

23rd Annual Report 2010-2011





Chairman Statement

Your Company has completed 22 years in the paper industry. During these years, Company has been through many ups and down. However we have always taken adverse circumstances as milestones and fought with our strong and undying spirit to succeed. The Year 2010-11 has been full of both opportunities and threats, The threat in the form of increased prices of raw material, power cost, unavailability of labour etc but in these threat there are opportunities to install new machine, improve productivity, improve realization of debtors etc.

We were to some extent successful in our efforts. The Company was in red in the year 2008-09 with a loss of ₹ 245.37 Lacs. We put in our best efforts and were able to recover losses but also earned profits of ₹ 63.91 Lacs in year 2009-10 and ₹ 94.23 Lacs in the current year.

Growth in paper industry has mirrored the growth in GDP and has grown on an average 6-7% over the last few years. Paper is an essential item of consumption and its increased use reflects the living standard of the Country India is the fastest growing market for paper globally and it presents an exciting scenario. Paper consumption is poised for a big leap forward in sync with the economic growth and is estimated to touch 13.95 million tonnes by 2015-16. The futuristic view is that growth in paper consumption would be in multiples of GDP growth and hence an increase in consumption by one kg per capita would lead to an increase in demand of 1 million tonne.

Outlook

Your Company has installed Tissue paper machine imported from Canada for manufacturing of

light GSM Paper like tissue paper, poster paper, OTC Paper etc. The trial operation has commenced. The Company expects increased production with good quality in coming years.

As you are aware that there have been some changes in the Board since the last Annual General Meeting of the Company. In view of increased operation it has been felt for quite some time that there is need for introduction of new talent. The Board has appointed Mr. Arpit J. Gupta as Additional Director, he has been in business of manufacturing and trading of products made from metal and non metal for many years. Mr. Ramesh Chand as Additional Director, as been dealing in business of trading of paper and its allied products for more than two decades. We strongly believe that Company can greatly benefit from diverse experiences of members of the Board

Conclusion

Dear friends over the years, the Company has maintained sustained rate of growth in spite of increase in prices of raw materials and inputs, cut throat competition and other adverse conditions. With your support and trust, the Company is taking strong steps on the path of growth and prosperity of all.

I take this opportunity to thank customers of Kalptaru Papers, its suppliers, the management team and dedicated work force, who always put interest of the company before their and their soul in all efforts to make dream of the Company come true.

Thank You.

Jaikishan B. Gupta
Ahmedabad



23RD ANNUAL REPORT 2010-2011

BOARD OF DIRECTORS

Shri Jaikishan B. Gupta	- Chairman
Shri Naveen J. Gupta	- Managing Director
Shri Pareshbabu Pandya	- Director
Shri Pinakin P. Patel	- Director
Shri Ramesh Chand	- Additional Director wef 30.07.2011
Shri Arpit J. Gupta	- Additional Director wef 29.01.2011

COMPANY SECRETARY

Ms. Veenita Gehlot

AUDIT COMMITTEE

Shri Pareshbabu Pandya
Shri Ramesh Chand
Shri Pinakin M. Patel

STATUTORY AUDITOR

V. D. Aggarwal & Co.
Chartered Accountants, Delhi

BANKER

Indian Overseas Bank
Stadium Road Branch, Ahmedabad

SHAREHOLDERS' AND INVESTORS' GRIEVANCE COMMITTEE

Shri Jaikishan B. Gupta
Shri Naveen J. Gupta

REGISTRARS AND SHARES TRANSFER AGENTS

LINK INTIME INDIA PVT. LTD.

HEAD OFFICE :

13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West), Mumbai-400078
Tel.: 91-22-2596 3838. Fax: 91-22-2594 6969
E-mail : mumbai@linkintime.co.in

BRANCH OFFICE :

211 Sudarshan Complex,
Near Mithakhali Under Bridge, Navrangpura,
Ahmedabad-380009 Tel.: 079-26465179
E-mail: ahmedabad@linkintime.co.in

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REGISTERED OFFICE

701, Avdhesh House, Opp. Gurudwara,
Near Thaltej Cross Road, Ahmedabad-380054
Tel.: 079 26858510/511
Fax : 079 30171202
E-mail : contact@kalptaru.co.in
Website : www.kalptaru.co.in

HEAD OFFICE

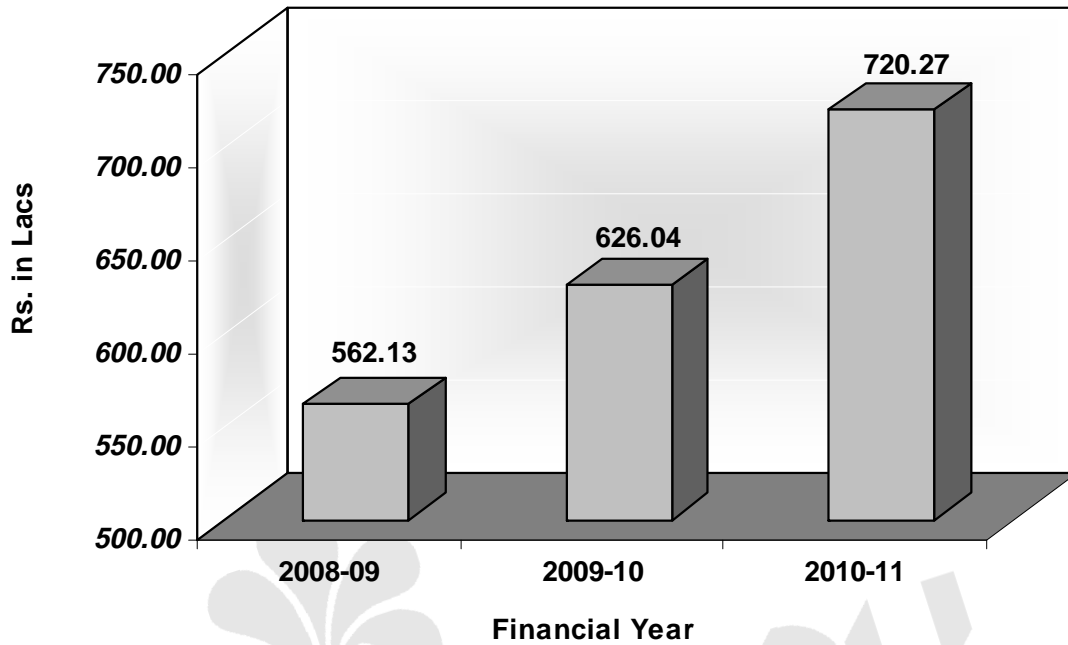
C 8/10, Model Town, Delhi-110009

WORKS

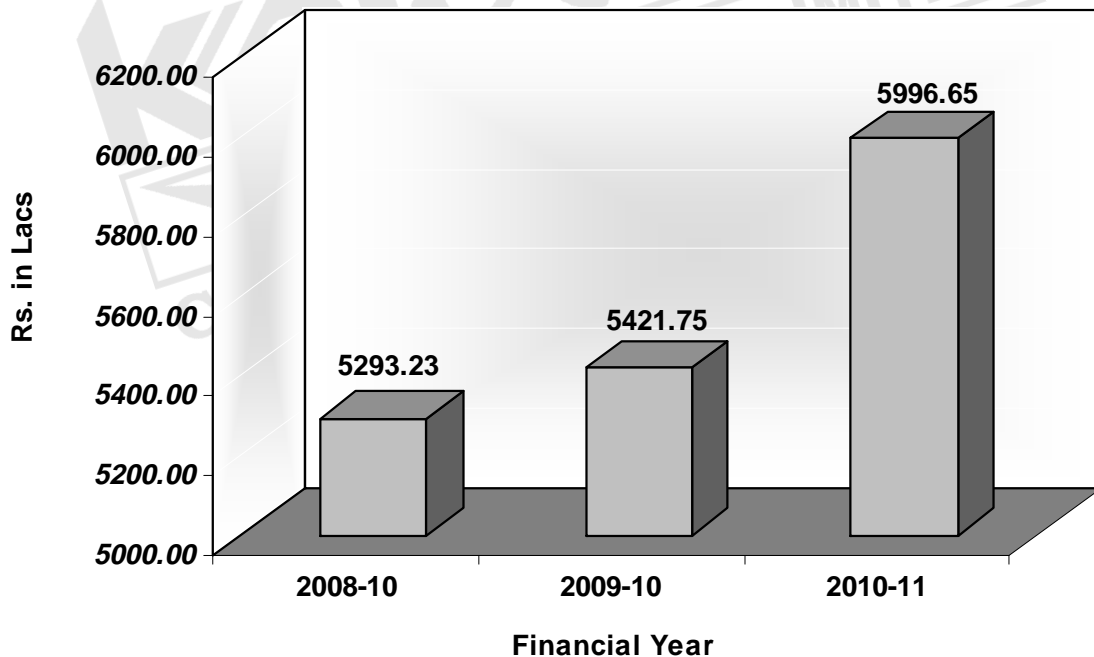
Khatraj Chokdi, Village Karoli,
Kalol, Dist. Gandhinagar, Gujarat



Reserves & Surplus



Turnover





Important Communication to Shareholders
“GREEN INITIATIVE IN THE CORPORATE GOVERNANCE”

Ministry of Corporate Affairs (MCA) has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the Companies and has issued a circular No.17/2011 on April 21, 2011 stating that the service of document to shareholders by a Company can be made through electronic mode.

Keeping in view the underlying theme and to support this green initiative of Government in the right spirit, members who holds shares in electronic mode and who have not registered their email addresses, so far, are requested to register their email address and changes therein from time to time, with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to fill the below mentioned prescribed form, giving their consent to receive the Notices calling general meetings, audited financial statements, auditors’ report, directors’ report, explanatory statement or any other communication in electronic mode, and register the said form with Link Intime India Pvt. Ltd. The said form is also available on the Company’s **website** www.kalptaru.co.in

Please note that you will be entitled to be furnished, free of cost, with a physical copy of the notice, balance sheet and all other documents required by law to be attached thereto including the profit & loss account and auditors’ report etc., upon receipt of a requisition from you, any time, as a member of the Company. We are sure you would appreciate the “Green Initiative” taken by MCA and your Company’s desire to participate in such initiatives.

EMAIL ADDRESS REGISTRATION FORM

(For members who holds shares in Physical Forms)

KALPTARU PAPERS LIMITED

Registered Office : 701, Avdhesh House, Opp. Gurudwara, Nr. Thaltej Cross Road, Ahmedabad – 380054

Ledger Folio No. _____ No. of Share(s) held : _____

NAME OF THE SHAREHOLDER / JOINT HOLDER : _____

E-mail Address : i) _____

ii) _____

Contact No. (R) _____ **(M)** _____

I hereby give my / our consent to receive the Notices calling general meetings, audited financial statements, auditors’ report, directors’ report, explanatory statement and all other documents required by law to be attached thereto or any other communication in electronic mode at my/our above mentioned email ID.

Signed this _____ day of _____, 2011.

Note :

- 1) Members are requested to send their duly completed form as above to the Registrar and Transfer Agent (RTA) namely Link Intime India Pvt. Ltd. 211, Sudarshan Complex, Near Mithakhali Underbridge, Navrangpura, Ahmedabad -380009 Tele fax : 079-26465179
- 2) Members are also requested to inform about any change in their email ID immediately to RTA.
- 3) This form is also available on the Company’s website www.kalptaru.co.in



NOTICE

NOTICE is hereby given that the 23rd Annual General Meeting of the Members of M/s. Kalptaru Papers Limited will be held on Wednesday, 28th day of September, 2011 at 10:30 a.m. at the Registered Office of the Company situated at 701, Avdhesh House, Opp. Gurudwara, Nr. Thaltej Cross Road, Ahmedabad – 380054 to transact the followings :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Accounts for the Financial Year ended on 31st March 2011, and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Jaikishan B. Gupta, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Pinakin M. Patel, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Statutory Auditors to hold office from the conclusion of this Annual General Meeting of the Company until the conclusion of next Annual General Meeting and fix their remuneration and in this regard to consider and, if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution.

“RESOLVED THAT M/s. V D Aggarwal & Co., Chartered Accountants, Delhi, be and are hereby re-appointed as Statutory Auditors of the Company from the conclusion of this Annual General Meeting of the Company until the conclusion the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors, exclusive of traveling and other out of pocket expenses.”

SPECIAL BUSINESS :

5. TO CONSIDER AND IF THOUGHT FIT TO PASS, WITH OR WITHOUT MODIFICATION THE FOLLOWING AS A SPECIAL RESOLUTION

RESOLVED THAT pursuant to the provisions of Section 31 and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modification or re-enactment thereof for the time being in force), the Articles of Association of the Company be altered as follows :

The following new Article No. 216-A is being added after the existing Article No. 216

216-A - Service of notices / documents to member

The Company may serve any notices and / or documents, specifically physical copy of Annual Report of the Company

comprising of Balance Sheet, Profit and Loss Account, Director's Report, Auditor's Report, to the members of the Company through e-mail, who register their e-mail addresses with the Company from time to time. In case any member has not registered e-mail with the Company, the same will be sent by other modes of service as provided under Section 53 of the Companies Act, 1956.

The Article No.127-B is being added after the existing Article No.127-A

127-B : Electronic platform of agencies for electronic voting process

The Company may use electronic platform of agencies duly approved by the Ministry of Corporate Affairs (MCA), for capturing accurate electronic voting process as per section 192A of the Companies Act 1956 read with Companies (Passing of resolution by Postal Ballot) Rules 2011.

6. TO CONSIDER AND IF THOUGHT FIT TO PASS, WITH OR WITHOUT MODIFICATION THE FOLLOWING AS AN ORDINARY RESOLUTION

“RESOLVED THAT Shri Ramesh Chand who was appointed as an Additional Director of the Company by the Board of Directors and who holds office as per Section 260 of the Companies Act, 1956, up to the date of this Annual General Meeting and in respect of whom the company has, pursuant to Section 257 of the Companies Act, 1956 received a notice in writing proposing his candidature for the office of Director, be and is hereby appointed as a director of the Company, liable to retire by rotation.”

7. TO CONSIDER AND IF THOUGHT FIT TO PASS, WITH OR WITHOUT MODIFICATION THE FOLLOWING AS AN ORDINARY RESOLUTION

“RESOLVED THAT Shri Arpit J. Gupta who was appointed as an Additional Director of the Company by the Board of Directors and who holds office as per Section 260 of the Companies Act, 1956, up to the date of this Annual General Meeting and in respect of whom the company has, pursuant to Section 257 of the Companies Act, 1956 received a notice in writing proposing his candidature for the office of Director, be and is hereby appointed as a director of the Company, liable to retire by rotation.”

Regd. Office:

701, Avdhesh House,
Opp. Gurudwara,
Nr. Thaltej Cross Road,
Ahmedabad – 380054
Gujarat

Date: 24th August, 2011

By Order of the Board
For, Kalptaru Papers Limited

Jaikishan B. Gupta
Chairman



NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL, VOTE INSTEAD OF HIMSELF, SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.**
2. An explanatory statement pursuant to section 173(2) of the Companies Act, 1956, in respect of special business in the Notice is annexed hereto. The relevant details has stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges(s), in respect of Directors seeking appointments / re-appointments as directors under Item Nos. 2, 3, 6 and 7 above, are also annexed hereto.
3. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the company on all working days, except Sundays, between 11:00 a.m. and 1:00 p.m. up to the date of the meeting.
4. The Register of Members and the Share Transfer Books of the Company will remain closed From Friday, 23rd day of September, 2011 To Wednesday, 28th day of September, 2011 (both days inclusive).
5. The Equity Shares of the Company are available for Dematerialization, as the Company has entered into an agreement with National Securities Depository Limited (NSDL) and The Central Depository Services Limited (CDSL). Those Shareholders who wish to hold the Company's Share in electronic form may approach their Depository participants.
6. Members holding shares in physical form are requested to advise any change of address immediately to the Company's Registrar and Share Transfer Agent M/s. Link Intime India Pvt. Ltd., 13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400 078. Members holding shares in electronic form must send the advice about change in address to their respective Depository Participant only and not to the Company or Company's Registrar and Share Transfer Agent. As per Circular No. MRD/ Dop/ Cir-05/2009 dated 20th May 2009 issued by Securities and Exchange Board of India (SEBI), it is mandatory to quote PAN for transfer of shares in physical form. Therefore, the transferee(s) are required to furnish a copy of their PAN to the Registrar and Share Transfer Agent of the Company.
7. Members / Proxies should fill in the Attendance Slip for attending the meeting and they are requested to bring their Attendance Slip along with their copy of Annual Report to the meeting. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID and those who hold shares in physical form are requested to write their Folio No in Attendance Slip for attending the meeting.
8. The Annual Report of the Company for the year 2010-11, circulated to the members of the Company, will also be uploaded on the Company's website **www.kalptaru.co.in**
9. Members are requested to intimate to the company, queries, if any, on the accounts at least ten days before the meeting to enable the Management to keep the required information available at the meeting.

Regd. Office:

701, Avdhesh House,
Opp. Gurudwara,
Nr. Thaltej Cross Road,
Ahmedabad – 380054
Gujarat
Date: 24th August, 2011

By Order of the Board
For, Kalptaru Papers Limited

Jaikishan B. Gupta
Chairman



ANNEXURE TO THE NOTICE

Notes on Directors seeking appointment / re-appointment at the annual general meeting as required under the revised Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

Profile of Directors being appointed / re-appointed:

Item No 2

Name	Shri Jaikishan Gupta
Qualification	Graduate from Delhi University
Experience	He has experience of more than three decades in marketing and manufacturing papers and its allied products, products of metals or non ferrous metals. He is associated with the Company since incorporation. Under his able guidance and direction, the Company has achieved phenomenon growth and prosperity.
Other Directorship	Kalptaru Alloys Pvt. Ltd.- Chairman & Managing Director. Kalptaru Fincap Limited Kalptaru Infosoft Pvt. Ltd. Kalptaru Insurance Brokers Limited- Managing Director.
Chairman / Member of the Committees of the Board of the other companies on which he is a director	None
No. of shares held in the company	4,20,670 Equity Shares of ₹10 each
Disclosure of the relationships	Shri Jaikishan B. Gupta, Chairman of the Company is father of Shri Naveen J. Gupta- Managing Director and Shri Arpit J. Gupta - Additional Director of the Company.

Item No 3

Name	Shri Pinakin Mahipatlal Patel
Qualification	Commerce Graduate
Experience	He has vast experience in trading of paper of different varieties, grades etc
Other Directorship	None
Chairman / Member of the Committees of the Board of the other companies on which he is a director	None
No. of shares held in the company	Nil
Disclosure of the relationships	Shri Pinakin M. Patel is not, in any way, concerned / interested / related with any of the other directors of the company.

Item No 6

Name	Shri Ramesh Chand
Qualification	Graduate in business administration
Experience	He has more than two decades of experience in accounting and administration field.
Other directorship	None
Chairman / Member of the Committees of the Board of the other companies on which he is a director	None
No. of shares held in the company	NIL
Disclosure of the relationships	Shri Ramesh Chand is not, in any way, concerned / interested / related with any of the other directors of the company.



Item No 7

Name	Shri Arpit Jaikishan Gupta
Qualification	Commerce Graduate
Experience	He is young entrepreneur having more than 5 years experience in manufacturing of products of ferrous and non ferrous metals, trading of paper products etc .
Other Directorship	Kalptaru Alloys Pvt. Ltd Kalptaru Infosoft Pvt. Ltd.
Chairman / Member of the Committees of the Board of the other companies on which he is a director	None
No. of shares held in the company	29,134 Equity Shares of ₹10 each
Disclosure of the relationships	Shri Arpit Jaikishan Gupta is son of Shri Jaikishan Gupta, Chairman and younger brother of Shri Naveen Gupta, Managing Director.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

The Explanatory statement pursuant to section 173 (2) of the Companies Act, 1956 set out all material facts relating to the Special Business mentioned in the accompanying Notice are as follows:

ITEM NO 5

The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the companies through electronic mode by way of Circular No.17/2011 dated 21/04/2011, Circular No.18/2011 dated 29/04/2011 and Companies (Passing of the Resolution by Postal Ballot) Rules, 2011.

The Ministry of Corporate Affairs vide its Circular No.17/2011 dated 21/04/2011 has clarified that a company would have complied with Section 53 of the Companies Act, 1956 if the service of document has been made through electronic mode provided the company has obtained e-mail by giving an advance opportunity to every shareholders to register their e-mail address and changes therein from time to time with the Company. In case where any member has not registered his e-mail address with the company, the service of document etc will be effected by other modes of service as provide under Section 53 of the Companies Act, 1956.

The Ministry of Corporate Affairs vide its Circular No.18/2011 dated 29/04/2011 has clarified that the company would be in compliance of Sections 219(1) of the Companies Act, 1956 in case, a copy of Balance Sheet etc., is sent by electronic mail to its member subject to the fact that company has obtained –

- e-mail address of its member for sending the Notice with Balance Sheet, Profit & Loss Account, Auditor's Report, Director's Report and Explanatory Statement etc through e-mail, after giving an advance opportunity to the member to register his e-mail address and changes therein from time to time with the company or with the concerned depository.
- Company's website display full text of these documents well in advance prior to mandatory period and issue advertisement in prominent newspapers in both vernacular and English stating that the copies of aforesaid documents are available in the website and for inspection at the Registered Office of the Company during office hours. Website must be designed in a way so that documents can be opened easily and quickly.
- In cases where any member(s) has not registered his e-mail address for receiving the Balance Sheet etc through e-mail, the Balance Sheet etc, will be sent by other modes of services as provided under Section 53 of the Companies Act, 1956.
- In case any member(s) insist for physical copies of above documents, the same should be sent to him physically, by post free of cost.