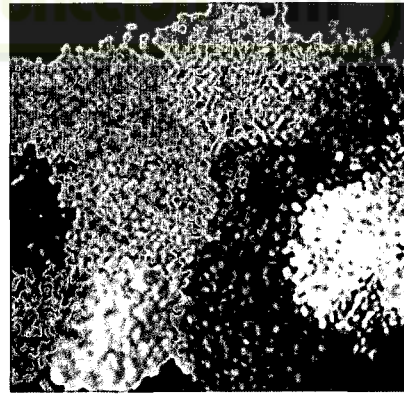
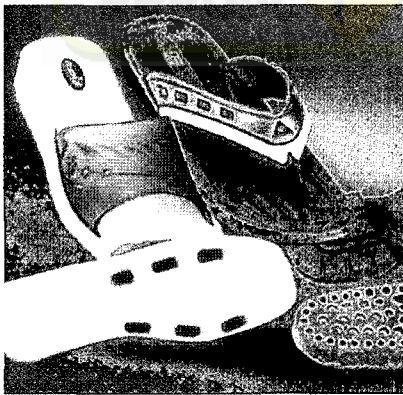
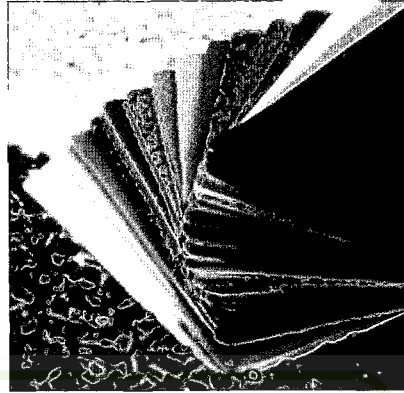




# Kalpena Industries Limited

*What you dream we **compound** into reality*



24th Annual Report 2008-2009

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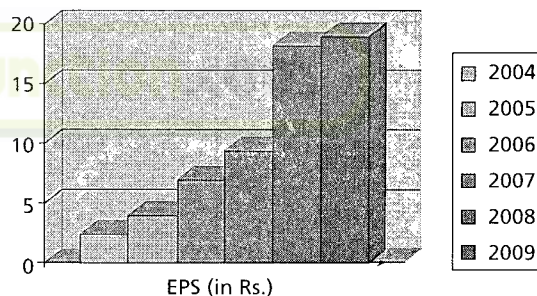
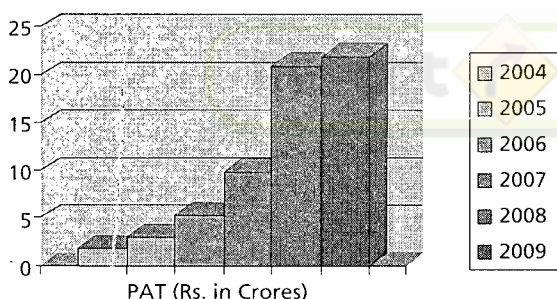
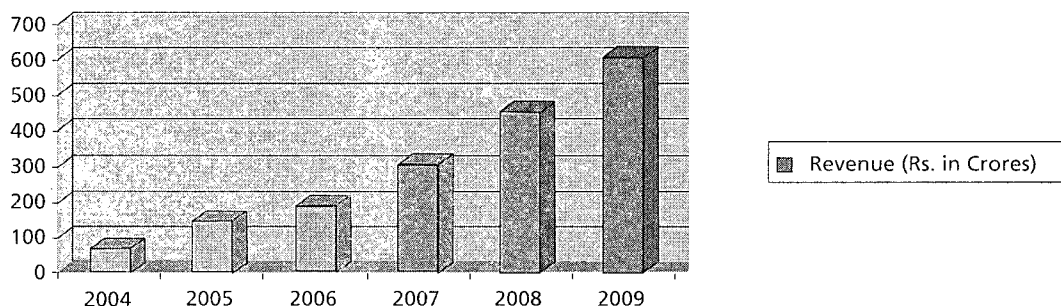
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## OUR VISION

Vision without action is just a dream  
 Action without vision merely passes the time  
 Vision with action can change the world

## Five Years at a Glance

Rs. In Crores:	2004	2005	2006	2007	2008	2009
Net Revenue	67.32	147.71	188.46	305.56	451.60	602.96
PAT	1.78	2.92	5.15	9.80	20.87	21.85
EPS (Rs.)	2.35	3.90	6.80	9.27	18.06	18.91



### Our Products

#### Cable Compounds

Moisture curable Saline Grafted XLPE  
 Peroxide XLPE  
 Semicon for both types of XLPE  
 PE Compound for Ariel Bunched Cable  
 Fire Retardant Compounds based on PVC, HFFR, Zero Halogen  
 Black Jacketing Compounds for telecom

#### Master Batches & Specialty Compounds

Wide range based on PE and PP - Application includes Raffia Tape, films, moulded and extruded plastic products.

#### Pipe Compounds

Wide range based on PVC, PP-R and moisture curable XLPE - Application include irrigation pipes, hot and cold water distribution pipes.

#### Footwear Compounds

Wide range based on PVC, TPR, EVA for foamed / compact shoe – soles and uppers.

## Corporate Information

**Chairman**

Mr. D. C. Surana

**Vice-chairman cum Managing Director**

Mr. N. S. Surana

**Non-Executive Director**

Mr. Nirmalendu Guha

Dr. Premomoy Ghosh

Dr. Rupak Dasgupta

**Senior President**

Mr. Jitendra Tiwari

Mr. R. K. Kothari

**Chief Financial Officer**

Mr. I. C. Dakalia

**Auditors**

M/s. D. C. Dharewa & Co.

Chartered Accountants

Report  Junction.com

**Company Secretary**

Mr. M. K. Jain

**Bankers**

Dena Bank

State Bank of India

Standard Chartered Bank

HSBC Bank

**Plant Location**

Bhasa, Diamond Harbour Road (W.B)

Daman (Union Territory)

Dadra I & II (Union Territory)

**Registrar & Share Transfer Agent**

S.K.Computers

(Unit Kalpena Industries Ltd.),

34/1A, Sudhir Chatterjee Street

Kolkata – 700 006

Tel: 91 – 33- 2219- 4815 / 6797

**Registered Office**

2B-Pretoria Street, Kolkata – 700 071.

Tel: 91 – 33- 2282 3744 / 3745 Fax: 91 – 33 – 2282 3739

[www.kapena-group.com](http://www.kapena-group.com)



## The Board

### Mr. D.C.Surana

Mr. D.C.Surana aged about 74 Years, has rich profile of experience in the field of plastic industry. He has got total 32 years of experience out of which he has been closely associated with the plastic industry from 1985. He has contributed his life long experience to promote this Company. He is the Chairman of the Company.

### Mr. N.S.Surana

Mr. N.S.Surana, aged around 47 years, is a B.Com (Hons.), and L.L.B from Calcutta University. He also has done his MBA from Harvard University (correspondence course). Currently he is holding the position of Managing Director cum Vice Chairman of the Company. He has been associated with the Company since inception. He has got start up experience in various projects, particularly in Plastic Industry. Due to his able leadership the Company has reached its present height.

### Mr. N. Guha

Mr. N.Guha, aged about 76 years, an engineer by profession, has been associated with the Company in the capacity of Independent Director. Mr. Guha has received his engineering degree from India and UK. His qualification include M.Tech (P.Eng & Mgt.), C.Eng, FIE (India), FI Plant E (UK), Hon FIPE, MMFI. Mr. Guha has wide experience in the Corporate world and has held distinguished positions in prestigious companies. He has remained Vice – Chairman and Managing Director of IFB Agro Industries and Chief Executive – MD and CM of Tea Trading Corporation of India.

### Dr. P.Ghosh

Dr. Premomoy Ghosh is aged about 72 years, is associated with the Company since 1993. He has been an outstanding scholar and done his B.Sc.(Hons), M.Sc.(Tech) and Phd from Calcutta University. He owns a commendable position in the field of plastic and polymers producing industries and possesses 37 years of experience in the corporate world. He is an Independent Non Executive Director of the Company.

### Dr. R. Dasgupta

Dr. R. Dasgupta, aged about 65 years, has been associated with the Company since 2003 as an Independent Director. He has done his M.Sc. from Jadavpur University and PhD from Calcutta University. He has held senior positions in Plastic and Polymer Industries and possesses more than 37 years of experience in the corporate arena.

## Notice

NOTICE IS HEREBY GIVEN that the 24<sup>th</sup> (Twenty-Forth) Annual General Meeting of the Members of KALPENA INDUSTRIES LIMITED will be held at Gyan Manch, 11, Pretoria Street, Kolkata – 700 071 on Tuesday, the 15<sup>th</sup> day of September, 2009, at 10.00 A.M. to transact the following Businesses.:

### AS ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2009 and the Profit & Loss Account for the year ended on that date together with the Directors' and the Auditors' Report thereon.
2. To declare dividend on equity shares for the financial year ended 31<sup>st</sup> March, 2009.
3. To appoint a director in place of Shri Premomoy Ghosh, who retires by rotation and being eligible offers himself for re-appointment.
4. To Appoint M/s. D. C. Dharewa & Co., Chartered Accountants, Retiring Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting and to fix their remuneration.

### AS SPECIAL BUSINESS:

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

RESOLVED THAT the ordinary resolutions under sections 94 and 16 and other applicable provisions, if any, of the Companies Act, 1956 for increasing the authorized share capital of the Company from Rs. 12,00,00,000/- to Rs. 15,00,00,000/- and amending Clause-V of the Memorandum of Association of the company, passed at the Extra-Ordinary General Meeting of the Company, held on the 26<sup>th</sup> day of April 2009, has not been acted upon by the Company in view of disputes between the Company on the one hand and Banyan Tree Growth Capital L.L.C. and Nederlandse Financierings Maatschappij Voor Ontwikkelingslanden N.V., on the other hand and, accordingly, it shall be deemed that such ordinary resolution was never passed by the shareholders of the Company and in any event such resolution shall stand cancelled and set aside with effect from 26<sup>th</sup> April, 2009, itself and the Authorized Share Capital of the Company shall continue to remain Rs. 12,00,00,000/- (Rupees twelve Crores) divided into 1,20,00,000 Equity Shares of Rs. 10/- each and Clause V of the Memorandum of Association of the Company shall continue to read as follows :-

#### Clause V

The Authorized Share Capital of the Company is Rs. 12,00,00,000/- ( Rupees Twelve Crores) only divided into 1,20,00,000 ( One Crore Twenty Lacs only) Equity Shares of Rs. 10/- (Rupees Ten) each with the rights, privileges and conditions attaching thereto as are provided by regulations of the Company for the time being, with power to increase and reduce the Capital of the Company and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential rights, privileges or conditions as may be determined by or in accordance with the regulations of the Company and to vary, modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be provided by the regulations of the Company.

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution :-

RESOLVED THAT the special resolution under section 31 and other applicable provisions of the Companies Act, 1956 for amendment of the Articles of Association of the Company, passed at the Extra Ordinary General Meeting of the Company held on the 26<sup>th</sup> day of April, 2009, has not been acted upon by the Company in view of disputes between the Company on the one hand and Banyan Tree Growth Capital L.L.C. and Nederlandse Financierings Maatschappij Voor Ontwikkelingslanden N.V., on the other hand and, accordingly, it shall be deemed that such special resolution was never passed by the shareholders of the Company and in any event such resolution shall stand cancelled and set aside with effect from 26<sup>th</sup> April, 2009, itself and the Articles of Association of the Company as it stood immediately prior to passing the said special resolution shall continue to remain the same.

7. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution :-

RESOLVED THAT the special resolution under section 81(1A) and other applicable provisions of the Companies Act, 1956 for issue and allotment of 9,50,000 Fully (Compulsory) Convertible Debentures (hereinafter referred to as "CCDs") to M/s. Banyan Tree Growth Capital L.L.C. and Nederlandse Financierings Maatschappij Voor Ontwikkelingslanden N.V., passed at the Extra Ordinary General Meeting of the Company held on the 26<sup>th</sup> day of April, 2009, has not been acted upon by the Company in view of disputes between the Company on the one hand and Banyan Tree Growth Capital L.L.C. and Nederlandse Financierings Maatschappij Voor Ontwikkelingslanden N.V. on the other hand and, accordingly, it shall be deemed that such special resolution was never passed by the shareholders of the Company and in any event such resolution shall stand cancelled and set a side with effect from 26<sup>th</sup> April, 2009, itself and the company shall not issue or allot any CCDs to the said two investors.

Registered Office:  
2B, Pretoria Street,  
Kolkata-700 071

By Order of the Board of Directors

Date: 05<sup>th</sup> Day of August, 2009  
Place: Kolkata

Manoj Kumar Jain  
Company Secretary

## Notes

- 1) A Member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself / herself and the proxy need not to be a member of the Company. A proxy shall not have any right to speak at the meeting. The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of meeting.
- 2) Explanatory Statements pursuant to Section 173 (2) of The Companies Act, 1956 relating to the Special Business to be transacted at this AGM is annexed hereto.
- 3) The Register of Members and the Share Transfer Books of the Company shall remain closed from Tuesday, 08<sup>th</sup> September, 2009 to Tuesday, 15<sup>th</sup> September, 2009 (both days inclusive).
- 4) The dividend, as recommended by the Board of Directors, if declared at the Annual General Meeting, will be paid, subject to the provisions of section 206A of the Companies Act, 1956, within specified period of 30 days from the date of approval at the ensuing AGM, to those members or their mandates whose name stand registered in the Company's Register of Members :-
  - a) as Beneficial Owners, as at the end of business hours on 07<sup>th</sup> September, 2009, as per list to be furnished by Depositories with respect to shares held in electronic form.
  - b) as Members in the Register of Members of the Company after giving effect to valid share transfers in physical form, lodged with the Company or the Share Transfer Agent, on or before 07<sup>th</sup> September, 2009.
- 5) The Dividend shall be distributed through ECS/Warrants or direct credit to the Members' Bank Account. Members are requested to furnish details of ECS Mandate, as per details attached at the end of the Annual Report 2008-2009.
- 6) Shareholders are requested to bring their copy of the Annual Report 2008-09 at the venue of the Meeting.
- 7) Corporate Members are requested to send a duly certified copy of the Board Resolution, pursuant to Section 187 of the Companies Act, 1956, authorizing their representative to attend and vote at the AGM.
- 8) Members, holding shares in physical mode are requested to notify the change in their address / mandate/ bank account to M/s. S.K.Computers, 34/1A, Sudhir Chatterjee Street, Kolkata – 700 006 , the Registrar & Share Transfer Agent of the Company.
- 9) Members, holding Shares in Demat mode are requested to notify the change in their address / bank account to their respective Depository Participant(s) (Dps).
- 10) Re-appointment of Director: Pursuant to the provisions of Articles of Association, Dr. Premomoy Ghosh, Director retires by rotation and being eligible, offer himself for re-appointment. The brief resume of the director and other information as per clause 49 of the Listing Agreement with the Stock Exchanges is provided elsewhere in the notice.

### REQUEST TO MEMBERS

Members desirous of getting Information / Clarification on the Accounts and Operations of the company or intending to raise any query are requested to forward the same at least 10 days in advance of the meeting to the Company Secretary at the office address so as the same may be attended appropriately.

**Explanatory Statement pursuant to Section 173(2) of The Companies Act, 1956.****Item No. 5**

For meeting long term financial requirement for expansion and renovation, the Board of directors of the Company contemplated to issue and allot 9,50,000 Compulsory Convertible Debentures (CCDs) to Banyan Tree Growth Capital L.L.C. and Nederlandse Financierings Maatschappij Voor Ontwikkelingslanden N.V. (hereinafter collectively referred to as "the said two Investors") and entered into appropriate agreement with the said two investors and in that view of the matter and pursuant to recommendation of the board, the shareholders of the company at the Extra ordinary General Meeting (EGM) of the company held on the 26<sup>th</sup> day of April, 2009, passed resolutions for Increasing the authorized share capital of the company from Rs. 12,00,00,000/- to Rs. 15,00,00,000/- and amending the Capital clause (Clause V), of the Memorandum of Association, so as to enable the Board of Directors of the Company to issue and allot CCDs to the said two Investors.

Immediately after passing of the said resolution, certain disputes and differences arose between the Company on the one hand and the said two investors on the other hand and as a result the Company did not take any step for implementation of the resolutions passed aforesaid EGM and did not issue and allot any CCDs to the said two investors and initiated proceedings before the Hon'ble Calcutta High Court which was numbered A. P. no. 309 of 2009 for protection of its rights and interests.

On 8<sup>th</sup> July, 2009, the disputes between the Company and the said two Investors were settled and thereafter on 13<sup>th</sup> July, 2009, the Hon'ble Calcutta High Court disposed of the said proceeding by passing an order on the basis of the settlement entered into by and between the Company and the said two Investors.

Under such settlement and/or consent order, passed by the Hon'ble Calcutta High Court, the Company has been granted liberty to pass appropriate resolutions at the meeting of its shareholders for the purpose of reversing and/or recalling the resolution passed at the said EGM, subsequent to payment of the entire claim of the said two Investors under the settlement.

The Company has paid the entire claim of the said two Investors under the settlement and the said two Investors have no claim whatsoever against the Company and the Company is at liberty to pass appropriate resolutions for reversing and/or recalling the resolutions passed at the said EGM.

Since the Company has neither taken any step under the said resolution passed at the said EGM and has neither issued nor allotted any CCDs to the said two Investors, it has become necessary for the Company to formally reverse and/or recall the resolutions passed at the said EGM held on 26<sup>th</sup> April, 2009. The directors therefore recommend the resolution specified as Item No 5 of the notice convening this AGM, for your consideration and approval.

None of the directors of your Company is, in any way, concerned or interested in the said resolution.

**Item No. 6**

For meeting long term financial requirement for expansion and renovation, the Board of directors of the Company contemplated to issue and allot 9,50,000 Compulsory Convertible Debentures (CCDs) to Banyan Tree Growth Capital L.L.C. and Nederlandse Financierings Maatschappij Voor Ontwikkelingslanden N.V. (hereinafter collectively referred to as "the said two Investors") and entered into appropriate agreement with the said two investors and in that view of the matter and pursuant to recommendation of the board, the shareholders of the company at the Extra ordinary General Meeting (EGM) of the company held on the 26<sup>th</sup> day of April, 2009, passed a resolution for amendment in the Articles of Association of the Company in terms of the agreements entered into with the said two investors, so as to enable the Board of Directors of the Company to issue and allot CCDs to the said two Investors.

Immediately after passing of the said resolution, certain disputes and differences arose between the Company on the one hand and the said two investors on the other hand and as a result the Company did not take any step for implementation of the resolutions passed aforesaid EGM and did not issue and allot any CCDs to the said two investors and initiated proceedings before the Hon'ble Calcutta High Court which was numbered A. P. no. 309 of 2009 for protection of its rights and interests.

On 8<sup>th</sup> July, 2009, the disputes between the Company and the said two Investors were settled and thereafter on 13<sup>th</sup> July, 2009, the Hon'ble Calcutta High Court disposed of the said proceeding by passing an order on the basis of the settlement entered into by and between the Company and the said two Investors.



**KALPENA INDUSTRIES LIMITED**

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Under such settlement and/or consent order, passed by the Hon'ble Calcutta High Court, the Company has been granted liberty to pass appropriate resolutions at the meeting of its shareholders for the purpose of reversing and/or recalling the resolution passed at the said EGM, subsequent to payment of the entire claim of the said two Investors under the settlement.

The Company has paid the entire claim of the said two Investors under the settlement and the said two Investors have no claim whatsoever against the Company and the Company is at liberty to pass appropriate resolution for reversing and/or recalling the resolutions passed at the said EGM.

Since the Company has neither taken any step under the said resolution passed at the said EGM and has neither issued nor allotted any CCDs to the said two Investors, it has become necessary for the Company to formally reverse and/or recall the resolution passed at the said EGM held on 26<sup>th</sup> April, 2009. The directors therefore recommend the resolution specified as Item No 6 of the notice convening this AGM, for your consideration and approval.

None of the directors of your Company is, in any way, concerned or interested in the said resolution.

**Item No. 7**

For meeting long term financial requirement for expansion and renovation, the Board of directors of the Company contemplated to issue and allot 9,50,000 Compulsory Convertible Debentures (CCDs) to Banyan Tree Growth Capital L.L.C. and Nederlandse Financierings Maatschappij Voor Ontwikkelingslanden N.V. (hereinafter collectively referred to as "the said two Investors") and entered into appropriate agreement with the said two investors and in that view of the matter and pursuant to recommendation of the board, the shareholders of the company at the Extra ordinary General Meeting (EGM) of the company held on the 26<sup>th</sup> day of April, 2009, passed a resolution for issue and allotment of 9,50,000 Compulsory Convertible Debentures (CCDs) convertible into equity shares, to the said two investors on preferential basis.

Immediately after passing of the said resolution, certain disputes and differences arose between the Company on the one hand and the said two investors on the other hand and as a result the Company did not take any step for implementation of the resolutions passed aforesaid EGM and did not issue and allot any CCDs to the said two investors and initiated proceedings before the Hon'ble Calcutta High Court which was numbered A. P. no. 309 of 2009 for protection of its rights and interests.

On 8<sup>th</sup> July, 2009, the disputes between the Company and the said two Investors were settled and thereafter on 13<sup>th</sup> July, 2009, the Hon'ble Calcutta High Court disposed of the said proceeding by passing an order on the basis of the settlement entered into by and between the Company and the said two Investors.

Under such settlement and/or consent order, passed by the Hon'ble Calcutta High Court, the Company has been granted liberty to pass appropriate resolutions at the meeting of its shareholders for the purpose of reversing and/or recalling the resolution passed at the said EGM subsequent to payment of the entire claim of the said two Investors under the settlement.

The Company has paid the entire claim of the said two Investors under the settlement and the said two Investors have no claim whatsoever against the Company and the Company is at liberty to pass appropriate resolutions for reversing and/or recalling the resolutions passed at the said EGM.

Since the Company has neither taken any step under the said resolution passed at the said EGM and has neither issued nor allotted any CCDs to the said two Investors, it has become necessary for the Company to formally reverse and/or recall the resolution passed at the said EGM, held on 26<sup>th</sup> April, 2009. The directors therefore recommend the resolution specified as Item No 7 of the notice convening this AGM, for your consideration and approval.

None of the directors of your Company is, in any way, concerned or interested in the said resolution.

Registered Office:  
2B, Pretoria Street,  
Kolkata-700 071

By Order of the Board of Directors

Date: 05<sup>th</sup> Day of August, 2009  
Place: Kolkata

Manoj Kumar Jain  
Company Secretary

**BRIEF PROFILE OF DIRECTORS PROPOSED TO BE APPOINTED / RE APPOINTED AS REQUIRED  
IN TERMS OF CLAUSE 49 OF THE LISTING AGREEMENT.**

Name	: Dr. Premomoy Ghosh
Age	: 72 years
Qualification	: B. Sc. (Hons.) M. Sc. (Tech), Phd from Calcutta University
Experience	: 37 years of experience in the field of plastic and polymers producing industries.
Position in the Company	: Independent Non-Executive Director in the Board and Chairman of Remuneration Committee and Member of Audit Committee.
Chairmanship/Directorship in other Companies	: None
Shareholding in Kalpena Industries Ltd.	: Nil