

**25th
Annual Report
and Accounts
2013-14**

KALPENA PLASTIKS LIMITED

CORPORATE INFORMATION

CIN : L25200WB1989PLC047702

BOARD OF DIRECTORS (AS ON 29TH MAY, 2014)

Whole-Time Director

Mr. Deo Kishan Kalwani

Non-Executive Independent Directors

Mr. Jitendra Tiwari

Mrs. Ananya Dey

AUDITORS

Statutory Auditors:

M/s Maloo & Co.

Chartered Accountants

3A, Surendra Mohan Ghosh Sarani, 2nd Floor

Kolkata – 700 001.

Cost Auditors:

M/s. D. Sabyasachi & Co

Cost Accountants

97/2/1, Suren Sarkar Road,

Belegghata Trikon Park, Kolkata – 700 010.

BANKERS

Dena Bank

HDFC Bank

REGISTERED OFFICE

14, Bishnupur, Diamond Harbour Road,

Bhasa, South 24 PGS-743 503

Phone: 033 3020 7856/57

E Mail: - sarlagemsltd@yahoo.com

REGISTRAR AND SHARE TRANSFER AGENT

C B Management Services (P) Limited

(Unit – Kalpena Plastiks Ltd),

P-22-Bondel Road, Kolkata - 700 019

Phone: 033 22806692 / 93 / 94 / 2486 / 4011 6700

Fax: 033 22870263. E Mail: rta@cbmsl.co

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the **25th Annual General Meeting** of the Members of **KALPENA PLASTIKS LIMITED**, having **CIN: L25200WB1989PLC047702**, will be held on **Tuesday, the 30th Day of September, 2014 at 10.00 a.m.** at the Registered office of the Company at **14, Bishnupur, Diamond Harbour Road, Bhasa, South 24 PGS-743 503**, to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 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. D.K.Kalwani (DIN 03363450), who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint auditor and 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 pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, read with Schedule IV to the Act, as amended from time to time, Mr. Jitendra Tiwari (DIN 00228352), a Non-Executive Independent Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for a period of five(5) consecutive years, effective from 1st April, 2014 upto 31st March,2019."

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

"RESOLVED THAT pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, read with Schedule IV to the Act, as amended from time to time, Mrs. Ananya Dey (DIN 01297763), a Non-Executive Independent Director of the Company, who has submitted a declaration that she meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company for a period of five(5) consecutive years, effective from 1st April, 2014 upto 31st March,2019."

6. **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 Rules made there under, as amended from time to time, the Company hereby ratifies the remuneration of Rs.25000/- plus service tax and out-of-pocket expenses payable to M/s. D.Sabyasachi & Co., who are appointed as Cost Auditors of the Company to conduct Cost Audits relating to plastic compounds and other manufacturing items of the Company for the year ending 31st March, 2015"

7. **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 196, 197, 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 as agreed 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 provisions of Articles of Association of the Company, approval of the members in the Annual General Meeting be and is hereby accorded to the appointment of Mr. Deo Kishan Kalwani as Whole-Time-Director of the Company, for a period of 3 (three) years with effect from 01st April, 2014, at the remuneration and upon the following main terms and conditions:

1. The appointment shall be for a period of 3 years commencing from 01st April, 2014 as Whole – Time – Director.
2. Mr. Deo Kishan Kalwani will not be liable to retire by rotation while he continues as a Whole – Time – Director of the Company.
3. As Whole time Director, Mr. Kalwani shall perform such duties and exercise such powers as are entrusted to him, from time to time, by the Managing Director and /or the Board of Directors.
4. Mr. Kalwani will be entitled to such compensation as may be decided by the Board in its absolute discretion.
5. Within the overall ceiling on managerial remuneration prescribed under the Companies Act, 2013, or any statutory modification or reenactment thereof, the Board shall be entitled to add to, alter or vary any of the foregoing terms of remuneration, benefits or perquisites to which Mr. Kalwani may be entitled as aforesaid.”

“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 appointment and remuneration, from time to time, as may be agreed to by the Board and Mr. Deo Kishan Kalwani.”

“FURTHER RESOLVED THAT Mr. Jitendra Tiwari, Director of the Company be and is hereby authorized to do all the acts, deeds, matters and things which is connected therewith and incidental thereto.”

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

Enhancement of Borrowing Limits from Rs. 100 Crores to Rs. 200 Crores:

“RESOLVED THAT in supersession of the earlier resolution passed under section 293(1)(d) of the Companies Act, 1956 at the 22nd Annual General Meeting held on 30th September, 2011 and subject to such other approvals as may be necessary, consent of the members of the Company be and is hereby accorded under section 180(1)(C) of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013, 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, at any time, 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), provided however that the total amount of such borrowings shall not, exceed, at any time, a sum of Rs. 200 crores (Rupees Two Hundred Crores) exclusive of interest."

"RESOLVED FURTHER THAT Board of Directors be and is hereby 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 and to take all such steps as may be necessary or desirable to give effect to this resolution."

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

Creation of Charge on the assets of the Company:

"RESOLVED THAT in supersession of the Resolution No.6 passed at the Annual General Meeting of the Company held on 30th September, 2011 and pursuant to the provisions of Section 180 (1) (a) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, consent of the Company be and is hereby given to the Board of Directors of the Company ('the Board') to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations, if any, created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, in favor of Banks, Financial Institutions, Insurance Companies, other lending/ investing agencies or bodies/ trustees for holders of debentures/ bonds which may be issued to or subscribed to by all or any of the Banks, Financial Institutions, Insurance Companies, other lending/ investing agencies or any other person(s)/ bodies corporate by way of private placement or otherwise (hereinafter collectively referred to as 'Lenders'), provided that the total amount of loans together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premia on pre-payment or on redemption, costs, charges, expenses and all other moneys payable by the Company in respect of the said loans, for which such charges, mortgages or hypothecations are created, shall not, at any time exceed the limit of Rs. 200 Crores (Rupees Two Hundred crores only)."

"RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board be and is hereby authorized to finalize, 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:

14, Bishnupur, Diamond Harbour Road,
Bhasa, South 24 PGS - 743503

By Order of the Board of Directors

J.Tiwari
(Chairman)

Date : 29th May, 2014

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. The Statement, pursuant to Section 102 of the Companies Act, 2013 in respect of the business under Item Nos.4 to 9 above is annexed hereto.
3. 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.
4. In accordance with the provisions of Section 91 of the Companies Act, 2013 read with Rule 10 of the Companies (Management & Administration) Rules, 2014, Register of Members and Share Transfer Books of the Company shall remain closed from Monday, 22nd September, 2014 to Tuesday, 30th September, 2014 (both days inclusive).
5. 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.
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 / 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.
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. 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.
10. 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 sent 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.

11. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide e-voting facility, as an option, to its members to enable them to cast their vote electronically at the 25th Annual General Meeting. The Company has engaged the services of National Securities Depository Limited (NSDL) to provide e-voting facility to the members of the Company.

The e-voting facility will be available to the members to cast their votes at the following link <https://www.evoting.nsdl.com/> during the voting period mentioned as under:

Commencement of e-voting : September 24, 2014 at 09:00 A.M.
End of e-voting : September 26, 2014 at 06:00 P.M.

The instructions for e-voting are as under:

(A) In case of Members receiving e-mail from NSDL:

- i. Open e-mail and also open PDF file titled "Kalpena Plastiks Limited e-voting.PDF" with your Client ID (in case you are holding shares in demat mode) or Folio No. (in case you are holding shares in physical mode) as default password. The said PDF file contains your "User ID" and "Password for e-voting".
- ii. Please note that the password is an initial password.
- iii. Open internet browser by typing the URL: <https://www.evoting.nsdl.com/>.
- iv. Click on "Shareholder" – "Login".
- v. Type in your User ID and password as initial password as mentioned in step (i) above and click Login.
- vi. Password Change Menu appears. Change the password with the new password of your choice with minimum 8 digits/characters or combination thereof.
- vii. Please note your new password. It is strongly recommended that you do not share your new password and take utmost care to keep your password confidential.
- viii. Home page of "e-voting" opens. Click on "e-voting-Active Voting Cycles".
- ix. Select "EVEN" of Kalpena Plastiks Limited for casting your vote.
- x. You are now ready for "e-voting" as "Cast Vote" page opens. The e-voting period commences on September 24, 2014 at 9.00 A.M. and ends on September 26, 2014 at 06.00 P.M.
- xi. Cast your vote by selecting appropriate option and click "Submit" and also "Confirm" when prompted. Upon confirmation, the message, "Vote cast successfully" will be displayed. Once voted on the resolution, you will not be allowed to modify your vote.
- xii. Institutional Members (other than Individuals, HUF, NRI, etc.) are also required to send a scanned copy (PDF/JPG format) of the relevant Board Resolution/ Authority Letter, etc., together with an attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through email on daga.ashok@gmail.com with a copy marked to evoting@nsdl.co.in.

(B) In case of Members receiving Physical Copy of the Notice of AGM (for Members whose email addresses are not registered with the Company/Depositories):

- i. Initial password is provided as below/at the bottom of the Ballot Form.

EVEN (E-Voting Event Number)	USER ID	PASSWORD/PIN

- ii. Please follow all the steps from the Sl. No. (iii) to (xii) in 11(A) above, to cast vote.
- (C) In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for Shareholders and E-voting User Manual for Shareholders available at the “Downloads” section of www.evoting.nsdl.com or contact NSDL at 022-2499 4600.
- (D) In case you are already registered with NSDL, you can use your existing User ID and Password for casting your vote.
- (E) You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending future communication(s).
- (F) For the convenience of members who do not have access to e-voting facility, a ballot form can be obtained from our RTA. Members may fill in the Ballot form and submit the same in a sealed envelope to the Scrutinizer, Ashok Kumar Daga, Unit :- Kalpena Plastiks Limited, C/o. CB Management Services Pvt. Ltd., P-22, Bondel Road, Kolkata – 700 019 , so as to reach by 6.00.p.m. on 26th September, 2014. The scrutinizer will collate the votes downloaded from e voting system and votes received through post to declare the final results. A member can opt for only one mode of voting. In case of members(s) who cast their votes by both the modes, then voting done through electronic mode shall prevail.
- (G) The Board of Directors of the Company has appointed Mr. Ashok Kumar Daga, Practicing Company Secretary as Scrutinizer for conducting the E-Voting process for the AGM in a fair and transparent manner.
- (H) The Scrutinizer shall, within a period not exceeding three (3) working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer’s Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- (I) The Results shall be declared on or after the AGM of the Company. The Results declared, along with the Scrutinizer’s Report, shall be placed on the website of NSDL within two (2) working days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchanges where the Company is listed.
- 12. 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 in the notice.

Statement pursuant to Section 102 of The Companies Act, 2013

Item No.4.

The Company had, pursuant to the provisions of Clause 49 of the Listing Agreement entered with the Stock Exchanges, appointed Mr. Jitendra Tiwari as Independent Director at various times, in compliance with the requirements of the clause.

Pursuant to the provisions of section 149 of the Act, which came in to effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as Independent Directors, who are not liable to retire by rotation.

A notice under section 160 of the Companies Act, 2013 has been received from a member proposing him as a candidate for the office of Director of the Company.

Mr. Jitendra Tiwari, non-executive director of the Company, have given a declaration to the Board that he meet the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, he fulfil the conditions specified in the Act and the Rules framed there under for appointment as Independent Director and he is independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mr. Jitendra Tiwari as Independent Director is now being placed before the Members for their approval.

The terms and conditions of appointment of the above Director shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

None of the Directors/ Key Managerial Personnel of the Company / their relatives except Mr. Jitendra Tiwari and their relative may be deemed concerned or interested in the resolutions.

Item No.5

The Company had, pursuant to the provisions of Clause 49 of the Listing Agreement entered with the Stock Exchanges, appointed Mrs. Ananya Dey as Independent Director at various times, in compliance with the requirements of the clause.

Pursuant to the provisions of section 149 of the Act, which came in to effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as Independent Directors, who are not liable to retire by rotation.

The Company has however, received a notice under section 160 of the Companies Act, 2013 has been received from a member proposing him as a candidate for the office of Director of the Company.

Mrs. Ananya Dey, non-executive director of the Company, have given a declaration to the Board that he meet the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, she fulfil the conditions specified in the Act and the Rules framed there under for appointment as Independent Director and she is independent of the management.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of Mrs. Ananya Dey as Independent Director is now being placed before the Members for their approval.

The terms and conditions of appointment of the above Director shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

None of the Directors/ Key Managerial Personnel of the Company / their relatives except Mrs. Ananya Dey and their relative may be deemed concerned or interested in the resolutions.

Item No. 6.

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s D.Sabyasachi & Co, Cost Auditors to conduct the audit of the cost records of the

Company for the financial year 2014-15.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration of Rs. 25,000/- plus applicable service tax, payable to the Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Special Business under Item No. 6 of the Notice for ratification of remuneration payable to the Cost Auditors for the financial year ending March 31, 2015.

The Board recommends the resolution for approval of the members.

None of the Directors/Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, in the resolution set out at Special Business Item No.6 of the Notice.

Item No. 7.

Mr. Deo Kishan Kalwani, was appointed as a Director with effect from 22nd December, 2010. He has more than 49 years of experience in business and service related matters and has held distinguished positions in various companies.

The Board, after considering his invaluable support and service to the company recommends his appointment as the Whole-Time Director of the Company with effect from 01st April, 2014. 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 the relevant sections of the Companies Act, 1956/2013. The Company has received a consent letter from Mr. Kalwani, confirming his eligibility for such appointment. Requisite Consent pursuant to relevant Sections of the Companies Act, 1956/2013 has been obtained from Mr. Kalwani, to act as Whole-Time Director, if appointed.

The Board of Directors recommends the Resolution, being Item No.7 of the Notice convening this AGM, for approval of the members.

Save and except Mr. Deo Kishan Kalwani, None of the Directors/Key Managerial Personnel of the Company/ their relatives are, in any way, concerned or interested, in the resolution set out at Special Business Item No.7 of the Notice.

Item No. 8 .

In terms of provisions of Section 180(1) (c) of the Companies Act, 2013, the Board of Directors of the Company cannot, except with the consent of the Company in a general meeting by way of Special Resolution, borrow moneys apart from temporary loans obtained from the Company's bankers in the ordinary course of business, in excess of the aggregate of the paid-up capital and its free reserves. The members at their Annual General Meeting held on 30th September, 2011 had accorded their consent under Section 293(1)(d) of the Companies Act, 1956 as applicable at that time, to the Directors for borrowing moneys up to a limit of Rs.100 crores (apart from temporary loans obtained from the Company's bankers in the ordinary course of business).

Since Section 180(1)(c) of the Companies Act, 2013, is effective from 12th September, 2013, fresh approval of the members by way of Special resolution will be required for borrowings in excess of the paid-up capital and its free reserves . Moreover, the borrowing limit is proposed to be Rs.200 crores at any period of time.

The Board recommends the Special Resolution for approval of the members.

None of the Directors / key managerial personnel of the Company or their respective relatives are concerned or interested in the Resolution mentioned at Item No.8 of the Notice.

Item No. 9

Under the erstwhile Section 293 (1) (a) of the Companies Act, 1956, the Board of Directors of a Company