



Annual Report 2015-2016

Kkalpana Industries (India) Limited

Leading Manufacturer of Compounds

PRODUCT RANGE

PVC Compounds

- Insulation
- Sheathing

PE Compounds

- Silane Grafted XLPE Compound upto 1.1.KV (LT / LTABC / FR / SELF CURE / MV)
- Silane Grafted XLPE Compound for MV upto 35 KV
- XLPE Compounds for continuous Vulcanization Line upto 35 KV
- Zero Halogen FRLS Compounds
- Semi- Conductive Compounds

Filled Compound & Master Batches

- Calcium Carbonated / Talc filled in PE and PP

Colour and Speciality Master Batches-

- UV, Antioxidant Processing Aid Optical Brightner, Lubricant

Footware Compound

- PVC Compact & Micro cellular
- TPR Glossy, Matt, Semi – matt Transparent & colour
- PVC / NBR Compact & Micro-cellular
- EVA Cross linked Foam

Pipe Compounds

- PEX·PVC·PPR

Engineering Plastics

- Nylon – Glass & Mineral filled
- PP, PBT – Glass & Mineral filledInks
- Printing Inks, Flexo and Gravure
- Adhesives
- Resins





Corporate Information

Board of Directors

(As on 30th May, 2016)

Chairman and Managing Director

Mr. Narrindra Suranna

Whole-Time-Directors

Mr. Rajesh Kumar Kothari

Dr. P.R.Mukherjee

Non- Executive Independent Directors

Mr. Nirmalendu Guha

Mr. Ramakant Mishra

Mrs. Mamta Binani

Senior President

Mr. Jitendra Tiwari

Chief Financial Officer

Mr. I. C. Dakalia

Company Secretary

Mr. A.B.Chakrabarty

Plant Location

Bhasa, Diamond Harbour Road (W.B.)

Falta SEZ, (W.B.)

Daman (Union Territory)

Dadra I & II (Union Territory)

Surangi, Silvassa

Registered Office

2B, Pretoria Street, Kolkata – 700 071

Tel: 91-33-2282 3744 / 3745

Fax: 91-33-2282 3739

E mail : kolkata@kkalpana.co.in

Website : www.kkalpanagroup.com

Auditors

Statutory Auditors

M/s B. Mukherjee & Co.

Chartered Accountants

Internal Auditors

M/s D K D & Associates

Chartered Accountants

Cost Auditors

M/s D. Sabyasachi & Co.

Cost Accountants

Secretarial Auditors

Mr. Ashok Kumar Daga

Practicing Company Secretary

Bankers

State Bank of India

Axis Bank

Dena Bank

Ratnakar Bank

Standard Chatered Bank

Federal Bank

HDFC Bank

DBS Bank

ICICI Bank

Registrar & Share Transfer Agent

M/s. C B Management Services (P) Ltd.

(Unit Kkalpana Industries (India) Ltd.)

P-22, Bondel Road, Kolkata - 700 019

Tel : 91 - 33 - 2280 6692/93/94/2486/4011 6700

Fax : 91 - 33 - 2287 0263

E mail : rta@cbmsl.co

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Board of Directors

Narrindra Suranna

Mr. Narrindra Suranna, aged around 54 years, is a B.Com (Hons.), and L.L.B from Calcutta University. He has done his MBA from Harvard University (correspondence course). Currently, he is holding the position of Chairman & Managing Director of the Company. He has been associated with the Company since inception. He has got wide experience in Plastic Industry. Due to his able leadership the Company has reached its present height.

Nirmalendu Guha

Mr. N.Guha, aged about 83 years, an engineer by profession, has been associated with the Company in the capacity of Independent Director of the Board. 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.

Rajesh Kumar Kothari

Mr. Kothari, aged about 52 years, a Graduate (B.Com) from Rajasthan University, Ajmer, has more than 25 years of experience in the areas of marketing, after sale service and market research. He started his career in the year 1985 at Kanoria Chemicals & Industries Limited. He has been associated with Kkalpana since 1997.

Pranab Ranjan Mukherjee

Dr. Pranab Ranjan Mukherjee aged about 71 Years, is a Gold Medalist in M.sc and has done his Ph.D from I.I.T, Kharagpur. He has five years of Academic Research Experience in the fields of Synthetic and Mechanistic Organic Chemistry. He started his career in the year 1975 at INCAB Industries Limited as General Manager (Works). He also serves as Director (Operations) at Polylink Polymers India Limited and Siechem Industries, Puduchery . He receives various awards and affiliations in his long career. He has been associated with Kkalpana since 2009 and currently holding the position of Whole Time Director (Technical) .He has over 40 years of experience in plastic and polymers industries.

Ramakant Mishra

Mr. Mishra , aged about 60 years, F.C.S, F.C.M.A and MBA, has more than 36 years of experience in corporate, Secretarial and Financial matters of various Companies. He Joined on the Board of Kkalpana in September, 2014 as an Independent Director.

Mamta Binani

Mrs. Binani, aged about 44 years, a Fellow Member of the Institute of Company Secretaries of India (ICSI), has 17 years of experience in corporate consultation & advisory, covering Due Diligence, Secretarial & Legal functions. She has been the first lady Chairperson (eastern region) of (ICSI) and currently holds the post of President of ICSI. She is holding various honorary positions at Kolkata and also serves Independent Directorship in various Companies. She Joined on the Board of Kkalpana in September, 2014 as an Independent Director.



Chairman's Statement



Dear Shareholders,

I extend to each and every one of you a warm welcome to the 31st Annual General Meeting of your Company and once again take this opportunity to present the financials of your company. The Annual Report together with the Audited Accounts and the Directors' Report for the year ended 31st March, 2016, have been with you for quite some time. I hope it gives you a clear idea of working of the Company during the year under review.

The Company achieved net revenue of Rs. 1876 Crores for the year 2015-2016 as against Rs. 1729 Crores in the previous year. Profit before exceptional items and tax is Rs. 43 Crores, as compared to Rs. 32 Crores in the previous year.

The Global microeconomic environment continues to be in a state of flux with recession in key developed economies, soft commodity prices, geo-political tensions and volatility in global financial markets, causing uncertainty and trepidation. Even then, your company reported increase in operating margin compared to the previous year. The polymer prices remain at affordable level. It is expected that they will remain range bound in coming years.

As mentioned in earlier reports, in its drive towards the strategic expansions, your Company has commissioned a new production unit at Surangi, with capacity of handling 200,000 TPA of its products. This unit is spread over an area of approximately 56000 square metres and having FSI available to the extent of 500,000 square metres for construction. The production capacities of Bhiwadi and Daman units have been shifted to Surangi unit. The new unit produces various grades of Compounds which include XLPE, HFFR, Filled PP for furniture & appliances, Filled PE Compounds for antifab used for Woven Sack, White & Black Master Batches, Rigid and Flexible PVC Compound used for Cable insulation,

Footwear & Pipe jointing and other value added compositions like Zero Halogen Fire Retardant Compound and Engineering Plastics. Your company has also installed machineries at Surangi to produce HV & EHV insulation Compound. This will establish your Company in the league of very few top notch players in the world. Your Company also has many expansion projects in pipeline for catering to the untapped regions to enlarge geographic footprint in various parts of the country and abroad.

Today, your Company has one of the strongest operating matrix in the Plastic industry in India. With its cost competitiveness, quality products, a robust marketing distribution system and extensive network, your Company has re enforced its formidable brand image.

Your Company has taken timely and adequate steps in the area of its finance to ensure healthy leveraging and availability of adequate financial resources to meet its growing aspirations.

Your Directors have not recommended any dividend for the year under review due to increased working capital requirement in the year 2016-17.

Lastly, I sincerely wish to thank my colleagues on the Board, the dedicated Management team and employees at all levels for their unflinching support. I would also like to thank the Company's shareholders, distributors, vendors and financial institutions for their unstinted support.

With Best Regards,

Narrindra Suranna
Chairman & Managing Director
Date 30th May, 2016
Kolkata

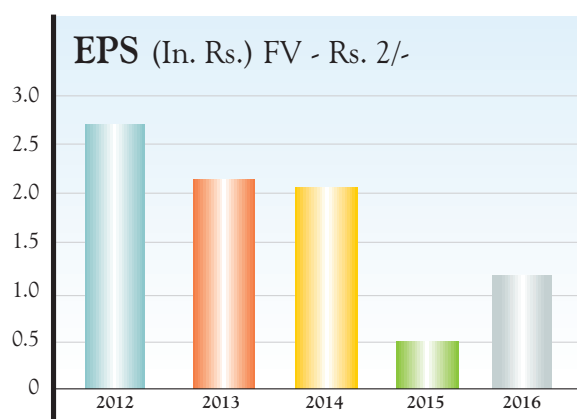
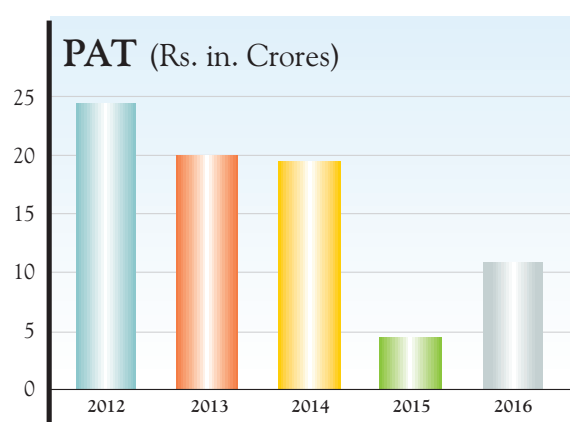
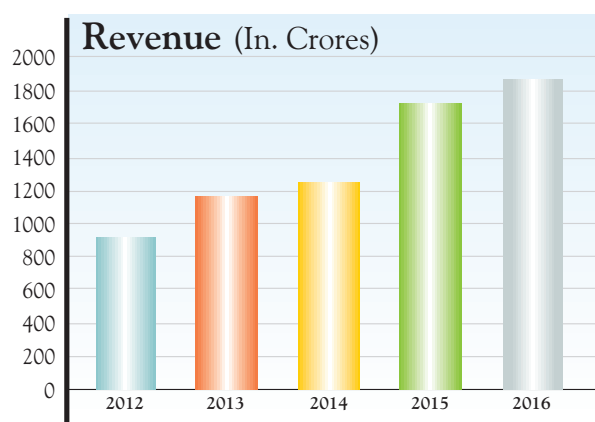


Vision

*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:	2012	2013	2014	2015	2016
Net Revenue	913.23	1180.09	1245.58	1729.26	1876.58
PAT	24.24	19.97	19.48	04.41	11.39
EPS (Rs.)	2.60	2.12	2.07	0.47	1.21
Net Worth	197.58	214.91	229.08	230.31	241.75
Dividend (%)	22%	12%	12%	0	0



NOTICE OF ANNUAL GENERAL MEETING

NOTICE OF ANNUAL GENERAL MEETING.

NOTICE IS HEREBY GIVEN that the 31st (Thirty-first) Annual General Meeting of the Members of KKALPANA INDUSTRIES (INDIA) LIMITED will be held at Gyan Manch, 11, Pretoria Street, Kolkata – 700 071 on Thursday, the 29th day of September, 2016, at 12.15 P.M. to transact the following Businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2016, the Statement of Profit & Loss Account and Cash Flow Statement for the year ended as on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Rajesh Kumar Kothari (DIN –02168932), who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint auditors and fix their remuneration.

SPECIAL BUSINESS:

4. **Ratification of Remuneration payable to the Cost Auditors of the Company for the Financial year ended March 31, 2017**

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

“**RESOLVED THAT** pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, the Company hereby ratifies the remuneration of Rs.40000/- plus service tax and out-of-pocket expenses payable to M/s. D.Sabyasachi & Co., who are appointed as Cost Auditors of the Company on the recommendation of Audit Committee to conduct Audit of the cost accounting records pertaining to plastic compounds and other manufacturing items of the Company for the year ending 31st March, 2017.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to do all such acts, things, deeds and matters which are connected therewith or incidental thereto and take all necessary steps, as may be necessary, proper or expedient, to give effect to this resolution.”

5. **Determination of fees to be charged for Service of documents to members through any particular mode.**

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

“**RESOLVED THAT** pursuant to Section 20 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, consent of the members be and is hereby accorded to charge such fees as are set out in the statement annexed hereto, for service of documents through a particular mode.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to do all such acts, things, deeds and matters which are connected therewith or incidental thereto and take all necessary steps, as may be necessary, proper or expedient, to give effect to this resolution.”

6. **Reappointment of Mr. Rajesh Kumar Kothari as a Whole Time Director**

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

“RESOLVED THAT in accordance with the recommendation of Nomination and Remuneration Committee of

the Board of Directors and provisions of Section 196, 197 and 198 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), read with Schedule V to the Act, including any statutory modification(s) or reenactment thereof, for the time being in force, and all other applicable guidelines relating to managerial remuneration issued by the Ministry of Corporate Affairs, from time to time, or any other law and subject to such other approvals, as may be necessary, and as are agreed to by the Board of Directors (hereinafter referred to as the "Board", which term shall be deemed to include any committee thereof and any person authorized by the Board in this behalf), and as per the relevant provisions of Articles of Association of the Company, consent of the members be and is hereby accorded to the reappointment of Mr. Rajesh Kumar Kothari (DIN – 02168932) as Whole-Time-Director of the Company, for another period of 5 (Five) years with effect from 12th August, 2016, upon the terms and conditions as are set out in the Statement annexed hereto."

"RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include any Committee thereof and any person authorized by the Board in this behalf) shall, in accordance with the statutory limits/ approvals as may be applicable for the time being in force, be at full liberty to revise/alter/modify/amend/change the terms and conditions of the reappointment and remuneration, from time to time, as may be agreed to by the Board and Mr. Rajesh Kumar Kothari subject to the approval of Nomination and Remuneration Committee of the Board of Directors of the Company, provided, however, that the remuneration payable to Mr. Kothari shall be within the limits set out in the Companies Act, 2013 and Schedule V to the said Act, or any amendments thereto or any modification(s) or statutory reenactment(s) thereof and /or any rules or regulations framed there under."

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorized to do all such acts, things, deeds and matters which are connected therewith or incidental thereto and take all necessary steps, as may be necessary, proper or expedient, to give effect to this resolution."

Registered Office:
2B, Pretoria Street,
Kolkata-700071

By Order of the Board of Directors
For Kkalpana Industries (India) Limited

Date: 30th Day of May, 2016
Place: Kolkata

A.B.Chakrabarty (FCS- 7184)
Company Secretary

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT TO BE A MEMBER OF THE COMPANY. MEMBERS ARE REQUESTED TO NOTE THAT A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. IN CASE A PROXY IS PROPOSED TO BE APPOINTED BY A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS, THEN SUCH PROXY SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER. THE INSTRUMENT APPOINTING PROXY MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF HOLDING THE ANNUAL GENERAL MEETING.

2. Corporate Members are required to send a certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorizing their representative to attend and vote at the AGM.
3. The members are requested to bring duly filled attendance slip along with their copy of Annual Report at the AGM.
4. The Statement, pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at this AGM is annexed.
5. Register of Directors and Key Managerial Personnel of the Company and their respective shareholding maintained under Section 170 of the Companies Act, 2013 will be available for inspection by the members at the AGM.
6. The Register of Contracts and Arrangements in which the Directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
7. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide to its members, facility to exercise their right to vote at the 31st AGM by electronic means and all items of the business may be transacted through remote e- voting (facility to cast vote from a place other than the venue of the AGM) services provided by National Securities Depositories Limited ("NSDL").

The Company shall also arrange for the physical voting by use of ballot or polling paper at the AGM for the members who have not cast their vote through remote e-voting. The Board of Directors of the Company has appointed Mr. Ashok Kumar Daga, Practicing Company Secretary (Membership No. FCS-2699) as the Scrutinizer for this purpose.

8. Voting rights will be reckoned on the paid-up value of shares registered in the name of the Members as on Friday, 23rd **September, 2016 (cut-off date)**. Only those Members whose names are recorded in the Register of Members of the Company or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date will be entitled to cast their votes by remote e-voting or ballot voting at the AGM.
9. The facility for Ballot Voting will be available at the AGM venue for those Members who do not cast their votes by remote e-voting prior to the AGM. Members, who cast their votes by remote e-voting prior to the AGM, may attend the meeting but will not be entitled to cast their votes once again. Instructions and other information relating to remote e-voting are given in the notice under note no.17. The Company will also send communication relating to remote e voting which inter alia would contain details about User ID and password along with a copy of this notice to the members, separately.
10. In accordance with the provisions of section 91 of the Companies Act, 2013, the Register of Members and the Share Transfer Books of the Company shall remain closed from Friday, 23rd September, 2016 to Thursday, 29th September, 2016 (both days inclusive).
11. The Notice of 31st AGM, details and instructions for remote e-voting and the Annual Report of the Company for the year ended 31st March, 2016 is uploaded on the Company's website www.kkalpanagroup.com and may be accessed by the members. The physical copies of the aforesaid documents will also be available at the Company's registered office for inspection during normal business hours on working days.

Copies of the above documents are being sent by electronic mode to the members whose email addresses are registered with the Company/ Depository Participants for communication purposes unless any member has requested for a hard copy of the same. For the members who have not registered their email addresses, physical copies of the aforesaid documents are being sent by the permitted mode.

12. Members, holding shares in physical mode are requested to notify the change in their address / mandate/ bank account to M/s. CB Management Services (P) Limited, P-22, Bondel Road, Kolkata – 700 019, the Registrar & Share Transfer Agent of the Company.
13. Members, holding Shares in Demat mode are requested to notify the change in their address / bank account details to their respective Depository Participant(s) (DPs).
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN details to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar and Share Transfer Agents, M/s. CB Management Services Pvt. Limited.
15. Dividend for the financial year ended 31st March, 2009, which remains unpaid or unclaimed, will be due for transfer to Investors' Education and Protection Fund of the Central Government ('IEPF') on 21st October, 2016, pursuant to the provisions of Section 205C of the erstwhile Companies Act, 1956 (Section 125 of the Companies Act, 2013). In respect of the said dividend, it will not be possible to entertain claims received by the Company after 20th October, 2016.

Members, who are yet to encash their dividend warrants for the financial year 2008-09 or any subsequent financial years, are requested to lodge their claims with the Company's Registrar & Share Transfer Agents without delay. The details of dividend unclaimed by the members for the past years which have not yet been transferred to the Central Government are readily available for view by the members on the website of the Company (www.kkalpanagroup.com), as also on the website of the Ministry of Corporate Affairs (www.mca.gov.in). Further, the members are advised to glance through the database and lodge their claim for dividend which has remained unclaimed with the Company's Registrar and Share Transfer Agents.

16. As per the provisions of Section 72 of the Companies Act, 2013 facility for making nomination is available for the Members in respect of the shares held by them. Nomination forms can be obtained from the Company's Share Registrars and Transfer Agents by Members holding shares in physical form. Members holding shares in electronic form may obtain Nomination forms from their respective Depository Participant.

17. Process and manner for members opting for remote e-voting are as under:

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide to its members facility to exercise their right to vote on all resolutions set forth in the Notice convening the 31st Annual General Meeting (AGM) by electronic means and the business may be transacted through remote e-voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper or polling paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 26th September, 2016 (9:00 a.m) and ends on 28th September, 2016 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in