

**22nd
Annual Report
and Accounts
2010-11**

KALPENA PLASTIKS LIMITED

BOARD OF DIRECTORS

Mr. Bhanwar Lal Bohara
Mr. Kashinath Agarwal
Mr. Mohan Kumar Tiwary
Mr. Jitendra Tiwari
Mr. Deo Kishan Kalwani

AUDITORS

M/s Maloo & Co.
Chartered Accountants
3, Mango Lane, 2nd Floor
Kolkata – 700 001

BANKERS

Dena Bank
HDFC Bank

REGISTERED OFFICE

3, Saheed Nityananda Saha Sarani
Kolkata – 700 001

REGISTRAR & SHARE TRANSFER AGENT

S.K.Computers
(Unit – Kalpena Plastiks Ltd),
34/1A, Sudhir Chatterjee Street
Kolkata – 700 006
Tel: 91 – 33 – 2219 4815 / 6797
E Mail : skcdilip@gmail.com

NOTICE

NOTICE is hereby given that the 22nd (Twenty Second) Annual General Meeting of the Members of KALPENA PLASTIKS LIMITED will be held on Friday, the 30th Day of September, 2011 at 10.00 a.m. at the Registered office of the Company at 3, Saheed Nityananda Saha Sarani, 2nd Floor. Kolkata 700 001, to transact the following businesses:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2011 and the Profit & Loss Account for the year ended on that date together with the Directors' and the Auditors' Reports, thereon.
2. To appoint a Director in place of Mr. Bhawar Lal Bohara, who retires by rotation and being eligible offers himself for reappointment.
3. To Appoint Auditors and to fix their Remuneration.

SPECIAL BUSINESS :

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

"RESOLVED THAT in accordance with the provisions of Section 255, 256 and 257 and all other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or reenactment thereof, Mr. Deo Kishan Kalwani, who was co-opted as an Additional Director of the Company under provisions of Section 260 of the Companies Act, 1956 and Article 116 of the Articles of Association of the Company, be and is hereby appointed as a Director of the Company, whose period of office shall be liable to determination by retirement of directors by rotation."

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

BORROWING POWERS

"RESOLVED, pursuant to the provisions of Section 293 (1) (d) and other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modification(s) or reenactment thereof for the time being in force) and subject to such other approvals as may be necessary, THAT consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company to borrow money from time to time from anyone or more of the Company's Bankers and/or from anyone or more Firms, Bodies Corporate, Financial Institutions, Mutual Funds, Foreign Bankers, Foreign Financial Institutions, Foreign Institutional Investors, Overseas Corporate Bodies, Overseas Mutual Funds, Trusts or such other bodies or entities whether by way of cash credit, loans, advances, deposits, loans or bills discounting, deferred payment guarantees, issue of debentures, external commercial borrowings or otherwise, in any other mode or form, and whether unsecured or secured by mortgage, charge, hypothecation, lien, or pledge of the Company's assets and properties, whether immovable or movable or stock in trade (including raw materials, spare parts and components in stock or in transit and work in progress) or by any kind of guarantees and all or any of the undertakings of the Company, notwithstanding that the monies to be borrowed, together with the monies already borrowed by the Company (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business) may exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart

for any specific purpose but so however that the total amount upto which the monies may be borrowed by the Board of Directors and outstanding at any time shall not exceed the sum of Rs. 100 Crore (Rupees One Hundred Crore Only) exclusive of interest, and that the Board of Directors is hereby further authorized to execute such deeds of debenture trust and deeds of mortgage , charge, hypothecation, lien, promissory notes, deposit receipts, guarantees/assurance deeds and other deeds and instruments or writings containing such conditions and covenants as the Board of Directors in its absolute discretion may think fit.”

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

AUTHORITY TO MORTGAGE :

“RESOLVED THAT the consent of the Company be and is hereby accorded in terms of Section 293 (1) (a) and other applicable provisions, if any, of the Companies Act, 1956, (including any modification or reenactment thereof , for the time being in force) , to the Board of Directors of the Company to mortgage and /or charge, in addition to the mortgages and / or charges created / to be created by the Company, in such forms and manners and with such ranking as to priority and for such time and on such terms as the Board of Directors may determine , on all or any of the movable and / or immovable, tangible and / or intangible properties of the Company , both present and future wheresoever situate and / or the whole or substantially the whole of the undertaking(s) of the Company, in favour of lenders, Agents, Financial / Investment Institution(s) , Bank (s) / Trustees to secure loan and / or other credit facilities availed or proposed to be availed, the debenture / bonds issued or proposed to be issued, whether in foreign currency and /or Rupee currency in whatever manner, for a sum not exceeding Rs. 100 Crore (Rupees One Hundred Crore only) approved under section 293(1) (d) of the Companies Act, 1956, as amended from time to time together with interest, compound interest , accumulated interest, liquidated damages, commitment charges and such other costs, charges, expenses and other monies payable by the company in terms of the loans and any other documents entered into or proposed to be entered into between the Company and the lenders, Agents, Financial / Investment Institution(s) , Bank (s) / Trustees, in respect of the said loans / borrowings / debentures and containing such specific terms and conditions and covenants in respect of enforcement of security as may be stipulated in that behalf and agreed to between the Board and the lenders, Agents, Financial / Investment Institution (s) , Bank (s) / Trustees.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board be and is hereby authorized to finalise, settle and execute such documents / deeds / writings / papers / agreements as may be required and do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in regard to creating mortgage / charge as aforesaid.”

Registered Office:

3, Saheed Nityananda Saha Sarani, 2nd Floor
Kolkata 700 001

02.09. 2011

By Order of the Board of Directors

J.Tiwari
(Chairman)

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. 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. The proxy form is appended with the admission slip.
2. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote, on their behalf, at the Meeting.
3. The Register of Members and the Share Transfer Books of the Company shall remain closed from Friday, 23rd September, 2011 to Friday, 30th September, 2011 (both days inclusive).
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 Saturdays, between 11.00 a.m. and 1.00 p.m. up to the date of Meeting.
5. Brief resume of Directors seeking appointment / re appointment including nature of their expertise in specific functional areas and names of companies in which they hold directorship and membership / chairmanship of Board Committees, as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges, are provided elsewhere in the notice.
6. Shareholders are requested to bring their Attendance Slip along with copy of Annual Report to the venue of the Meeting.
7. Members, holding shares in physical mode are requested to notify the change in their address to M/s. S.K.Computers, 34/1A, Sudhir Chatterjee Street, Kolkata – 700 006, the Registrar & Share Transfer Agent of the Company.
8. Members, holding Shares in Demat mode are requested to notify the change in their address / bank account to their respective Depository Participant(s) (DPs).
9. The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the Companies and has issued circulars stating that service of the notice/ documents including Annual Report can be send by e-mail to its member. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants.
10. 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. 4

Mr. Deo Kishan Kalwani was appointed as an Additional Director with effect from 22nd December, 2010, pursuant to the provisions of Section 260 of the Companies Act, 1956 (the Act) and Article 116 of the Articles of Association of the Company. According to the provisions of the said Section and Article, Mr. Kalwani would hold office upto the date of this Annual General Meeting.

The Company has, however, received a notice, in writing from a member proposing the candidature of Mr. Deo Kishan Kalwani for the office of Director of the Company under the provisions of Section 257 of the Act. Requisite consent, pursuant to Section 264(1) of the Act, has been received from Mr. Kalwani to act as such Director, if appointed. Mr. Kalwani has with over 47 years of experience in corporate world. It is in the interest of the Company to continue to avail his services as a member of the Board.

Mr. Kalwani, is not disqualified from being appointed as Director in terms of section 274(1) (g) of the Act. The Company has received a letter from Mr. Kalwani, in term of companies (Disqualification of Directors under section 274(1) (g) of the Act.), confirming his eligibility for such appointment.

The Board of Directors recommends the Resolution, being Item No.4 of the Notice convening this AGM, for approval of the members.

Save and except Mr. Deo Kishan Kalwani, no director of the company is concerned or interested in the resolution.

Item No. 5

Borrowing Powers

The Directors of your Company have been considering various proposals to diversify into certain new business ventures. For last couple of years, the company is engaged in the business related to Plastic, PVC and related Products. Currently these sectors promise a bright future and the company will also enlarge the area of operation of the Company.

In view of the increasing activities and expansion plans of the Company further funds are required. As you are aware that the trend for the past few years has been on diversifying and expanding into newer and unexplored areas of the field. To facilitate implementation of planned initiatives the consequent financial requirements of the Company calls for further access to funds the Board of Directors of the Company is keen to try available avenues to enable and equip the Company to make further inroads into the ever expanding markets of the country.

As per the provisions of Section 293(1) (d) of the Companies Act, 1956, the Board of Directors of a Public Company can not borrow money (a part from temporary loans obtained from the Company's Bankers in the ordinary course of business) in excess of the Company's Paid-up Capital and Free Reserves (that is reserves not set apart for any specific purpose) without the consent of the shareholders in the General Meeting.

The Resolution set out at item No.5 of the notice is put forth for consideration of the members pursuant to section 293(1)(d) of the Companies Act, 1956, authorizing the Board of Directors to borrow upto a sum of Rs.100 Crores.

Your Directors recommend the above Resolution for the approval of the Members of the Company.

None of the Directors of the Company are in any way concerned or interested in the said resolution.

Item No. 6

Authority to Mortgage

The borrowings by a Company , in general, is required to be secured by mortgage or charge on all or any of the movable or immovable properties of the Company in such form , manner and ranking as may be determined by the Board of Directors of the Company from time to time, in consultation with the lender(s). In order to mortgage or hypothecate the assets of the Company the consent of the shareholders in General Body Meeting is required under section 293 (1) (a) of the Companies Act, 1956 authorizing the Board of Directors with necessary powers.

The Board of Directors accordingly recommends the resolution, being item No.6 of the accompanying notice, for approval of the members.

None of the Directors of the Company are in any way concerned or interested in the said resolution.

BRIEF RESUME OF THE DIRECTORS SEEKING APPOINTMENT / RE APPOINTMENT, NATURE OF THEIR EXPERTISE IN SPECIFIC FUNCTIONAL AREA AND NAME OF THE COMPANIES IN WHICH THEY HOLD DIRECTORSHIP AND MEMBERSHIP / CHAIRMANSHIP OF BOARD COMMITTEES, AS REQUIRED IN TERMS OF CLAUSE 49 OF THE LISTING AGREEMENT WITH STOCK EXCHANGES IN INDIA.

Name of Director	Date of Birth	Qualification	Experience	Directorship and Membership / Chairmanship in other Companies in which he is a director. #	Shareholdings in Kalpna Plastiks Limited
Mr. B.L.Bohara	18.03.1952	Under Matric	MR. BOHARA AGED ABOUT 60 YEARS, HAS GOT ADEQUATE EXPOSURE IN VARIOUS PROJECTS AND OPERATIONAL MATTERS IN PLASTIC AND POLYMERS INDUSTRIES AS WELL AS IN JEWELLERY INDUSTRY. HE HAS WIDE KNOWLEDGE AND RICH EXPERIANCE IN BUSINESS MATTERS.	None	NIL
Mr. Deo Kishan Kalwani	05.06.1945	Graduate from Calcutta University	MR. KALWANI AGED ABOUT 65 YEARS HAS MORE THAN 47 YEARS EXPERIENCE IN BUSINESS AND SERVICE AND HAS HELD DISTINGUISHED POSITIONS IN PRESTIGIOUS COMPANIES	None	NIL

Note: Excludes Directorships in Private Limited Companies, Foreign Companies and Government Companies

Registered Office:
3, Saheed Nityananda Saha Sarani, 2nd Floor
Kolkata 700 001

By Order of the Board of Directors

J. Tiwari
(Chairman)

02.09. 2011

DIRECTORS' REPORT

Dear Shareowners
Kalpena Plastiks Limited

Your Directors are pleased to present the 22nd (Twenty Second) Annual Report together with the audited accounts for the year ended 31st March 2011.

Financial Performance

(Rs. In Lacs)

Particulars	2010-2011	2009-2010
Sales & other Income	1910.25	9847.60
Profit before Depreciation, Interest & Tax	10.53	11.20
Less : Depreciation	0.57	0.99
Interest	0.03	0.01
Profit before Tax	9.93	10.19
Less : Provision for Tax	2.68	1.70
Profit After Tax	7.25	8.48
Add : Profit brought forward from previous year.	23.56	15.07
Balance Carried to B/S	30.81	23.56

Operations

During the year 2010-11, the company has achieved a sales turnover of Rs. 19 Crore , against Rs. 98 Crore in the previous year. However, Profit after tax for the year is Rs. 7.25 lacs as compared to Rs. 8.48 lacs in the previous year.

Dividend

Since the company is currently at revival stage, the directors of the company consider it prudent to conserve resources and therefore do not recommend any dividend on equity shares for the financial year under review.

Public Deposits

Your Company has not accepted any fixed deposit during the year under review in terms of Section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposit) Rules, 1975 and hence no amount of principal or interest was outstanding as at the Balance Sheet date.

Directors

During the year under review, Mr. Deo Kishan Kalwani was appointed as Additional Directors of the Company by the Board of Directors with effect from 22nd December, 2010. Pursuant to section 260 of the Companies Act, 1956, Mr. Kalwani would hold office upto the date of the ensuing Annual General

KALPENA PLASTIKS LIMITED

Meeting. However, the company has received requisite notice from a member as required under section 257 of the Companies Act 1956, signifying his intention to propose Mr. Kalwani as a candidate for the office of director.

The office of Mr. B.L. Bohara, Director is due to retire by rotation at the conclusion of the forthcoming Annual General Meeting and being eligible, offer himself for re-appointment.

Appropriate resolutions for their appointment / reappointment are being placed before you for your approval at the ensuing Annual General Meeting. The brief resume and other information of the eligible directors in terms of the provisions of clause 49 of the Listing Agreement with Stock Exchanges have been detailed elsewhere in the notice. Your Directors recommends their appointment / reappointment as Director of your Company.

Directors' Responsibility Statement

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors hereby confirm that:

- i) In preparation of the annual accounts, the appropriate accounting standards have been followed. There are no material departures from these applicable accounting standards.
- ii) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March, 2011 and its loss for the year ended on that date.
- iii) The directors have taken proper and sufficient care for the 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 fraud and other irregularities.
- iv) The directors have prepared the annual accounts on a going concern basis.

Auditors and Auditors' Report

The Statutory Auditors of the Company, M/s Maloo & Co., Chartered Accountants, Kolkata, retire at the conclusion of the ensuing Annual General Meeting of the Company and confirmed their willingness and eligibility for re-appointment, if made, will be within the limits under section 224(1B) of the Companies Act, 1956 and that they are not disqualified for re-appointment within the meaning of section 226 of the Companies Act, 1956.

Further, the Auditors have confirmed that they have undergone the peer review process of the Institute of Chartered Accountants of India (ICAI) and yet to receive the certificate from the 'Peer Review Board' of ICAI. The observations of the Auditors in the Report on Accounts read with the relevant notes are self – explanatory.

Particulars of Employees

None of the employees employed throughout the year or part of the year who was in receipt of salary of Rs. 5,00,000 /- or more per month or Rs. 60,00,000 /- or more per annum, therefore, no details have been provided or required under section 217 (2A) of the Companies Act, 1956 read with the Company (Particulars of Employees) Rules, 1975.

Industrial Relations

The Company continued to attract and retain qualified and diligent employees. Various senior and junior employees were recruited to add to the existing strength. During the year, your company maintained harmonious and cordial Industrial Relations.