptaru.co.in)
6. The Register of Members and the Share Transfer Books of the Company will remain closed from Monday, 23<sup>rd</sup> day of September, 2019 to Monday, 30<sup>th</sup> day of September, 2019 (both days inclusive).
7. Members are requested to contact M/s. Link Intime India Pvt. Ltd., 5<sup>th</sup> Floor, 506 to 508, Amarnath Business Centre-1 (ABC-1), Beside Gala Business Centre, Nr. St. Xavier's College Corner, Off. C.G. Road, Navrangpura, Ahmedabad -380009 for recording any change of address, bank mandate, ECS or nominations, and for redressal of complaints contact at the Registered Office of the Company.
8. Members are requested to note that the Company's shares are under compulsory electronic trading for all investors and therefore, they are requested to dematerialize their share holding to avoid inconvenience.
9. Members who hold shares in dematerialized form are requested to bring their client ID and DP ID numbers for easy identification of attendance at the meeting.
10. Members are requested to bring their copies of Annual Report at the meeting. Shareholders seeking any information with regard to account are requested to write to the Company early so as to enable the Management to keep the information ready.
11. Members / Proxies are requested to bring the duly filled Attendance Slip at the Annual General Meeting. Corporate Members are requested to send a duly certified copy of the Board Resolution authorizing their representative(s) to attend and vote on their behalf at the Meeting.
12. Voting through electronic means

Pursuant to the provisions of Section 108 of the Companies Act, 2013, Rule 20 and 21 of Companies (Management and Administration)

Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 the Company is pleased to provide members facility to exercise their right to vote by electronic means for the business to be transacted at the Annual General Meeting (AGM) from a place other than the venue of the AGM through remote e-voting services provided by Central Depository Services Limited (CDSL). The detail procedure / instructions for e-voting is mentioned in **Annexure –B** to the notice.

13. General Instructions for e-voting :

- i. The e-voting period commences on Friday, September 27, 2019 (9.00 a.m. IST) and ends on Monday, September 29, 2019 (5.00 p.m. IST). During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on Monday, September 23, 2019 (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 voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on Monday, September 23, 2019.
- 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 31st AGM of the Company held on Monday, September 30, 2019 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.cdsl.com](http://www.evoting.cdsl.com).

**Regd. Office:**

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

**Date: 26.08.2019**

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

**Jaikishan B. Gupta  
Chairman**

DIN: 00148067

**ANNEXURE A****ANNEXURE TO NOTICE – EXPLANATORY STATEMENT**

As required by Section 102 of the Companies Act, 2013 the following Explanatory Statement sets out the material facts relating to the businesses under Item Nos. 4 and 5 of the accompanying Notice dated 26.08.2019

**ITEM NO.3 : SPECIAL RESOLUTION****RE-APPOINTMENT OF MS. SUDHA GUPTA (DIN – 07173823) AS AN INDEPENDENT DIRECTOR OF THE COMPANY :**

Ms. Sudha Gupta (DIN - 07173823) was appointed as an Independent Director of the Company pursuant to the provisions of Section 149 of the Companies Act, 2013 read with rules framed thereunder ("the Act"). Ms. Sudha Gupta hold office as an Independent Director of the Company upto 31st March, 2020 ('first term'), and in terms of sub-section 10 read with Explanation to sub-section 11 of Section 149 of the Act she is eligible to be appointed as an independent director for second term of five consecutive years w.e.f. 01.04.2020 by passing of Special Resolution.

Ms. Sudha Gupta is a Post Graduate in Arts with Economics. She is also member of Audit Committee and Nomination and Remuneration Committee. She has more than 19 years of work experience in Management Field. She does not hold any directorships in other companies nor is member or chairman of committees in other public Company. She does not held any shares in the Company. In the opinion of the Board, Ms. Sudha Gupta fulfils the conditions for appointment of Independent Director as specified in the Act and is independent of the management.

The company has ceased to fulfill the criteria prescribed in Rule 3 of the Companies (Appointment and Qualification of Directors), Rules, 2014 pertaining to appointment of Women Director since 19/01/2018 as the name of the company has been removed from the Dissemination Board of the Bombay Stock Exchange Ltd. vide its Notice No. 20180119-26 dated 19/01/2018.

Further, the company has ceased to fulfill the criteria prescribed in Rule 4 of the Companies (Appointment and Qualification of Directors), Rules, 2014 pertaining to appointment of Independent Director since 31.03.2018. As per the third proviso to sub-rule (1) of Rule 4 of the Companies (Appointment and Qualification of Directors), Rules, 2014, where a company ceases to fulfil any of three conditions laid down in sub-rule(1) for three consecutive years, it shall not be required to comply with these provisions until such time as it meets any of such conditions.

The Board of Directors at its meeting held on 26th August, 2019, on the recommendation of the Nomination and Remuneration Committee and based on the performance evaluation, considers that given her background and experience in accounting, administration and contributions made by her during her tenure, the association of Ms. Sudha Gupta would be beneficial to the Company and it is desirable to re-appoint her as an Independent Director of the Company, not liable to retire by rotation, for a second term of five consecutive years w.e.f. 1st April, 2020.

The Board of Directors recommends the resolution at Item No. 3 of this Notice for your approval.

None of the Directors, Key Managerial Personnel and relatives thereof except Ms. Sudha Gupta, has any concern or interest, financial or otherwise, in the resolution at Item No. 3 of this Notice.

**Regd. Office:**

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

**Date: 26.08.2019**

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

**Jaikishan B. Gupta  
Chairman**

DIN: 00148067

**ANNEXURE – B TO NOTICE**

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

**A. For shareholders who receive notice of annual general meeting :**

- i. The voting period begins on Friday, September 27, 2019 (9.00 a.m. IST) and ends on Sunday, September 29, 2019 (5.00 p.m. IST). 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) i.e. Monday, September 23, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii. The Shareholder should Log on to the e-voting website <https://www.evotingindia.com>
- iii. Click on "Shareholders" tab to cast your vote.
- iv. Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v. Next enter the Image Verification as displayed and Click on Login
- vi. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- vii. 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 (applicable for both demat shareholders as well as physical shareholders)*Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field. The Sequence Number is printed on Attendance Slip / Address Sticker.
Dividend Bank Details or Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>● If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- viii. After entering these details appropriately, click on "SUBMIT" tab.
- ix. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi. Click on the EVSN (190904019) of Kalptaru Papers Limited on which you choose to vote.
- xii. 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.
- xiii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiv. 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.
- xv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xvii. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xviii. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xix. 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 [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)).
- xx. 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).
- xxi. 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.
- xxii. 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 electronically, 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, Avdshesh House,  
Opp. Gurudwara,  
Near Thaltej Chokdi,  
Ahmedabad - 380054. Gujarat  
**Date: 26.08.2019**

**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 is presenting herewith their 31st Annual Report together with the Audited Statements of Accounts for the period ended on 31st March, 2019

**FINANCIAL HIGHLIGHTS :**

Particulars	Current year Ended on 31/03/2019	Previous year Ended on 31/03/2018
Revenue from Operations	10,25,000	2,27,64,506
Other Income	35,916,315	2,55,33,577
Total Expenditure	30,261,686	5,21,86,097
Profit Before Tax	66,79,629	(38,88,015)
Exceptional Item	95,477,956	0
Less : Provision for Current Tax	0	0
: Deferred Tax	2,33,46, 600.00	(2,33,46, 600.00)
Profit after Tax	(112,144,927)	1,94,58,585

**DIVIDEND:**

Your directors do not recommend any dividend for the financial year ended on 31st March, 2019.

**TRANSFER TO RESERVES**

Your directors do not transfer any amount to Reserves for the financial year ended on 31st March, 2019.

**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.

No Dividend has been declared by the company from the Financial Year 2008-2009 and onwards. The last dividend was declared by the company in the Annual General Meeting held on 29th September, 2008 held for the financial year 2007-2008, thereafter no final or interim dividend was declared. Unclaimed dividend for the years prior to and including the financial year 2007-08 had already been transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government, as applicable and filed prescribed e-Form INV1. There was no amount of unclaimed / unpaid dividend lying with the company as on coming into effect of the newly enacted the Companies Act, 2013. There were no shareholders who have not claimed the dividends for the last seven years as no dividend declared from the financial year from 2009-10 (being the cut-off date) onwards whose shares are to be transferred to IEPF after due date of 31/10/2017.

**BUSINESS PERFORMANCE & PROSPECTS**

During the year under report, the company has turnover of Rs.10.25 Lac, and the operation for the year under review has resulted into net loss of Rs. 1121.45 Lac. The company is trying hard to commence the operations.

**PUBLIC DEPOSIT :**

The Company has not accepted any deposits from the public falling within the ambit of Section 73 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 during the year under review.

As at 31.03.2018 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. 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.

**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. The company has operational revenue of Rs.10.25 Lac during the year. The company's net worth is negative and the borrowings from banks and financial institution have been classified by the lenders as non-performing assets. The company is in process of identifying alternative business plans to improve the performance of the company and to initiate One Time Settlement with Invent ARC Pvt. Ltd., private Asset Securitisation and Reconstruction company under the Securitisation Act, a decision is yet to be taken by the lenders regarding restructuring of the company's borrowings.



## 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.

### MATERIAL CHANGES AND COMMITMENTS :

#### Removal of Name of the Company from Dissemination Board of BSE :

The Company was exclusively listed on Delhi Stock Exchange Limited (DSE), de-recognized and non-operational Stock Exchange, which has then moved to the Dissemination Board (DB) vide Bombay Stock Exchange Limited (BSE) Notice dated 09th July, 2015.

The 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, the company had made application on 27.03.2017 for removal of name of the company from Dissemination Board of BSE due to Nil or Negative valuation. The BSE vide its Notice No. 20180119-26 dated 19/01/2018 has removed Kalptaru Papers Limited from the Dissemination Board of the Exchange.

#### Correction in the Master Data from Listed Public Company to Unlisted Public Company :

The company has made an application on 02.04.2018 to the Registrar of Companies, Gujarat to make necessary correction in the Master Data to the effect that the company is unlisted public company as its securities are not listed in any stock exchanges.

Status of the company from 'Listed' to Unlisted' Public Company was made by correction in Corporate Identification Number (CIN) consequent to the application made to the Ministry of Corporate Affairs i.e. the Registrar of Companies, Gujarat. The corrected CIN of the company is U21019GJ1988PLC040325.

#### Non- Applicability of the certain provisions of the Companies Act, 2013 :

As the company is not listed with any regional or national stock exchanges and does not fulfill the relevant criteria provided under the Companies Act, 2013, the provisions pertaining to Secretarial Audit under section 204 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Certificate under section 92(2) of the Companies Act, 2013 read with Rule 11 of the Companies (Management and Administration) Rules, 2014 in Form MGT 8 are not applicable.

#### NPA Account and Default in Repayment :

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

### MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT :

The securities of the company were not listed on any stock exchanges, regional or nation wide and hence, Management's Discussion and Analysis Report for the year under review is not applicable to the company.

### 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.1000 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 2018-2019 and hence the company was not required to constitute CSR Committee.

### 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.

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS / OUTGO :

The information relating to conservation of Energy, Technology, Absorption and Foreign Exchange Earning / Outgo as required under section 134(3)(m) of the Companies Act, 2013 read with the Rule 8 of the Companies (Accounts) Rules, 2014 is given by way of annexure attached hereto which forms part of this report. **(Annexure – I)**

### STATEMENT ON DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY

There is a continuous process for identifying, evaluating and managing significant risks as faced through a risk management process designed to identify the key risks facing each business.

**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.

**AUDITORS :**

**Statutory Auditor :**

Pursuant to the provisions of Section 139 and 141 of the Companies Act, 2013, Pavan Maheshwari & Co., Chartered Accountants, Ahmedabad (Firm Registration No. 008273N), were appointed as Statutory Auditors of the Company to hold office upto the Annual General Meeting to be held for the financial year 2022-2023. The appointment of M/s Pavan Maheshwari & Co., Chartered Accountants, Ahmedabad, as Statutory Auditors of the Company had confirmed at the time of appointment that its appointment if made is within the limits prescribed under the Companies Act, 2013 and that they are not disqualified for such appointment within the meaning of Section 139 and 141 of the Companies Act, 2013, read with Companies (Audit and Auditors) Rules, 2014.

**Auditors Report :**

Query : The company has not maintained proper and complete records showing full particulars including quantitative details and situation of fixed assets.

Explanation : The company has no business operation during the year and is in process of maintaining records showing full particulars including quantitative details and situation of fixed assets.

The comments in the Auditors Report with Notes on Accounts referred to the Auditor's Report are self explanatory and, therefore do not call for any further explanation.

**SECRETARIAL AUDIT REPORT :**

During the year under review the securities of the company is not listed on any of the regional or nationwide stock exchanges and hence, provisions pertaining to the Secretarial Audit under section 204 and rules framed thereunder are not applicable to the company.

**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 of 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) Fixed Pay

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 pay scale 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.

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, he/she shall repay 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- II** and is attached to this Report.

## NUMBER OF BOARD MEETINGS HELD DURING THE PERIOD :

Pursuant to Section 134(3)(b) of the Companies Act, 2013, Board of Directors of your company were meet Eight (8) times during the financial year 2018-2019 on 26/04/2018, 24/05/2018, 31/07/2018,13/08/2018,01/09/2018,04/10/2018, 28/02/2019 and 31/03/2019. The maximum time gap between any two meetings was not more than 120 days.

## 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 :

During the year, employer-employee relations continued to be cordial. Our company being an Unlisted Public Company provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not applicable to the company.

## BOARD OF DIRECTORS :

In accordance with provisions of Section 152(6)(a) of the Companies Act, 2013, Shri Naveen J. Gupta retires by rotation and being eligible offers themselves for re-appointment. The Board has recommended the reappointment of Ms. Sudha Gupta, Independent Directors for second term of consecutive five years w.e.f. 01st April, 2020, subject to the approval of shareholders.

## STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS :

The Independent Directors have submitted the declaration of their Independence, as required pursuant to Section 149(7) of the Companies Act, 2013, stating that they meet the criteria of independence as provided in sub-section (6) of that section.

#### **FORMAL ANNUAL BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013, 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)

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

The Audit Committee consists of the following members:

- a) Mr. Ramesh Chand - Chairman
- b) Mrs. Sudha Gupta - Member
- c) Mr. Jai Kishan Gupta - Member

The company had 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 Shivratn 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. Further, Audit Committee was reconstituted in board meeting held on 31.07.2018 due to resignation of Mr. Ram Bilas w.e.f. 23.07.2018.

The above composition of the Audit Committee consists of two independent Directors and one executive director.

Two [2] Audit Committee Meetings were held during the year 2018-2019 on 26/04/2018 and 13/08/2018.

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 30th May, 2016 had 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. The committee was further reconstituted in Board Meeting held on 31.07.2018 by induction of Mr. Jai Kishan Gupta as Mr. Ram Bilas resigned from the post of director w.e.f.23/07/2018.

Terms of reference and Powers of the committee inter alia, includes the following :

- (A) Appointment of the directors, and key managerial personnel of the Company; and
- (B) Fixation of the remuneration of the directors, key managerial personnel and other employees of the Company.

#### **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)

Remuneration Policy :

The Policy inter alia provides for the following:

- (A) attract, recruit, and retain good and exceptional talent;
- (B) list down the criteria for determining the qualifications, positive attributes, and independence of the directors of the Company;
- (C) 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;
- (D) 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.

One [1] Nomination and Remuneration Committee Meetings was held during the year 2018-2019 on 13/08/2018.

#### **STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The Board of Directors of the company at its meeting held on 30th May, 2016 had 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.

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.

One [1] Stakeholders Relationship Committee Meetings was held during the year 2018-2019 on 13/08/2018

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

#### Dematerialization of Shares

The Company's Shares are in compulsory De-mat segment and as on 31st March, 2019, Equity Shares of the Company forming 96.77% 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 31st March, 2019 :

No. of Shares in Physical Segment	144400	3.23%
No. of Shares in Demat Segment	4323720	96.77%
<b>Total</b>	<b>4468120</b>	<b>100.00%</b>

#### INDEPENDENT DIRECTOR'S MEETING

A Separate meeting of Independent Directors held on 28th February, 2019 without the attendance of Non-Independent Directors and members of the Management. In the said meeting, Independent Directors reviewed the followings :

- Performance evaluation of Non Independent Directors and Board of Directors as a whole;
- Performance evaluation of the Chairperson of the Company taking into account the views of executive directors and non-executive directors;
- Evaluation of the quality, quantity and timelines of flow of information between the Management and Board of Directors for effective and reasonable performance of their duties.

The Board of Directors expressed their satisfaction with the evaluation process.

#### 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 Meeting held on 11th February, 2015 under the chairmanship of Mr. Naveen Gupta, Managing Director to redress complaints received regarding sexual harassment. Mr. Jai Kishan Gupta and Mrs. 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.

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

#### CHANGE IN NATURE OF BUSINESS, IF ANY :

There is no change in the nature of the business of the company during the year under review.

#### SIGNIFICANT OR MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS WHICH IMPACT THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE.

There were no significant and material orders passed by the Regulators or Courts or Tribunals which could impact the going concern status and the Company's future operations.

#### ACKNOWLEDGMENT :

We thank our customers, vendors, investors and the bankers for their continued support during the year. We place on record our appreciation of the contribution made by our employees at all levels.

#### ANNEXURES FORMING A PART OF THIS REPORT OF THE DIRECTORS

The Annexure referred to in this Report and other information which are required to be disclosed are annexed herewith and form a part of this Report of the Directors :

Annexure	Particulars
I.	Particulars of Conversion of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo
II.	Extract of Annual Report in Form MGT 9

#### Regd. Office:

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

Date: 26.08.2019

By Order of the Board  
For, Kalptaru Papers Limited

Jaikishan B. Gupta  
Chairman

DIN: 00148067

**ANNEXURE – I**

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

[Section 134(3)(m) of The Companies Act, 2013 read with Rule 8(3) of The Companies (Accounts) Rules, 2014]

**A. CONSERVATION OF ENERGY :**

- There was not any production during the year under consideration.
- No specific investment has been made in reduction in energy consumption.
- As the impact of measures taken for conservation and optimum utilization of energy are not quantitative, its impact on cost cannot be stated accurately.- NIL

**B. TECHNOLOGY ABSORPTION : Not Applicable**

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

Foreign exchanges earned : **NIL**

Foreign Exchange used : **NIL**

**ANNEXURE – II**

**Form No. MGT-9**

**EXTRACT OF ANNUAL RETURN**

**as on the financial year ended on 31.03.2018**

[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 :**

- CIN : U21019GJ1988PLC040325
- Registration Date : 28/11/1988
- Name of the Company: **KALPTARU PAPERS LIMITED**
- Category / Sub-Category of the Company: Company Limited by Shares
- Address of the Registered office and contact details:  
701, AVDHESH HOUSE, OPP. GURUDWARA, NEAR THALTEJ CHOKDI, AHMEDABAD - 380054, GUJARAT.  
Phone : 079 26858510 / 11. E-mail : contact@kalptaru.co.in Website : www.kalptaru.co.in
- Whether listed company YES/NO :  
**No.** The company has been removed from the Dissemination Board of BSE vide BSE vide Circular Ref. No. DCS/DB/LK/REMOV/981/2017-18 dt.22/01/2018 with effect from 19/01/2018.
- Name, Address and Contact details of Registrar and Transfer Agent:  
**Link Intime India Pvt. Ltd.,** C-101, 247 Park, L.B.S.Marg, Vikhroli (West), Mumbai - 400083.  
Phone : 022 - 4918 6270, Fax : 022 - 4918 6060. Email: 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.--					

**IV. SHARE HOLDING 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				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	%of Total Shares	Demat	Physical	Total	%of Total Shares	
<b>A. Promoters</b>									
Individuals/ HUF	1438281	Nil	1438281	32.19	1438281	Nil	1438281	32.19	0
Central Govt.	0	0	0	0	0	0	0	0	0

State Govt (s)	0	0	0	0	0	0	0	0	0
Bodies Corporate	1297350	0	1297350	29.04	1297350	0	1297350	29.04	0
Banks / FI	0	0	0	0	0	0	0	0	0
Any Other...	0	0	0	0	0	0	0	0	0
<b>Sub Total (A)(1)</b>	<b>2735631</b>	<b>0</b>	<b>2735631</b>	<b>61.23</b>	<b>2735631</b>	<b>0</b>	<b>2735631</b>	<b>61.23</b>	<b>0</b>
<b>2. Foreign</b>									
NRI - Individual	0	0	0	0	0	0	0	0	0
Other - Individual	0	0	0	0	0	0	0	0	0
Bodies Corp.	0	0	0	0	0	0	0	0	0
Banks / FI	0	0	0	0	0	0	0	0	0
Any Other...	0	0	0	0	0	0	0	0	0
<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>0</b>	<b>2735631</b>	<b>61.23</b>	<b>2735631</b>	<b>0</b>	<b>2735631</b>	<b>61.23</b>	<b>0</b>
<b>B. Public Shareholding</b>									
Mutual Fund/Banks/FI	0	0	0	0	0	0	0	0	0
Central Govt.	0	0	0	0	0	0	0	0	0
State Govt.	0	0	0	0	0	0	0	0	0
Venture Capital Fund	0	0	0	0	0	0	0	0	0
Insurance Cos.	0	0	0	0	0	0	0	0	0
FIs	0	0	0	0	0	0	0	0	0
Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
Others(specify)	0	0	0	0	0	0	0	0	0
<b>Sub Total (B)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>B2 Non-Institutions</b>									
a) Bodies Corporate	131782	900	132682	2.97	91253	900	92153	2.06	-0.91
	0	0	0	0	0	0	0	0	0
	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	778675	130400	909075	20.35	781570	129200	910770	20.38	0.0379
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	553443	14300	567743	12.71	590277	14300	604577	13.53	0.82
c) Others Clearing Members and Foreign Individuals or NRI	122989	0	122989	2.75	124989	0	124989	2.80	0.05
<b>Sub-Total (B)(2)</b>	<b>1586889</b>	<b>145600</b>	<b>1732489</b>	<b>38.77</b>	<b>1588089</b>	<b>144400</b>	<b>1732489</b>	<b>38.77</b>	<b>0</b>
<b>(B) Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>4322320</b>	<b>145800</b>	<b>4468120</b>	<b>100</b>	<b>4322520</b>	<b>145600</b>	<b>4468120</b>	<b>100</b>	<b>0</b>
<b>(C) Shares held by Custodian for GDRs &amp; ADRs</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>GRAND TOTAL (A)+(B)+(C)</b>	<b>4322320</b>	<b>145800</b>	<b>4468120</b>	<b>100</b>	<b>4322520</b>	<b>145600</b>	<b>4468120</b>	<b>100</b>	<b>0</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 share holding during the year
		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	750700	16.8012	NIL	750700	16.8012	NIL	NIL
2.	KALPTARU FINCAP LIMITED	546650	12.2345	NIL	546650	12.2345	NIL	NIL
3.	JAI KISHAN GUPTA	420670	9.4149	NIL	420670	9.4149	NIL	NIL
4.	NAVEEN JAI KISHAN GUPTA	311820	6.9788	NIL	311820	6.9788	NIL	NIL
5.	USHA GUPTA	209920	4.6982	NIL	209920	4.6982	NIL	NIL
6.	SAVITA GUPTA	138264	3.0945	NIL	138264	3.0945	NIL	NIL
7.	RUBY RAJENDRA PATAWARI	89707	2.0077	NIL	89707	2.0077	NIL	NIL
8.	JAI KISHN GUPTA ARPIT GUPTA HUF	77050	1.7244	NIL	77050	1.7244	NIL	NIL
9.	JAI KISHAN GUPTA NAVEEN GUPTA HUF	44850	1.0038	NIL	44850	1.0038	NIL	NIL
10.	ARPIT GUPTA	29134	0.6520	NIL	29134	0.6520	NIL	NIL
11.	NIMIT NAVEEN GUPTA	36130	0.8086	NIL	36130	0.8086	NIL	NIL
12.	JAIKISHAN & SONS HUF	15600	0.3491	NIL	15600	0.3491	NIL	NIL
13.	NAVEEN GUPTA - HUF	12550	0.2809	NIL	12550	0.2809	NIL	NIL
14.	RAJENDRA VIJAYKUMAR PATAWARI	12050	0.2697	NIL	12050	0.2697	NIL	NIL
15.	ASHKA A. GUPTA	22580	0.5054	NIL	22580	0.5054	NIL	NIL
16.	PREETY AGGARWAL	350	0.0078	NIL	350	0.0078	NIL	NIL
17.	SANJAY AGGARWAL	826	0.0185	NIL	826	0.0185	NIL	NIL
18.	NIRDESH NAVEEN GUPTA	16780	0.3755	NIL	16780	0.3755	NIL	NIL
	<b>Total</b>	<b>2735631</b>	<b>61.2255</b>	<b>NIL</b>	<b>2735631</b>	<b>61.2255</b>	<b>NIL</b>	<b>NIL</b>

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

	Shareholding at the beginning of the year (As on 01-04-2017)		Cumulative Shareholding during the year (01-04-2015 to 31-03-2018)	
	No. of Shares	% of total shares of the company	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

(iv) 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	58000	1.30	NIL
2.	RANI SINGHAL	56242	1.26	NIL	NIL	56242	1.26	NIL
3.	PAWAN GUPTA	46000	1.03	NIL	NIL	46000	1.03	NIL
4.	AASHKA K. SHAH	38163	0.85	NIL	NIL	38163	0.85	NIL
5.	NIRMAL BANG SECURITIES PVT. LTD.	36834	36834	0.82	(12973) (387) (14769) (8705)	NIL	NIL	0.82
6.	HEMENDRA MEHTA	39189	0.88	NIL	NIL	39189	0.88	NIL
7.	ISHAAN SHAH	33070	0.74	NIL	NIL	33070	0.74	NIL
8.	MAMATA MAHESHKUMAR AGRAWAL	32179	0.72	NIL	NIL	32179	0.72	NIL
9.	MAHESHKUMAR MANGERAM AGARWAL	1000	0.02	NIL	37834	37834	0.85	0.85



10.	SHIKHAR KUCCHAL	30000	0.67	NIL	NIL	30000	0.67	NIL
11.	AHS BANQUETS PVT. LTD.	28500	28500	0.64	28500	28500	0.64	NIL

**(v) 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 (01-04-17 to 31-03-18)	
		No. of Shares	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	JAI KISHAN GUPTA	420670	9.4149	NIL	NIL	NIL	420670	9.4149
2	NAVEEN JAI KISHAN GUPTA	311820	6.9788	NIL	NIL	NIL	311820	6.9788
3	RAMESH CHAND	500	0.01	NIL	NIL	NIL	500	0.01
4	SUDHA GUPTA	0	0	NIL	NIL	NIL	0	0

**V. INDEBTNESS**

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	271571949	153224154	0	424796103
ii) Interest due but not paid	0	0		0
iii) Interest accrued but not due	0	0		0
<b>Total (i+ii+iii)</b>	<b>271571949</b>	<b>153224154</b>	<b>0</b>	<b>424796103</b>
Change in Indebtness during the financial year				
Addition	0	0	0	0
Reduction	41087553.43	62515175	0	103602728.43
<b>Net Change Indebtness</b>	<b>41087553.43</b>	<b>62515175</b>	<b>0</b>	<b>103602728.43</b>
At the end of the financial year				
i) Principal Amount	230484395.57	90708979	0	321193374.57
ii) Interest due but not paid	0	0		0
iii) Interest accrued but not due	0	0		0
<b>Total (i+ii+iii)</b>	<b>230484395.57</b>	<b>90708979</b>	<b>0</b>	<b>321193374.57</b>

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

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sr.No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
		<b>NAVEEN GUPTA</b>	
1	Gross Salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	6,00,000	6,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission- as % of profit, others, specify...	-	-
5	Others, please specify :	-	-
	Total (A) (in'000)	6,00,000	6,00,000
	Ceiling as per the Act		

B. Remuneration / Fees to other directors:

S.No.	Particulars of Remuneration	Name of Directors		Total Amount
	Independent Directors	RAMESH CHAND	SUDHA GUPTA	
	Fee for attending board committee meetings	NIL	NIL	NIL
	Commission			
	Others, please specify			
	<b>Total (1)</b>	NIL	NIL	<b>NIL</b>
Total Managerial Remuneration Overall Ceiling as per the Act				

C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD

Sr. No.	Particulars of Remuneration	Key Managerial Personnel			Total Amount
		CEO	Company Secretary	CFO	
1	Gross salary	N.A.	N.A.		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			240000	240000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			-	-
2	Stock Option			-	-
3	Sweat Equity			-	-
4	Commission - as % of profit - others, specify...			-	-
5	Others, please specify			-	-
	Total			240000	240000

VII. 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)
<b>A. COMPANY</b>					
Penalty			None		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			None		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			None		
Punishment					
Compounding					

Regd. Office:

701, Avdhesh House,  
Opp. Gurudwara,  
Near Thaltej Chokdi,  
Ahmedabad - 380054. Gujarat  
Date: 26.08.2019

By Order of the Board  
For, Kalptaru Papers Limited

Jaikishan B. Gupta  
Chairman

DIN: 00148067

## INDEPENDENT AUDITORS' REPORT

To,

The Members of KALPTARU PAPERS LIMITED

### REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

#### Opinion

We have audited the accompanying standalone Financial Statements of **KALPTARU PAPERS LIMITED**. ('the Company') which comprise the balance sheet as at 31st March, 2019 and the statement of Profit and Loss and statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including accounting standards specified under section 133 of the act, of the state of affairs (financial position) of the company as at 31 March 2019, and its Profit & Loss (financial performance), its cash flows and the changes in equity for the year ended on that date.

#### Basis of Opinion

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

#### Material Uncertainty Related to Going Concern

The Company's net worth is negative and the borrowings from banks and financial institutions have been classified by the lenders as non-performing assets during the year. We were informed that the Company is also in the process of identifying alternative business plans to improve the performance of the Company and to initiate a One Time Settlement (OTS) with the Invent ARC Pvt Ltd an private Asset Securitisation and Reconstruction Company under the Securitisation Act, a decision is yet to be taken by the lenders regarding restructuring of the Company's borrowings.

The above factors cast a significant uncertainty on the Company's ability to continue as a going concern. Pending the resolution of the above uncertainties, the Company has prepared the aforesaid statement on a going concern basis.

#### Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Reporting of key audit matters as per SA 701, Key Audit Matters are not applicable to the Company as it is an unlisted Public company. Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

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

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Responsibility of Management for Standalone Financial Statements

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

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

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

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

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls systems in place and the operating effectiveness of such controls.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.

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

#### **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 enclose in the "**Annexure A**" hereto a statement on the matters specified in paragraphs 3 and 4 of the said 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 it appears from our examination of those books;
  - c) The Balance Sheet and Statement of Profit and Loss and the cash flow statement dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of written representations received from the Directors, as on March 31, 2019 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on March 31, 2019 from being appointed as a director in terms of clause of sub-section (2) of section 164 of the Companies Act, 2013;
  - 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**".

- g) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us :
- The company does not have any pending litigation which would impact its financial position.
  - The Company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses.
  - There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

for **PAVAN MAHESHWARI AND CO.**  
Chartered Accountants  
FRN NO : 008273N

**CA MAYANK MAHESHWARI**  
(PARTNER)  
M. NO. : 528153  
UDIN - 19528153AAAAAU4831

Place : AHMEDABAD  
Date : 26/08/2019

#### ANNEXURE TO THE AUDITORS' REPORT

Annexure Referred to in Para – 1 under the heading "Report on Other Legal and Regulatory Requirement" of our Report of Even Date to the financial statements of the Company for the year ended **March, 2019**:

- In relation to **Fixed Assets**:-
  - The Company has not maintained proper and complete records showing full particulars including Quantitative details and situation of fixed assets.
  - As explained to us, the fixed assets have been physically verified by the management during the year, which in our opinion is reasonable, having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such physical verification.
  - According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- As explained to us, inventories have been physically verified by the management at regular intervals during the year. The discrepancies noticed (if any) on physical verification of the inventory as compared to books records has been properly dealt with in the books of accounts and were not material.
- The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 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.
- The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- As per the information and explanation given to us, the co has maintained proper records as prescribed by Central Government U/s 148 (1) of the Companies Act, 2013 in respect of the activities carried on the by the Company.
- According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2019 for a period of more than six months from the date on when they become payable except for the following:-

#### STATEMENT OF UNDISPUTED DUES

Name of Statute	Nature of Due	Amount (Rs.)
GST Payable	IN-DIRECT TAX	122,906.72/-
VAT Payable		36,286.00/-
SGST/CGST Payable		72,796.00/-
T D S on Interest	DIRECT TAX	188,434.00/-
T D S on Contractor (94C)		5,000.00/-
T D S on Salary (92B)		1,963.00/-
Professional Tax Payable		1,900.00/-

- 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 as at March 31, 2019.

8. In our opinion and according to the information and explanations given to us, the Company has previously defaulted in the repayment of dues to banks and financial institutions and Loan amount have been transferred to Asset Recovery Company M/s Invent ARC Pvt Ltd amounting to INR 22,58,21,929/-, as per management representation same would be settled in next financial year. Also, Company has taken Loan from LIC amounting to 46,62,466/- The Company has not taken any loan from government and has not issued any debentures.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
10. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. 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 and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

for **PAVAN MAHESHWARI AND CO.**

Chartered Accountants  
FRN NO : 008273N

**CA MAYANK MAHESHWARI**

(PARTNER)

M. NO. : 528153

UDIN - 19528153AAAAAU4831

Place : AHMEDABAD

Date : 26/08/2019

#### **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 31st March 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 with reference to these financial statements.

### **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 with reference to these financial statement were operating effectively as at 31 March 2019, 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 **PAVAN MAHESHWARI AND CO.**

Chartered Accountants

FRN NO : 008273N

**CA MAYANK MAHESHWARI**

(PARTNER)

M. NO. : 528153

UDIN - 19528153AAAAAU4831

Place : AHMEDABAD

Date : 26/08/2019

**BALANCE SHEET AS AT 31ST MARCH, 2019**

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>(1) Shareholder's Funds</b>			
(a) Share Capital	1	44,681,200	44,681,200
(b) Reserves and Surplus	2	(319,894,182)	(207,749,255)
(c) Money received against share warrants		-	-
<b>(3) Non-Current Liabilities</b>			
(a) Long-Term Borrowings	3	95,371,445	157,271,906
(b) Deferred Tax Liabilities (Net)	4	-	-
(c) Other Long Term Liabilities	5	84,074,366	51,606,851
(d) Long Term Provisions	6	1,525,877	1,525,877
<b>(4) Current Liabilities</b>			
(a) Short-Term Borrowings	7	-	17,702,267
(b) Trade Payables	8	19,066,946	26,269,226
(c) Other Current Liabilities	9	230,041,345	258,795,340
(d) Short-Term Provisions	10	1,829,802	2,189,903
<b>Total Equity &amp; Liabilities</b>		<b>156,696,799</b>	<b>352,293,316.39</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
<b>(a) Fixed Assets</b>			
1) Tangible Assets	11	97,376,653	161,938,030
2) Intangible Assets		-	-
3) Capital Work-in-progress		-	95,465,684
4) Intangible Assets under Development		-	-
(b) Non-current investments	12	46,000	46,000
(c) Deferred tax assets (net)	13	-	23,346,600
(d) Long term loans and advances	14	17,161,830	5,189,640
(e) Other non-current assets		-	-
<b>(2) Current Assets</b>			
(a) Current investments		-	-
(b) Inventories	15	10,025,340	10,025,340
(c) Trade receivables	16	7,428,778	30,745,793
(d) Cash and cash equivalents	17	4,383,355	5,580,252
(e) Short-term loans and advances	18	-	-
(f) Other current assets	19	20,274,843	19,955,977
<b>Total Assets</b>		<b>156,696,799</b>	<b>352,293,316</b>

**NOTES TO ACCOUNTS**

01-31

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 Pavan Maheshwari and Co.**  
Chartered Accountants

**CA Mayank Maheshwari**  
(Partner)

Place : Ahmedabad  
Date : 26/08/2019

M.No: 528153  
FRN No. 008273N



**PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2019**

Particulars	Note No.	Figures as at the end of the current reporting period (₹)	Figures as at the end of the Previous reporting period (₹)
I Revenue from operations	20	1,025,000	22,764,506
II Other Income	21	35,916,315	25,533,577
<b>III Total Revenue</b>	<b>(I + II)</b>	<b>36,941,315</b>	<b>48,298,083</b>
<b>IV Expenses:</b>			
Cost of materials consumed	22	-	3,228,191
Purchase of Stock-in-Trade	23	-	-
Manufacturing & Operating Cost	24	-	4,957,020
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	25	-	284,849
Employee Benefit Expense	26	2,361,141	2,245,457
Financial Costs	27	5,493,284	3,810,635
Depreciation and Amortization Expense	28	10,681,841	27,999,408
Other Administrative Expenses	29	11,725,419	9,660,537
<b>Total Expenses</b>	<b>(IV)</b>	<b>30,261,686</b>	<b>52,186,097</b>
V Profit before exceptional and extraordinary items and tax (III - IV)		6,679,629	(3,888,015)
VI Exceptional Items (Refurbishment Exp Satpuda Writen Off)		95,477,956	-
		-	(64,605,919.72)
VII Profit before extraordinary items and tax	(V - VI)	(88,798,327)	(3,888,015)
VIII Prior Period Items	30	-	-
IX Profit before tax	(VII - VIII)	(88,798,327)	(3,888,015)
<b>X Tax expense:</b>			
(1) Current tax		-	-
(2) Deferred tax		23,346,600	(23,346,600)
XI Profit(Loss) from the perid from continuing operations	(IX-X)	(112,144,927)	19,458,585
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)	(112,144,927)	19,458,585
<b>XVI Earning per equity share:</b>			
(1) Basic		(25.10)	4.35
(2) Diluted		(25.10)	4.35

**NOTES TO ACCOUNTS**

01-31

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 Pavan Maheshwari and Co.**  
Chartered Accountants

**CA Mayank Maheshwari**  
(Partner)

Place : Ahmedabad  
Date : 26/08/2019

M.No: 528153  
FRN No. 008273N

NOTES TO THE FINANCIAL STATEMENTS

Particulars	As on 31.03.2019 Amount (₹)	As on 31.03.2018 Amount (₹)
<b>Note : 1 Share Capital</b>		
<b>Authorized Shares:-</b>		
10000000 Equity Shares of ₹ 10/- each.	100,000,000.00	100,000,000.00
<b>Issued, Subscribed &amp; Paid up:-</b>		
To the Subscribers of the Memorandum		
4468120 Equity Shares of ₹ 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 : 2 Reserve & Surplus**

Particulars	As on 31.03.2019 Amount (₹)	As on 31.03.2018 Amount (₹)
1 <b>Capital Reserve*</b>	2,227,470.00	2,227,470.00
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	(216,964,925.60)	(236,423,510.84)
Less: Tax on Regular Assessment Paid	-	-
Add/(Less): Profit/(Loss) for the period	(112,144,927.36)	19,458,585.24
Transfer from/(to) General Reserve	-	-
Proposed Dividend	-	-
Tax on Proposed Dividend	-	-
Closing Balance	(329,109,852.96)	(216,964,925.60)
<b>Total</b>	<b>(319,894,181.96)</b>	<b>(207,749,254.60)</b>

**Note : 3 Long Term Borrowings**

Particulars	As on 31.03.2019 Amount (₹)	As on 31.03.2018 Amount (₹)
1 Bonds / Debentures	-	-
2 Term Loan (Secured)		
- From Bank (after 12 months)	-	-
- From Other Parties (after 12 mts)	4,662,466.00	4,047,752.00
3 Deferred Payment Liabilities	-	-
4 Deposit	-	-
5 Loans & Advances From Related Parties	1,481,302.00	13,600,000.00
6 Long Term Maturities of Finance lease obligation	-	-
7 Loans From Directors & Shareholders	77,150,000.00	94,100,000.00
8 Other Loans & Advances	12,077,677.00	45,524,154.00
<b>Total</b>	<b>95,371,445.00</b>	<b>157,271,906.00</b>

## NOTES TO THE FINANCIAL STATEMENTS

**Note : 4 Deferred Tax Liabilities (Net)**

Particulars	As on 31.03.2019 Amount (₹)	As on 31.03.2018 Amount (₹)
<b>1 Deferred Tax Liability on account of:-</b>		
Depreciation	-	-
<b>2 Deferred Tax Assets on account of:-</b>		
(i) Gratuity	-	-
(ii) Earn Leave	-	-
(iii) Bonus Payable	-	-
(iv) Loss c/f	-	-
<b>Total</b>	-	-

**Note : 5 Other Long Term Liabilities**

Particulars	As on 31.03.2019 Amount (₹)	As on 31.03.2018 Amount (₹)
1 Advance from Spl.Land Acquisition Authority	44,688.00	44,688.00
2 Trade Deposits	-	125,000.00
3 Advance against Plant & Machinery	14,500,000.00	9,794,892
4 Advance against Land	69,529,678.00	41,642,271
<b>Total</b>	<b>84,074,366.00</b>	<b>51,606,851.00</b>

**Note : 6 Long Term Provisions**

Particulars	As on 31.03.2019 Amount (₹)	As on 31.03.2018 Amount (₹)
<b>1 Provision For Employees Benefit</b>		
Gratuity Payable	1,525,877.00	1,497,031.00
<b>2 Others</b>	-	-
<b>Total</b>	<b>1,525,877.00</b>	<b>1,497,031.00</b>

**Note : 7 Short Term Borrowings**

Particulars	As on 31.03.2019 Amount (₹)	As on 31.03.2018 Amount (₹)
<b>1 Loan Repayable on Demand</b>		
- From Bank	-	-
- From Other Parties	-	-
<b>2 Loans &amp; Advances From Related Parties</b>	-	-
<b>3 Depoits</b>	-	-
<b>4 Others loans &amp; Advances</b>	17,702,267.17	29,202,267.17
<b>Total</b>	<b>17,702,267.17</b>	<b>29,202,267.17</b>

**NOTES TO THE FINANCIAL STATEMENTS**

**Note : 8 Trade Payable**

Particulars	As on 31.03.2019 Amount (₹)	As on 31.03.2018 Amount (₹)
1 Payable against Materiel/Supplies	19,066,946.18	26,269,226.18
<b>Total</b>	<b>19,066,946.18</b>	<b>26,269,226.18</b>

**Note : 9 Other Current Liabilities**

Particulars	As on 31.03.2019 Amount (₹)	As on 31.03.2018 Amount (₹)
1 Current Maturities of Long Term Debt (Secured)		
- From Bank (within 12 months)	225,821,929.57	249,821,929.57
- From Other Parties (within 12 mts)	-	-
2 Interest accrued but not due on borrowings	-	-
3 Interest accrued and due on borrowings	-	-
4 Statutory Dues	429,285.72	2,133,018.90
5 Unclaimed Dividend	-	-
6 Other Payables		
Creditors against Expenses	2,685,208.77	5,677,661.01
Creditors against Capital goods	1,104,920.83	1,162,730.83
Advance from Customers	-	-
<b>Total</b>	<b>230,041,344.89</b>	<b>258,795,340.31</b>

**Note : 10 Short Term Provisions**

Particulars	As on 31.03.2019 Amount (₹)	As on 31.03.2018 Amount (₹)
1 <b>Provision For Employees Benefit</b>		
Providend Fund Payable	-	-
Bonus Payable (10-11)	50,498.00	52,238.00
Bonus Payable (11-12)	39,445.00	41,460.00
Bonus Payable (12-13)	84,004.00	109,511.00
Bonus Payable (13-14)	343,254.00	401,443.00
Earn Leave Payable	712,969.00	858,112.00
2 <b>Others</b>		
Salary Payable	584,377.40	622,979.32
Provision for Interest	-	-
Labour Charges (Contractor) Payable	-	-
Audit Fee Payable	15,254.24	100,000.00
Provision of Expense	-	4,160.00
<b>Total</b>	<b>1,829,801.64</b>	<b>2,189,903.32</b>

## NOTES TO THE FINANCIAL STATEMENTS

## NOTE 11 - DEPRECIATION CHART AS PER COMPANIES ACT FOR THE PERIOD 01/04/2018 TO 31/03/2019

Amount in ₹

Sr. No.	Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		Value at the beginning	Additions during the Year	Deduction during the year	Value at the end	Value at the beginning	Sales / Adjustments	Depreciation of the year	Total Depreciation	WDV as on 31.03.2019	WDV as on 31.03.2018
I	<u>Tangible Assets</u>										
1	Land	774,539.00	-	216,467.00	558,072.00	-	-	-	-	558,072.00	774,539.00
2	Building	78,380,974.00	-	28,172,483.00	50,208,491.00	29,579,004.00	17,200,129.00	1,455,619.00	13,834,494.00	36,373,997.00	48,801,970.00
3	Plant and Machinery	248,975,744.00	-	135,852,676.00	113,123,068.00	147,028,234.00	94,594,373.00	7,137,184.00	59,571,045.00	53,552,023.00	101,947,510.00
4	Electrical Installation	32,243,208.00	-	13,402,392.00	18,840,816.00	22,676,346.00	11,918,671.00	1,970,086.00	12,727,761.00	6,113,055.00	9,566,862.00
5	Furnitures & Fixtures	2,249,226.00	71,311.00	-	2,320,537.00	2,111,787.00	-	8,326.00	2,120,113.00	200,424.00	137,439.00
6	Office Equipment	1,048,759.00	-	20,000.00	1,028,759.00	700,600.00	-	62,864.00	763,464.00	265,295.00	348,159.00
7	Vehicles	6,275,732.00	-	-	6,275,732.00	5,914,183.00	-	47,762.40	5,961,945.40	313,786.60	361,549.00
	<b>SUB TOTAL (A)</b>	<b>369,948,182.00</b>	<b>71,311.00</b>	<b>177,664,018.00</b>	<b>192,355,475.00</b>	<b>208,010,154.00</b>	<b>123,713,173.00</b>	<b>10,681,841.40</b>	<b>94,978,822.40</b>	<b>97,376,652.60</b>	<b>161,938,029.89</b>
II	<u>Intangible Assets</u>										
1	Software	279,000.00	-	-	279,000.00	279,000.00	-	-	279,000.00	-	-
	<b>SUB TOTAL (B)</b>	<b>279,000.00</b>	<b>-</b>	<b>-</b>	<b>279,000.00</b>	<b>279,000.00</b>	<b>-</b>	<b>-</b>	<b>279,000.00</b>	<b>-</b>	<b>-</b>
III	<u>Capital Work-in-progress</u>										
1	Capital Work-in-progress	95,465,684.00	12,272.00	95,477,956.00	-	-	-	-	-	-	95,465,684.00
	<b>SUB TOTAL (C)</b>	<b>95,465,684.00</b>	<b>12,272.00</b>	<b>95,477,956.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>95,465,684.00</b>
	<b>Total [A + B + C] Current Year)</b>	<b>465,692,866.00</b>	<b>83,583.00</b>	<b>273,141,974.00</b>	<b>192,634,475.00</b>	<b>208,289,154.00</b>	<b>123,713,173.00</b>	<b>10,681,841.40</b>	<b>95,257,822.40</b>	<b>97,376,652.60</b>	<b>257,403,713.89</b>

**NOTES TO THE FINANCIAL STATEMENTS**

Particulars	As on 31.03.2019 Amount (₹)	As on 31.03.2018 Amount (₹)
<b>Note : 12 Non Current Investment</b>		
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	-	-
<b>Total</b>	<b>46,000.00</b>	<b>46,000.00</b>
<b>Investment in Equity Shares:-</b> (Quoted, Non-Trade) 4600 shares of ₹ 10/- face value of Gujrat State Financial Corporation Ltd. (G.S.F.C.) having market value of ₹ 3.00 per share as on 31/03/2016.		
<b>Note : 13 Deferred Tax Assets (Net)</b>		
1 Deferred Tax Liability on account of:- Derpeciation	-	- 53,156,014.00
	-	- 53,156,014.00
2 Deferred Tax Assets on account of:-		
(i) Gratuity	-	392,913.00
(ii) Earn Leave	-	220,963.00
(iii) Bonus Payable	-	155,698.00
(iv) Loss c/f	-	75,733,040.00
	-	76,502,614.00
<b>Total</b>	<b>-</b>	<b>23,346,600.00</b>
<b>Note : 14 Long Term Loans and Advances</b>		
I) <b>Capital Advances</b>		
a) Secured, Considered Good :	-	-
b) Unsecured, Considered Good :	16,620,000.00	4,677,810.00
c) Doubtful	-	-
II) <b>Security Deposit</b>		
a) Secured, Considered Good :	541,830.00	511,830.00
b) Unsecured, Considered Good :	-	-
c) Doubtful	-	-
<b>Total</b>	<b>17,161,830.00</b>	<b>5,189,640.00</b>
<b>Note : 15 Inventories</b>		
1 Finished Goods	81,360.00	81,360.00
2 Goods in Transit	-	-
3 Raw Material	33,800.00	33,800.00
4 Stores & Spare Parts	9,910,180.06	9,910,180.06
5 Work in Progress	-	-
6 Packing Material	-	-
<b>Total</b>	<b>10,025,340.06</b>	<b>10,025,340.06</b>

## NOTES TO THE FINANCIAL STATEMENTS

Particulars	As on 31.03.2019 Amount (₹)	As on 31.03.2018 Amount (₹)
<b>Note : 16 Trade Recievables</b>		
<b>1 Outstanding for more than six months</b>		
a) Secured, Considered Good :	-	-
b) Unsecured, Considered Good :	6,910,571.93	12,030,524.43
c) Doubtful	-	-
<b>2 Others</b>		
a) Secured, Considered Good :	-	-
b) Unsecured, Considered Good :	518,206.00	18,715,268.80
c) Doubtful	-	-
<b>Total</b>	<b>7,428,777.93</b>	<b>30,745,793.23</b>
<b>Note : 17 Cash &amp; Cash Equivalents</b>		
<b>1 Cash &amp; Bank Balances</b>		
a) Cash in Hand	179,461.00	122,065.10
b) Balance with Banks	1,189,055.50	1,116,136.11
<b>2 Other Bank Balances</b>		
a) Unclaimed Dividend Account	-	0
<b>3 Others</b>		
Margin Money with Bank	3,014,838.00	4,342,051.00
<b>Total [ 1 + 2 + 3 ]</b>	<b>4,383,354.50</b>	<b>5,580,252.21</b>
<b>Note : 18 Short Terms Loans and Advances</b>		
<b>1 Loans &amp; Advances to related parties</b>		
a) Secured, Considered Good :		
b) Unsecured, Considered Good :		
c) Doubtful		
<b>2 Others</b>		
Inter Unit Balance	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>Note : 19 Other Current Assets</b>		
<b>1 Advance Recoverable in cash or in kind</b>	<b>3,562,713.00</b>	<b>3,259,459.00</b>
<b>2 Advance to Staff</b>	<b>182,324.00</b>	<b>173,414.00</b>
<b>3 Advance to Suppliers</b>	<b>12,827,917.00</b>	<b>12,827,917.00</b>
<b>4 Advance Income Tax/Refund Due</b>	<b>-</b>	<b>-</b>
<b>5 Indirect Taxes/Claims recoverables</b>	<b>3,535,057.24</b>	<b>3,531,355.00</b>
<b>6 Advance against Expenses</b>	<b>166,832.00</b>	<b>163,832.00</b>
<b>Total</b>	<b>20,274,843.24</b>	<b>19,955,977.00</b>
<b>Note : 20 Revenue from Operations</b>		
<b>1 Sales (Net of Return)</b>	<b>1025000.00</b>	<b>22,764,505.50</b>
Less:-Excise Duty	-	-
<b>Total</b>	<b>1025000.00</b>	<b>22,764,505.50</b>

NOTES TO THE FINANCIAL STATEMENTS

Particulars	As on 31.03.2019 Amount (₹)	As on 31.03.2018 Amount (₹)
<b>Note : 21 Other Income</b>		
1 Interest Income		
(i) Interest Received	235,020.00	306,150.00
(ii) Interest on I.Tax Refund	-	-
2 Dividend Income	-	-
3 Net Gain on Sale of Investments	-	-
4 Other non-operating income		
(i) Insurance Claim Received	-	-
(ii) Foreign Exchange Fluctuation	-	83,173.00
(iii) Balance Written Off	308,957.00	101,021.52
(iv) Prior period adjustments (Net)	-	-
(v) Rent Income	1,200,000.00	-
(vi) Profit on Sale of Assets	34,172,337.55	25,126,405.60
<b>Total</b>	<b>35,916,314.55</b>	<b>25,533,577.12</b>
<b>Note : 22 Cost of Material Consumed</b>		
<b>Raw Materials</b>		
Opening Stock	33,800.00	3,261,991.00
Purchases (including Direct cost)	-	-
Less:-Closing Stock	(33,800.00)	(33,800.00)
<b>Total</b>	<b>-</b>	<b>3,228,191.00</b>
<b>Note : 23 Purchase of Stock-in-Trade</b>		
1 Purchase Account Trading	-	-
<b>Total</b>	<b>-</b>	<b>-</b>
<b>Note : 24 Manufacturing &amp; Operating Cost</b>		
1 Building Repair & Maintenance	-	-
2 Commission on Purchase	-	-
3 Machinery Repairs & Maintenance	-	-
4 Electric Repairs & Maintenance	-	-
5 Power, Electricity & Water Charges	-	-
6 Manufacturing Expenses (Others)	-	-
7 Stores & Spare Parts Consumed	-	4,957,020.48
8 Packing Material Consumed	-	-
<b>Total</b>	<b>-</b>	<b>4,957,020.48</b>
<b>Note : 25 Change in Inventories</b>		
1 <b>Opening Stock</b>		
(i) Finished Goods	81,360.00	366,209.00
(ii) Work in Progress	-	-
	<b>81,360.00</b>	<b>366,209.00</b>
2 <b>Closing Stock</b>		
(i) Finished Goods	81,360.00	81,360.00
(ii) Work in Progress	81,360.00	81,360.00
<b>Total</b>	<b>-</b>	<b>284,849.00</b>



## NOTES TO THE FINANCIAL STATEMENTS

Particulars	As on 31.03.2019 Amount (₹)	As on 31.03.2018 Amount (₹)
<b>Note : 26 Employment Benefit Expenses</b>		
1 Bonus Expense	-	-
2 Earn Leave Expense	-	-
3 Gratuity Expense	12,462.00	28,846.00
4 Provident Fund Contribution	-	-
5 Recruitment Expense	-	-
6 Salary ( Staff )	1,354,901.00	1,453,516.00
7 Salary ( Worker )	75,025.00	-
8 Director Remuneration	600,000.00	600,000.00
9 Salary(CFO)	240,000.00	120,000.00
10 Staff Welfare & Medical Exp.	78,753.00	43,095.00
<b>Total</b>	<b>2,361,141.00</b>	<b>2,245,457.00</b>
<b>Note : 27 Financial Cost</b>		
1 Bank Charges Interest & Commission	2,111,065.48	3,799,284.18
2 Interest on Term Loan	-	-
3 Other Interest	-	-
On TDS	375.00	-
Other	3,381,844.00	11,351.00
4 Loan Processing Charges	-	-
<b>Total</b>	<b>5,493,284.48</b>	<b>3,810,635.18</b>
<b>Note : 28 Depreciation &amp; Amortised Cost</b>		
1 Depreciation	10,681,841.40	27,999,407.67
<b>Total</b>	<b>10,681,841.40</b>	<b>27,999,407.67</b>
<b>Note : 29 Other Expenses</b>		
1 Advertisement Expenses	18,563.80	57,352.38
2 Audit Fees	25,000.00	100,000.00
3 Rebate & Discount	5,164.70	- 2,167.30
4 Donation & Charity	-	-
5 Electric Power ( Office )	121,145.00	161,595.00
6 Foreign Exchange Fluctuation	-	48,848.35
7 Freight & Cartage Outward	30,290.00	265,955.00
8 Insurance Expenses	230,259.00	700,900.00
9 Internal Audit Fee	-	110,000.00
10 Legal & Professional Fee	3,265,980.43	5,556,191.07
11 Balance written off	-	-
12 Miscellaneous Expenses	82,591.22	166,325.59
13 Postage & Telegram Expenses	24,409.17	19,078.00
14 Printing & Stationary	49,060.47	47,684.00
15 Rent	210,000.00	210,000.00
16 Repair & Maintenance Exp.	227,359.26	306,806.74
17 Subscription & Membership Fee	14,000.00	24,277.65
18 Travelling Expense ( Other Than Director)	62,112.32	22,488.64
19 Travelling Expense (Director)	651,213.68	322,826.45
20 Telephone Expense	76,218.47	99,985.98
21 Office Expenses	80,480.00	48,679.00
22 Municipal Tax	76,535.00	71,428.00
23 Service tax written off	-	63,444.64
24 Security and Misc Cleaning Work at Factory	1,250.00	12,301.00
25 Power Expenditures at Factory	5,207,432.00	-
26 Penalty	1,410.00	1,500.00
27 Office Maintenance (Avdresh)	67,596.00	52,797.00
28 Land Revenue Karoli	-	429,717.00
29 Commission Against Sale ( Machinery ) GST	194,000.00	200,000.00
30 Vehicle Running Repairing and Maintenance	677,027.92	500,690.61
31 Professional Tax-Company	-	5,099.00
32 Sales Tax Exp	220,286.00	19,050.00
33 Plotting Work & Building Demarcation	-	10,000.00
34 Hotel, Boarding & Lodging Expense	106,034.59	27,683.25
<b>Total</b>	<b>11,725,419.03</b>	<b>9,660,537.05</b>

**NOTES TO THE FINANCIAL STATEMENTS**

Particulars	As on 31.03.2019 Amount (₹)	As on 31.03.2018 Amount (₹)
<b>Note : 30 Prior Period Items</b>		
Sr.No	Particulars	
1	Prior Period Expenses	-
2	Prior Period Incomes	0.00
<b>Total</b>		

**Note : 31 Accounting Policies & Notes on Accounts**

**1. Significant Accounting Policies :**

**Basis of preparation:**

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). These financial statements have been prepared to comply in all material respects with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956/2013. The financial statements have been prepared under the historical cost consistently applied by the company are consistent with those used in the previous year.

**Use of Estimates:**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

**2. Tangible Fixed Assets :**

- Fixed assets are stated at cost less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and directly attributable cost of bringing the asset to its working condition for its intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.
- No Borrowing costs relating to acquisition of tangible assets incurred during the year.

**3. Intangible Fixed Assets :**

No Intangible assets appearing during the financial year.

**4. Impairment of Assets :**

- The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss is recognizing wherever the carrying amount of an assets exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the asset. Net selling price is the amount obtainable from the sale of an assets in an arm's length transactions between knowledgeable, willing parties, less the costs of disposal.
- After impairment, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.

**5. Depreciation and Amortizations :**

Depreciation on the fixed assets is provided as per useful life method as per the rates prescribed. Useful life have been determined based on technical valuation done by management experts which are higher or lower than specified in Schedule II of Companies Act, 2013. In order to reflect actual uses of asset, the residual value are not more than 5% of the original cost of asset. The asset residual value and useful life are reviewed and adjusted, if appropriate, at the end of each reporting period. An asset carrying amount is written down immediately to its recoverable amount if the asset carrying amount is greater than its estimated recoverable amount.

**6. Investments :**

Company is holding shares of Gujarat State Finance Corporation Ltd. amounting Rs. 46000/- . Valuation is based on historical cost. Dividends thereon are accounted as and when received.

**7. Employee Benefits :**

Employee benefits include provident fund, employee state insurance scheme, gratuity fund and Compensated absences.

**8. Inventories :**

Closing Stock of the company has been valued at cost price.

**9. Borrowings Costs :**

Borrowings costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest, exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost and other costs that an entity incurs in connection with the borrowing of funds.

## NOTES TO THE FINANCIAL STATEMENTS

### 10. Revenue Recognition :

#### Revenue from Operations

- Sale and operating income includes sale of products, etc.
- Sale of goods are recognized, net of return and trade discounts, on transfer of significant risks and rewards of ownership to the buyer. Sales include excise duty but exclude GST and value added tax.

#### Other Income

- Interest income is recognized on time proportion basis.
- It also includes Balance Written Off and Profit on Sale of Assets.

### 11. Taxation :

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

- Deferred tax expense or benefit is recognized on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.
- Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted by the balance sheet date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss account. Deferred tax assets and Deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities relate to the taxes on income levied by the same governing taxation laws.
- Deferred tax liabilities are recognized for all the taxable timing differences. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such Deferred tax assets can be realized. In situations where there the company has unabsorbed depreciation or carry forward tax losses. All Deferred tax assets are recognized only if there is virtual certainty supported by the convincing evidence that they can be realized against future taxable profits. In the situations where the company is entitled to tax holidays under the income tax act, 1961 enacted in India no Deferred tax ( assets or liability) is recognized in respect of timing differences which reverse after the tax holiday period is recognized in the year in which the timing differences originate.
- At each balance sheet date the company re-assesses recognized and unrecognized Deferred tax assets. The company write-down the carrying amount of a Deferred tax assets to the extent that it is no longer reasonably certain or virtually certain as the case may be, that sufficient future taxable income will be available against which the Deferred tax assets can be realized. Any such write down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available. The company recognizes unrecognized Deferred tax assets to the extent it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such Deferred tax assets can be realized.
- **Minimum alternate tax credit** is recognized as assets only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an assets in accordance with the MAT credit becomes eligible to be noted issued by the institute of chartered accountants of India, the said assets is created by way of a credit to the statements of profit and loss and shown as MAT credit Entitlement. The company reviews the MAT credit entitlements to the extent there is no longer convincing evidence to the effect that company will pay normal income tax during the specified period.

### 12. Earnings per share:

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

### 13. Provisions:

A provision is recognized when there exists a present obligations as a result of past events and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligations, and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to the present value and are determined based on best estimates required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

### 14. Contingent liabilities:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably, the company does not recognize a contingent liability but disclose its existence in the financial statements.

Company is facing various litigation which are pending at various courts. The decision of courts can impact the company financially. List of parties with whom litigation is pending is provided as under -

- Aroma Chemical at Ahmadabad District Court.
- Khandelwal sales at Ahmadabad District Court.

**15. Cash and Cash equivalent:**

Cash and Cash equivalents comprise cash at bank and in hand and Margin money with the Bank.

**16. Other Disclosures**

**1. Related Party disclosures :**

A	Enterprises Where Control Exists	Name	Holding %/Relationship	Nature of transactions
	1. Holding Company	NA	NA	NA
	2. Subsidiaries (Exent of Holding)	NA	NA	NA
B	Other Related Parties :	NA	NA	NA
	1. Joint Venture	NA	NA	NA
	2. Key Management Personal	Shri Naveen Gupta Shri Arpit Gupta	6.00 2.40	Director Remuneration Salary to CFO
	3. Other (Non Executive Chairman)	NA	NA	NA
	4. Employees' Benefil Plans where there is significant influence	NA	NA	NA
	5. Associate Concern and Other Related Parties	1. N N Intra-trade Services Pvt. Ltd. 2. JaiKishan & Sons. HUF 3. Naveen Gupta HUF	7.31 1.05 1.05	Interest Rent Rent

**2. Related Party Transactions:**

Sr.	Name of Related Person	PAN	Relation:	Nature of Transaction	Payment made (Amount)
1	Naveen Gupta	AAPPG6352E	Director	Director Remuneration	600000
2	Arpit Gupta	AISPG4740M	CFO	Salary/Remuneration	240000
3	N N Intrade Services Pvt. Ltd.	AAACB1266A	Associate Concern	Interest	731302
4	Jai Kishan & Sons. HUF	AAAHJ4425N	Associate Concern	Rent	105000
5	Naveen Gupta HUF	AABHN9620A	Associate Concern	Rent	105000

**3. Foreign currency transactions and translation**

There are no foreign currency transactions and translation.

**4. Foreign Exchange Earnings : NIL**

**Expenditure In Foreign Currency:**

Particulars	Current	Previous
Professional and consultants fees	NIL	NIL
Royalty	NIL	NIL
Import of stock-in-trade	NIL	NIL
Other expenses (advertisement fees, travel, freight, training, etc)	NIL	NIL

Particular	Current	Previous
Foreign exchange used and earned	NIL	NIL
Foreign exchange earnings	NIL	NIL
CIF Value of imports	NIL	NIL
Expenditure in foreign currency	NIL	NIL

**5. Other Accounting Standard Compliances:**

- For the compilation of the annual accounts for the financial year ended 2019, the applicable accounting standards have been followed along with proper explanation relating to the material departures.
- The Cash Flow statement is prepared by the indirect method set out in the accounting standards on cash flow statement. Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand.

For and on behalf of the Board

As per our report of even date attached

**Naveen Gupta**  
Managing Director  
DIN 00148096

**Jaikishan Gupta**  
Director  
DIN 00148067

**Arpit Gupta**  
Chief Financial Officer  
PAN AISPG4740M

**For Pavan Maheshwari and Co.**  
Chartered Accountants

**CA Mayank Maheshwari**  
(Partner)

M.No: 528153

FRN No. 008273N

Place : Ahmedabad  
Date : 26/08/2019

## CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31.03.2019

Particulars	Current Year Amount (₹)	Previous Year Amount (₹)
<b>[A] Cash Flow from Operating Activities</b>		
Net Profit after tax as per Profit and Loss Account	(112,144,927.36)	19,458,585.24
<b>Add: Adjustments for Non Cash Items</b>		
Deferred Tax	23,346,600.00	(23,346,600.00)
Depreciation	10,681,841.40	27,999,393.28
Loss on sale of Fixed Assets	-	-
Profit on sale of Fixed Assets	(34,172,337.55)	-
Provision for Taxes	-	0
Financial Charges Paid	5,493,284.48	3,810,635.18
Capital Expenditures Written off	95,477,956.00	0
<b>Operating Profit before Working Capital changes</b>		
Change in Inventory	-	9,175,030.48
Change in Trade Receivables	23,317,015.30	(18,689,099.16)
Change in Loans and Advances	-	(4,004,500.00)
Change in Other current Assets	(318,866.24)	894,556.41
Change in Other Non - Current Assets	-	-
Change in Trade Payable	(7,202,280.00)	(6,618,021.54)
Change in other Current Liabilities	(28,753,995.42)	(45,339,799.29)
Change in Long Term Provisions	-	28,846.00
Change in Short Term Provisions	(360,101.68)	118,291.00
Less : Tax Paid	-	-
<b>Net Cash Inflow from Operating Activities [A]</b>	<b>(24,635,811.07)</b>	<b>(36,512,682.40)</b>
<b>[B] Cash Flow from Investing Activities</b>		
Net Addition to Fixed Assets including Capital WIP	(83,583.00)	35,389,021.29
Sale of Fixed Assets	53,950,846.94	-
Profit on sale of Assets	34,172,337.55	-
Proceed from Investment	-	-
<b>Net Cash Inflow from Investing Activities [B]</b>	<b>88,039,601.49</b>	<b>35,389,021.29</b>
<b>[C] Cash Flow from Financing Activities</b>		
Proceeds / Repayment from Short Term borrowing	(17,702,267.17)	(11,500,000.00)
Proceeds from Long Term Borrowing	(61,900,461.00)	18,753,814.00
Proceeds from Long Term Liabilities	32,467,515.00	-
Increase in Long Term Loans & Advances	(11,972,190.00)	-
Financial Charges Paid	(5,493,284.48)	(3,810,635.18)
<b>Net Cash Inflow from Financing Activities [C]</b>	<b>(64,600,687.65)</b>	<b>3,443,178.82</b>
<b>Net Cash and Cash Equivalents [A + B + C]</b>	<b>(1,196,897.23)</b>	<b>2,319,517.71</b>
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>5,580,252.21</b>	<b>3,260,734.50</b>
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>4,383,354.98</b>	<b>5,580,252.21</b>

This is the Cash Flow referred to in our report of even date.  
For and on behalf of the Board

As per our report of even date attached

Naveen Gupta  
Managing Director  
DIN 00148096

Jaikishan Gupta  
Director  
DIN 00148067

Arpit Gupta  
Chief Financial Officer  
PAN AISPG4740M

For Pavan Maheshwari and Co.  
Chartered Accountants

CA Mayank Maheshwari  
(Partner)

Place : Ahmedabad  
Date : 26/08/2019

M.No: 528153  
FRN No. 008273N



Creating wealth from waste

CIN:U21019GJ1988PLC040325

Registered Office : 701, Avdhesh House, Opp. Gurudwara, Near Thaltej Chokdi, 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 31st Annual General Meeting of Kalptaru Papers Limited held at 701, Avdhesh House, Opp. Gurudwara, Near Thaltej Chokdi, Ahmedabad - 380054 at 11:00 a.m. on Monday, 30th day of September, 2019.

Registered Folio No. \_\_\_\_\_

DP Id.\* \_\_\_\_\_

No of Share Held \_\_\_\_\_

Client Id.\* \_\_\_\_\_

Member's / Proxy's name \_\_\_\_\_

Member's / Proxy's Signature( \_\_\_\_\_

In Block Letters

\*Applicable for investors holding shares in electronic form

KALPTARU PAPERS LIMITED

CIN:U21019GJ1988PLC040325

Registered Office : 701, Avdhesh House, Opp. Gurudwara, Near Thaltej Chokdi, 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 :

DP Id :

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 30th Annual General Meeting of the members of the company to be held on Monday, 30th day of September, 2019 at 11:00 a.m. and at any adjournment thereof in respect of such resolutions as are indicated below:

Table with 3 columns: Resolution No., Description, For, Against. Contains 3 rows of resolutions.

Signed this ..... day of ..... 2019

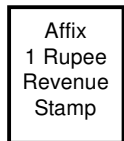
Signature of Shareholder .....

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

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

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

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



Note: 1. This form of proxy in order to be effective must be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not later than 48 hours before the commencement of the meeting.

2. Please put a '√' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.



Registered Office :

701, Avdhesh House, Opp. Gurudwara, Near Thaltej Chokdi, Ahmedabad-380054  
Tel.: 079 26858510/511 E-mail : [contact@kalptaru.co.in](mailto:contact@kalptaru.co.in) Website : [www.kalptaru.co.in](http://www.kalptaru.co.in)

---



31st Annual General Meeting of the Members of the Company

Kalptaru Papers Limited will be held on

Monday, 30th day of September, 2019 at 11:00 a.m. at

Registered office of the Company

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

If undelivered, please return to :

---



Registered Office :

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

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

---