



24TH ANNUAL REPORT 2011-2012



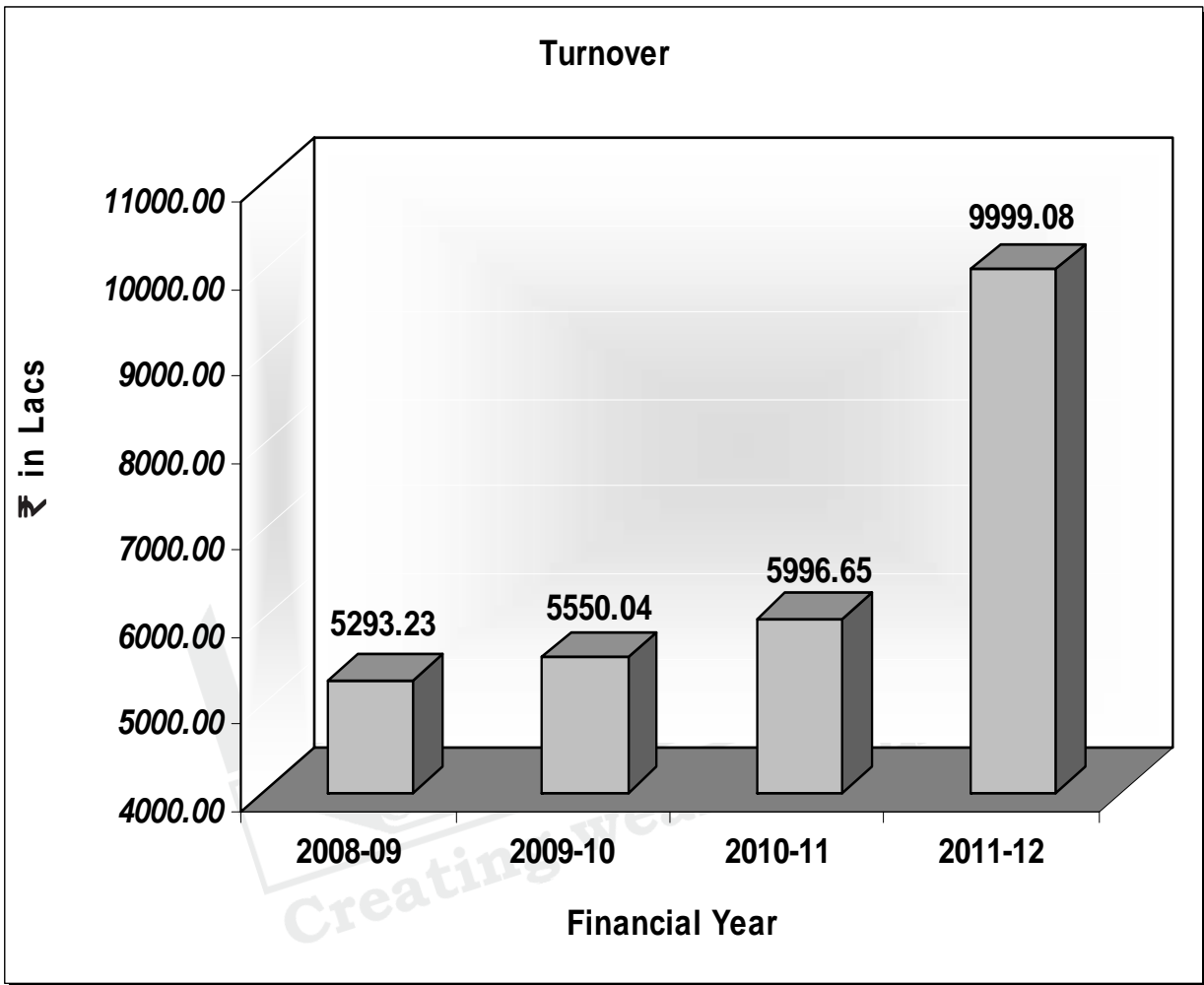
Factory Machines

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BOARD OF DIRECTORS	SHRI JAIKISHAN B. GUPTA - Chairman SHRI NAVEEN J. GUPTA - Managing Director SHRI PARESH PANDYA - Director SHRI RAMESH CHAND - Director SHRI SHIVRATAN SHARMA - Additional Director (w.e.f.15.11.2011)
AUDIT COMMITTEE	SHRI RAMESH CHAND SHRI PARESH PANDYA SHRI SHIVRATAN SHARMA
SHAREHOLDERS' AND INVESTORS' GRIEVANCE COMMITTEE	SHRI JAIKISHAN GUPTA SHRI NAVEEN GUPTA
COMPANY SECRETARY	MS. SHRIMA DAVE
STATUTORY AUDITOR	V. D. AGGARWAL & CO. Chartered Accountants, Delhi
BANKER	INDIAN OVERSEAS BANK Stadium Road Branch, Ahmedabad
REGISTRARS & 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 : Unit No. 303, 3rd Floor, Shoppers Plaza V, Opp. Minicipal Market, Behind Shoppers Plaza II, Off C G Road, Ahmedabad-380009. Tel.: 079-26465179. E-mail: ahmedabad@linkintime.co.in
REGISTERED OFFICE	701, Avdhesh House, Opp. Gurudwara, Near Thaltej Chokdi, Ahmedabad-380054 Tel.: 079 26858510/511, 40230230. 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

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NOTICE

NOTICE is hereby given that the 24th Annual General Meeting of the Members of M/s. Kalptaru Papers Limited will be held on Wednesday, 26th day of September, 2012 at 10:00 a.m. at the Registered Office of the Company situated at 701, Avdhesh House, Opp. Gurudwara, Near Thaltej Chokdi, 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 2012, and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri. Naveen Gupta, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri. Ramesh Chand, 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 AN ORDINARY RESOLUTION**

“RESOLVED THAT Shri. Shivratn Sharma who was appointed as 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,
Near Thaltej Chokdi,
Ahmedabad - 380054. Gujarat

Date: 30th May, 2012

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 and 5 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, 21st day of September, 2012 To Wednesday, 26th day of September, 2012 (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 2011-12, 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.

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Ahmedabad - 380054. Gujarat
Date: 30th May, 2012

**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 Naveen Gupta
Qualification	Graduate in Commerce
Experience	He has experience of more than two decades in marketing and manufacturing papers and its allied products, products 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. Kalptaru Fincap Limited 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	3,11,820 Equity Shares of ₹ 10/- each
Disclosure of the relationships	Shri. Naveen Gupta, Managing Director of the Company is son of Shri. Jaikishan Gupta- Chairman of the Company.

Item No 3

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	500 Equity Shares of ₹ 10/- each.
Disclosure of the relationships	Shri. Ramesh Chand is not, in any way, concerned / interested / related with any of the other directors of the company.

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Item No 5

Name	Shri. Shivratn Sharma
Qualification	Graduate in Arts
Experience	He has more than two decades of experience in Management 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	None
Disclosure of the relationships	Shri. Shivratn Sharma is not, in any way, concerned / interested / related with any of the other directors of the company.

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

Shri Shivratn Sharma was appointed as Additional Director by the Board of Directors of the Company at its meeting held on 15th day of November, 2011 in terms of section 260 of the Companies Act, 1956 ("the Act") and he shall hold office up to the date of the forthcoming Annual General Meeting of the Company. The Company has received valid notice and requisite deposit from member of the Company under Section 257 of the Act, proposing the candidature of Shri. Shivratn Sharma for the office of Director. In view of the background and valuable experience of Shri. Shivratn Sharma, it will be in the interest of the Company to appoint him as Director of the Company.

Your director recommends the resolution for approval of the members.

Shri. Shivratn Sharma is interested in the resolution as it relates to his appointment. None of the other directors of the Company is, in any way, concerned or interested in the resolution.

Regd. Office:

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Near Thaltej Chokdi,
Ahmedabad - 380054. Gujarat

Date: 30th May, 2012

**By Order of the Board
For, Kalptaru Papers Limited**

**Jaikishan B. Gupta
Chairman**

DIRECTORS' REPORT

To,
The Members,
Kalptaru Papers Limited,
Ahmedabad.

Your directors have pleasure in presenting herewith their 24th Annual Report together with the Audited Statements of Accounts for the period ended on 31st March, 2012.

PERFORMANCE HIGHLIGHTS:

Particulars	(₹ in Lac)	
	Current year Ended on 31/03/2012	Previous year Ended on 31/03/2011
Revenue from Operations	9955.97	5981.15
Other Income	43.11	15.50
Profit/Loss before exceptional & extraordinary items & tax	(30.98)	157.38
Exceptional Items	0.00	0.00
Extraordinary Items	0.00	0.00
Profit /Loss before Tax	(30.98)	157.38
Current Tax	0.00	-12.55
Deferred Tax	7.68	-50.60
P/L from the period from continuing Operations	(23.30)	94.23
P/L from the period from discontinuing Operations	0.00	0.00
P/L for the period	(23.30)	94.23

DIVIDEND:

To conserve the resources for the expansion projects under pipeline and loss incurred during the year under review, your directors do not recommend any dividend for the financial year ended on 31st March, 2012.

BUSINESS PERFORMANCE & PROSPECTS:

During the year under report, the company has a turnover of ₹ 9955.97 Lac as compared to ₹ 5981.15 Lac during the previous year and the operation for the year under review has resulted into net loss of ₹ 23.30 Lac in compared to previous year's profit of ₹ 94.23 Lac.

Your company will achieve sustained growth in business by continuing pursuit of our strategy to work with innovation ideas, developing new areas of its activities and reducing cost of products through process innovation. Directors are hoping better performance during the current year.

QUALITY, HEALTH, SAFETY & ENVIRONMENT (QHSE) AND CORPORATE SOCIAL RESPONSIBILITY :

'Quality, Health, Safety and Environment (QHSE) are our core values. Simply stated, our goals are: give best to all, no accidents, no harm to people and no damage to environment. Health, Safety and Security of everyone who works at Kalptaru are critical to our business.'

Kalptaru's commitment towards excellence in Health, Safety and Environment is one of the company's core values by complying with the Laws and Regulations first, and then going beyond the mandate to keep our planet safe for future generations. Minimizing the environment impact of our operations assumes utmost priority.

The company is unwavering in its policy of 'safety of persons overrides all production targets' which drives all employees to continuously break new grounds in safety management for the benefit of the people, property, environment and the communities in which Kalptaru operates. Our comprehensive QHSE Policy, as well as dedicated measures by conducting the Risk Assessment, Identification of significant environment aspects of all manufacturing plants and signatory commitment of Responsible Care, Greatest emphasis is given to safety measures for minimizing accidents and incidents.

The Company continued extending helping hand towards Social and Economic Development of the villages and the community located closed to its operations and also providing assistance to improving the quality of life.

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The Company understands its social obligations .It pays back to the society in whatever way is possible be it flood relief or giving school bags and books to children, installing slides and rides, donating computers in schools in villages around the factory.

The Company is regularly organizing sports and cultural activities for its staff members and their families .The national events like Independence Day and Republic Day are celebrated with full enthusiasm.

FINANCE:

The Company is at present enjoying financial assistance in the form of working capital facilities and term loan from Indian Overseas Bank, Stadium Road Branch, Ahmedabad, and from Axis Bank Limited, Ahmedabad.

PUBLIC DEPOSITS:

During the year ended on 31st March 2012, the Company has not accepted any deposit from the public within the meaning section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules, 1975 and amendment made thereto.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS / OUTGO:

The information relating to conservation of Energy, Technology, Absorption and Foreign Exchange Earning / Outgo as required under section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is given by way of annexure attached hereto which forms part of this report.

PARTICULARS OF EMPLOYEES:

The information required under the provision of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Amendment Rules, 2011 be treated as Nil as none of the employees of the Company was in receipt of total remuneration exceeding of ₹ 60,00,000 p.a. or ₹ 5,00,000 p.m. for part of the year during the financial year under review. No employee is related to any Director of the Company.

BOARD OF DIRECTORS:

In accordance with provisions of Section 256 of the Companies Act, 1956, Shri Naveen Gupta and Shri Ramesh Chand retire by rotation at the forthcoming Annual General Meeting and being eligible offers themselves for re-appointment.

The Board of Directors at its meeting held on 15th November, 2011 has appointed Shri Shivratn Sharma as Additional Director of the company w.e.f.15/11/2011.

Shri Pinakin Patel has resigned as Director of the company w.e.f.15/11/2011.The Board express its appreciation for the services rendered by him during his tenure with the Company.

Shri Arpit Gupta was appointed as Additional Director on 29th January 2011, resigned from Directorship wef 24/09/2011.

RECONSTITUTION OF AUDIT COMMITTEE :

The Board of Directors of the company at its meeting held on 24th August, 2011 has re-constituted an Audit Committee comprising three Independent Non-Executive Directors viz. Shri Paresh Pandya, Ex-Chairman, Shri Ramesh Chand and Shri Pinakin M. Patel. Shri Ramesh Chand (having financial and accounting knowledge) was appointed as Chairman of the Audit Committee as Shri Paresh Pandya has expressed his willingness to continue as Member of the Committee. Shri Jaikishan Gupta has showed his unwillingness to remain member of Audit Committee and resigned as Member of the Audit Committee w.e.f. 24/08/2011.

The Board of Directors of the company at its meeting held on 15th November, 2011 has again re-constituted an Audit Committee comprising three Independent Non-Executive Directors viz. Shri Ramesh Chand - Chairman, Shri Paresh Pandya and Shri Shivratn Sharma. Shri Shivratn Sharma has appointed as Member of the Audit Committee and Shri Pinakin Patel has resigned as Member of the Audit Committee w.e.f. 15/11/2011.

The constitution of Audit Committee meets with the requirements under Section 292A of the Companies Act, 1956 and Clause 49 of the Listing agreement of the Stock Exchanges as well.

The Committee periodically discussed the Financial Reporting process, reviewed the Financial Statements, and discussed the quality of the applied accounting principles and significant judgment that affected the Company's Financial Statements. Before presenting the audited accounts to the members of the Board, the Audit Committee recommended the appointment of the statutory auditors, subject to the Board's approval. The audit Committee reviewed with adequacy of internal control systems with the management, statutory and internal auditors.

ACCOUNTING STANDARDS AND FINANCIAL REPORTING:

The Company incorporates the accounting standards as and when issued by the Institute of Chartered Accountants of India. The Company complied with the Stock Exchange and legal requirement concerning the Financial Statements at the time of preparing them for the Annual Report.

CORPORATE GOVERNANCE:

Your Company follows the principles of effective Corporate Governance. The Company has complied with the mandatory provisions of Corporate Governance as prescribed in the revised Clause 49 of the Listing Agreement executed with the Stock Exchange(s).

A separate section on Corporate Governance is included in the Annual Report and Certificate from Company's Auditors confirming the compliance with the code of Corporate Governance as enumerated in Clause-49 of the listing agreement with the Stock Exchange is annexed hereto.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:

Management's Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement executed with the Stock Exchanges, is presented in a separate section forming part of the Annual Report.

DEMATERIALISATION OF EQUITY SHARES :

As per direction of the SEBI and the Bombay Stock Exchange Limited, the shares of the Company are under compulsory demat form. The Company has established connectivity with both the Depositories i.e. **National Securities Depository Limited [NSDL]** and **Central Depository Services India Limited [CDSL]** and the demat activation number allotted to the Company is ISIN: INE783C01019. Presently shares are held in electronic and physical mode (96.65% of shares in demat and 3.35 % in physical mode.)

LISTING:

The Equity Shares of the Company are listed in the Stock Exchange, Mumbai (BSE) which has the connectivity in most of the cities across the country.

AUDITORS:

M/s. V. D. Aggarwal & Co., Chartered Accountants, Delhi, retires at the ensuing Annual General Meeting and have expressed their willingness to continue, if so appointed. As required under the provisions of Section 224 (1) (B) of the Companies Act, 1956 the Company has obtained a written confirmation from the Statutory Auditor's proposed to be reappointed to the effect that their re-appointment, if made, would be in conformity with the limits specified in the said Section.

A proposal seeking their re-appointment is provided as a part of the Notice of the ensuing Annual General Meeting.

AUDITORS REPORT:

The comments in the Auditors Report with Notes to Accounts referred to the Auditor's Report are self explanatory and, therefore do not call for any further explanation.

APPOINTMENT OF COST AUDITOR :

The Board of Directors at its meeting held on 14th October, 2011 has appointed J. B. Mistri as Cost Auditor of the Company to conduct the audit of the Cost Records maintained by the Company under Section 233B (1) of the Companies Act, 1956 for the Financial Year ending on 31st March, 2012 (i.e. Financial Year 2011-12) under revised procedure prescribed in general Circular No.15/2011 dated 11th April, 2011 issued by Cost Audit Branch - CAB, Ministry of Corporate Affairs.

The appointment of J. B. Mistri, Cost Auditor is within the limit prescribed under section 224(1B) read with sub section (2) of section 223B of the Companies Act, 1956. He is holding certificate of practice issued by The Institute of Cost and Works Accountant of India and is in whole time practice.

The Due Date of filling of Cost Audit Report by the Cost Auditor for the Financial Year ending on 31st March, 2012 (i.e. Financial Year 2011 - 2012) is within 180 days from the end of Financial Year i.e. before 30th September, 2012. Shri J. B. Mistri, Cost Auditor of the Company is in process to prepare Cost Audit Report for the Financial Year ending on 31st March, 2012.

The Board of Directors at its meeting held on today 30th May, 2012 has re appointed J. B. Mistri as Cost Auditor of the Company for the Financial Year ending on 31st March, 2013 (i.e. Financial Year 2012- 2013) to conduct the audit of the Cost Records maintained by the Company under Section 233B (1) of the Companies Act, 1956 under revised procedure prescribed in general Circular No.15/ 2011 dated 11th April, 2011 issued by Cost Audit Branch - CAB, Ministry of Corporate Affairs.

SECRETARIAL COMPLIANCE CERTIFICATE:

The Compliance Certificate obtained from the Company Secretary in whole time practice regarding compliances of the provision of the Companies Act, 1956 is attached herewith and it is forming part of the Directors' Report.

INDUSTRIAL RELATIONS:

Industrial relations continued to be cordial during the year under review. The Directors express their appreciation towards the workers, staffs and executive staffs for their support and hope for a continued harmonious relations.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 with respect to Director's Responsibilities Statement, it is hereby confirmed:

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- (i) that in the preparation of the Annual Accounts for the Financial Year ended 31st March, 2012, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) that the Director had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the Financial Year and of the Profit or Loss of the Company for the Company for the year under review;
- (iii) that the Directors had taken proper and sufficient care for the maintenance of Adequate accounting records in according with the provisions of the Companies Act 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors had prepared the accounts for the Financial Year ended 31st March, 2012, on a going concern basis.
- (v) that the company has adequate internal systems and controls in place to ensure compliance of laws applicable to the company.

INSURANCE:

The company has made the necessary arrangement for adequately insuring its insurable interests.

ACKNOWLEDGEMENT:

Your Directors would like to express their grateful appreciation for the assistance and co operation received from the Government, Banks, Customers, Suppliers and Business associates during the year under review. The Directors also express their gratitude to the shareholders for the confidence reposed towards the Company. Your Directors wish to place on record their deep sense of appreciation to all the employees for their commendable team work and enthusiastic contribution during the year.

Regd. Office :

701, Avdhesh House,
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Date: 30th May, 2012

By Order of the Board
For, Kalptaru Papers Limited

Jaikishan B. Gupta
Chairman

ANNEXURE FORMING PART OF DIRECTOR' REPORT

Disclosure of particulars with respect to conservation of energy as required under Section 217 (1) (e) read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of Report of Board of Directors for the year ended on 31st March, 2012.

I ENERGY CONSERVATION MEASURES:

Energy Conservation is the most essential part in today's working. It is the duty of every individual at all levels to save energy as far as possible. Saving energy is not one time job but constant efforts are required for the same. The management has formed Committee to look into the matter and suggest latest measures to save steam and power.

Variable Drives have been installed to save energy. Energy efficient Motors / Pumps have been installed to achieve energy savings.

II TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION:

Use of the latest technology is the dire need of the industry if it wants to survive and keep pace with others in the changed environment.

III FOREIGN EXCHANGE EARNINGS AND OUTGO:

	2011-12	2010-11
Foreign exchanges earned :	Nil	Nil
Foreign exchange outgo : (Including Imports & Traveling)	US\$ 2,43,589/-	US\$ 2,96,344/-

FORM A
(DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY)

Particulars	2011-2012	2010-2011
(A) Power and Fuel Consumption :		
1. Electricity		
Purchased Power (units)	9944240.00	6734831.00
Total Amount	67116027.00	44143742.00
Rate (unit)	6.75	6.55
2. Boiler Fuel		
Quantity (kg)	16880155.00	15272690.00
Total Amount	49230242.00	43816105.00
Average Rate (kg)	2.92	2.87
3. (a) LNG Gas		
In SCM	222677.80	1641136.09
In ₹	5454067.00	31905671.89
Average Rate	24.49	19.44
Total Units	758960.00	5844240.00
Rate per Unit	7.19	5.46
(b) L.E.O.		
In Liters	NIL	NIL
In ₹	NIL	NIL
Average Rate	NIL	NIL
Total Units	NIL	NIL
Rate per Unit	NIL	NIL
(c) Furnace Oil		
In Liters	NIL	NIL
In ₹	NIL	NIL
Average Rate	NIL	NIL
Total Units	NIL	NIL
Rate per Unit	NIL	NIL
(B) Consumption per unit of production :		
Electricity (Unit)	0.463	0.426
Coal (kg)	0.730	0.517

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A. BUSINESS HIGHLIGHTS :

Turnover :

Kalptaru Papers Limited has achieved a turnover of ₹ 9955.97 Lacs in 2011-2012 as against ₹ 5981.15 Lacs during the previous year recording an increase of over 66.46%.

Other Income:

Other income mainly consists of sales of scrap, profit on sales of assets, etc. Other income for the year amounted to ₹ 43.11 Lacs as against ₹ 15.50 Lacs during the previous year.

Material Costs :

Purchase costs include Raw Material consumption for the year was ₹ 2924.34 Lacs as against ₹ 3512.79 Lacs during the previous year. Inventory of Raw Materials has gone down during the year by ₹ 44.45 Lacs. Work in progress has decreased by ₹ 0.52 Lacs.

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Manufacturing Expenses :

Purchase Cost also includes Manufacturing Expenses mainly comprises Power & Fuel ₹ 733.86 Lacs, Repairs & Maintenance ₹ 14.99 Lacs, as against ₹ 760.43 Lacs and ₹ 9.10 Lacs respectively during the previous year.

Employee Emoluments:

Employee's emoluments (other than managerial remuneration) have increased to ₹ 226.35 Lacs during the year as against ₹ 219.32 Lacs during the previous year. This increase is mainly due to higher increase given to employees.

Administrative, Selling and Other Expenses :

Major components of administrative, selling and other expenses include managerial remuneration, rent, postage, stationary, audit fees, traveling, commission on sales etc. Administrative, selling and other expenses for the year amounted to ₹ 154.25 Lacs as against ₹ 140.34 Lacs during the previous year. These expenses accounted for 1.55% of sales during the year as against 2.35 % during the previous year.

Interest and Finance Charges:

Interest and finance charges during the year come to ₹ 389.87 Lacs as against ₹ 353.26 Lacs during the previous year.

Depreciation :

Depreciation charge for the current year came to ₹ 257.97 Lacs as against ₹ 247.96 Lacs during the previous year. Addition to fixed assets during the year was ₹ 143.49 Lac.

Provision for Tax :

Provision made during the year towards current tax as Nil against ₹ 12.55 Lacs during the previous year. The deferred tax credit for current year was ₹ 7.68 Lac.

Profit after Tax :

Net profit during the year was ₹ -23.30 Lacs as against ₹ 94.23 Lacs during the previous year.

Financial Condition:

Secured loans:

Secured loans stood at ₹ 2999.07 Lacs as at 31st March, 2012 as against ₹ 3028.011 Lacs as at 31st March, 2011 due to disbursement of loans sanctioned (enhanced credit facilities) during the year. An amount of ₹ 179.18 Lacs (term loan) was repaid during the year.

Unsecured Loans :

Unsecured loans as on 31st March, 2012 were at ₹ 680.93 Lacs as against ₹ 539.95 Lacs as on 31st March, 2011.

Inventories :

Major items of inventories as of 31st March, 2012 are as under :

Particulars	₹ in Lac)	
	2011-2012	2010-2011
Raw Materials	88.60	128.20
Work in process	2.72	3.24
Finished goods	140.16	84.98

Debtors :

Debtors as on 31st March, 2012 amounted to ₹ 982.94 Lacs as against ₹ 972.31 Lacs during the previous year.

Fixed Assets :

Net block of the fixed assets at the end of the year decreased to ₹ 4554.19 Lacs compared to previous year's figure of ₹ 4669.98 Lacs.

B. SEGMENT WISE PERFORMANCE :

The company is operating in only one segment i.e. paper. The production of craft paper is 84% and of news print paper is only 16% of total production. There is no material deference in the technical and financial performance in either of the papers.

Your company has adopted various marketing strategies for sustained growth including increase in number of clients / customers to reduce the dependency on any single client / customer.

AN INDUSTRY OVERVIEW :

The paper industry in India is having shortage of raw materials, as we do not have enough forests to meet the industry requirement of pulpable wood, hence the dependence on waste paper is on higher scale. The central pulp and papers research institute and many other organizations are actively involve to find out ways to increase collection of waste papers to reduce dependence on imports.

The management is confident of improvement in the demand of paper in the near future with fast growth of decorative and industrial laminate industry. News paper readers are also on increase. Both this trends will lead to higher demand of your company products year by year. The unit of the company is eco-friendly and have already adopted the concept of recycle of papers.

The scenario of the paper industry and economy in general is buoyant even after the industry is exposed to global competition with globalization policy of the government. The industry is facing problems for availability of raw materials and high cost of power and steam. The process of development, increasing thrust of the government on the education and demand from packaging sector, the future of papers industry appears quite bright.

C. SWOT ANALYSIS OF THE COMPANY :

Strength:

- Management depth and ability to manage client relationships.
- R & D capabilities to develop efficient and cost effective process at short notice having a State of the Art dedicated R & D Center.
- Multi-purpose and multi-production facilities having Quality Certifications.
- Enhanced presence in the market through clientele basis.
- Has equipped itself with new business dynamics of comprehensive service providers to the clients this may call for required diversification also for which the company has already equipped itself.

Opportunities:

The paper industry in subject to tough competition amongst various segments of manufactures within and outside the country. The threat of competition is comparatively less in the product which your company is manufacturing viz. Absorbent paper and news print. Your company is exclusively manufacturing Absorbent paper which is being supplied to almost all the decorative and Industrial Laminate manufactures, and the products have been well approved by them. The company is market leader in absorbent paper. The increase in demand from this sector will provide opportunity to your company to increase its sale and capture more market share. Moreover, Indian paper industry witnessing changes in business dynamics.

Threats :

- Competition from other Indian companies operating in similar segments.

D. RISKS AND CONCERNS :

Your company is mainly focusing on R & D and manpower and the intelligence. Apart from the risk on account of interest rate and regulatory changes, business of the company are exposed to certain operating business risks, which is mitigated by regular monitoring and corrective actions. The company has taken necessary measures to safe guard its assets and interest etc.

E. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY :

The company has proper and adequate system of internal controls commensurate with its size and nature of operations to provide reasonable assurance that all assets are safeguarded, transactions are authorized, recorded and reported properly and to monitor internal business process, financial reporting and compliance with applicable laws.

The internal control system has been designed so as to ensure that the financial and other records are reliable and reflects a true and fair view of the state of the Company's business.

To further strengthen the Internal Audit system, including internal control systems and MIS, your company has appointed an experienced firm of Chartered Accountants as Internal Auditors.

F. INDUSTRIAL RELATIONS & HUMAN RESOURCE MANAGEMENT :

The Company believes that human resource is the most important assets of the organization. It is not shown in the corporate balance sheet, but influences appreciably the growth, progress, profits and the shareholders' values. During the year your company continued its efforts aimed at improving the HR policies and processes to enhance its performance. The vision and mission of the company is to create culture and value system and behavioral skills to insure achievement of its short and long term objectives.

The company as at year end has 128 employees on its role and continues to attract talent both from within and outside India to further its business interests. Industrial relations continue to be cordial.

Cautionary Statement:

Statement made in the Management Discussion & Analysis describing the company's objectives, projections, estimates, expectations may be "Forward-looking statements" within the meaning of applicable securities laws & regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand supply and price conditions in the markets in which the company operates, changes in the government regulations, tax laws & other statutes & other incidental factors.

CORPORATE GOVERNANCE REPORT

Corporate Governance and practices in accordance with the provisions of the Revised Clause 49 of the Listing Agreement:

1. Company's philosophy on Code of Governance :

The Company believes that good Corporate Governance is essential to achieve long term corporate goals and enhance stakeholders' value. Thus, Company's philosophy on Corporate Governance is aimed at the attainment of laws in all facets of operations, leading to best standards of Corporate Governance.

It is Company's belief that good ethics make good business sense and our business practices are in keeping with this spirit of maintaining the highest level of ethical standards. The implementation of Company's code for prohibition of Insider Trading exemplifies this spirit of good ethics.

Corporate Governance signifies acceptance by management of the inalienable rights of shareholders as the true owners of organization and of their own role as trustees on behalf of the shareholders. At the highest level, the company continuously endeavors to improve upon these aspects on an ongoing basis and adopts innovative approaches for leveraging resources, converting opportunities into achievements through proper empowerment and motivation, fostering a healthy growth and development of human resources to take the company forward.

2. Board of Directors :

Composition:

The Board of Directors of the Company (hereinafter referred as 'Board') comprises of a combination of executive and non - executive Directors. The Chairman of the Board is an Executive Director and more than half of the Board Members (excluding Alternate Director) are Independent. The Composition of the Board is in line with the requirement of Clause 49 of the Listing Agreement. Directors are qualified and experienced professionals in business, finance and corporate management.

The present Board of Directors consists of 3(three) non-executive / independent directors. As of date, the Board Comprises of 1(one) whole time / executive director and 1(one) executive directors and 3(three) independent / Non-Executive directors.

The number of non-executive/independent directors is 60% of the total number of directors. The Company, therefore, meets with the requirements relating to the composition of the Board of Directors.

The composition and category of Directors are as follows :

Category	Name of Directors
Promoter and Whole Time Executive Director	Shri Naveen J. Gupta, Managing Director
Promoter and Executive Directors	Shri Jaikishan B. Gupta, Chairman
Independent & Non-Executive Directors	Shri Paresh Pandya - Director Shri. Ramesh Chand - Director Shri Shivratana Sharma - Additional Director

Disclosure of relationships between Directors inter-se :

Name of directors	Relationship with other Director
Shri Jaikishan B. Gupta	Father of Shri Naveen Gupta, Managing Director of the Company.
Shri Naveen J. Gupta	Son of Shri Jaikishan Gupta, Chairman of the Company .
Shri. Paresh Pandya	Not, in any way, concern / interested / related with any of the other directors of the company.
Shri Ramesh Chand	Not, in any way, concern / interested / related with any of the other directors of the company.
Shri. Shivratana Sharma	Not, in any way, concern / interested / related with any of the other directors of the company.

Attendance of each Director at the Board meetings, Last Annual General Meeting and Number of Other Directorships and Chairmanships / Memberships of Committees of each Director in various Companies, during the year 2011-2012 :

Name of Directors	Attendance particulars		No. of Directorships and Committees Memberships / Chairmanships		
	Board Meetings	Last AGM	Other Directorship**	Committee Membership***	Committee Chairmanship***
Shri Naveen Gupta	11	Present	1	1	None
Shri Jaikishan Gupta	11	Present	2	2	1
Shri Paresh Pandya	11	Present	None	1	None
Shri Ramesh Chand	8	Present	None	1	1
Shri Shivratn Sharma*	4	NA	None	1	None

* Appointed as additional director w.e.f.15/11/2011.

** The number of Directorships excludes Directorships of Private Limited Companies, Foreign Companies, Companies licensed under section 25 of the Companies Act, 1956 and Alternate Directorships.

*** Committee includes only Audit Committee and Shareholders' and Investors' Grievance Committee of Public Limited Companies (excluding Foreign Companies and Section 25 Companies) in terms of Clause 49 of the Listing Agreement.

Note :

- I) Details of the Committee membership/chairmanship are in accordance with the revised Clause 49 of Listing Agreement.
- II) None of the Directors of the Company is a member of more than ten committees nor is the Chairman of more than five Committees across all the Companies in which he is a Director.

Number of Board Meetings held and the dates on which held

11(Eleven) Board Meetings were held during the year 2011-2012, as against the minimum requirement of 4 meetings. The dates on which the meetings were held are: 04/04/11, 14/05/11, 30/07/11, 24/08/11, 24/09/11, 14/10/11, 15/11/11, 18/01/12, 13/02/12, 27/02/12 and 17/03/12.

The Company has held one meeting every quarter and the maximum time gap between any two meetings was not more than four months.

The Information as required under Annexure IA to Clause 49 of the Listing Agreement is made available to the Board. The agenda and the papers for consideration at the Board meeting are circulated to the Directors in advance to the meeting. Adequate information is circulated as part of the Board papers and is also made available at the Board meeting to enable the Board to take informed decisions.

Where it is not practicable to attach supporting / relevant document(s) to the Agenda, the same are tabled at the meeting with specific reference to this is made in the Agenda.

Information provided to the Board :

The agenda is circulated well in advance to the Board members to enable the Board to deliberate on relevant points and arrive at an informed decision. All relevant information related to the working of the Company is made available to the Board. In addition to matters which require to be placed before the Board for its noting and / or approval, information is also provided on various other significant matters.

CEO Certification :

The Managing Director of the Company gives annual certification on financial reporting and internal controls to the Board in terms of Clause 49. The Managing Director also gives quarterly certification on financial results while placing the financial results before the Board in terms of Clause 41.

Code of Conduct :

The Company has formulated and implemented a Code of Conduct for all Board members and senior management personnel of the Company in compliance with Clause 49(I) (D) of the Listing Agreement.

The code of conduct for Directors and Senior Managerial Management personnel's has been posted at Company's website www.kalptaru.co.in. A declaration of CEO / Managing Director of the Company to this effect is also appended to this report.

Risk Management Policy :

The Company has formulated a Corporate Policy applicable to its operations, and duly approved by the Board of Directors in compliance with the requirement of the revised Clause 49 of the Listing Agreement with the Stock Exchanges. Audit Committee and Board Members are reviewing and updating the said policy periodically.

3. Audit Committee for the Financial Year 2011-2012:

Composition and procedure of Audit Committee

Audit Committee of the Company comprises three independent Non-Executive Directors viz. Shri Ramesh Chand, Chairman (having financial and accounting knowledge), Shri Paresh Pandya and Shri Shivratan Sharma.

The constitution of Audit Committee meets with the requirements under Section 292A of the Companies Act, 1956 and Clause 49 of the Listing agreement of the Stock Exchanges as well. Detail of members and number of meeting attended by Committee members as mentioned as under:

Sr.No.	Name of the Member	Designation	No. of meeting attended
1	Shri Ramesh Chand*	Chairman	3
2.	Shri Paresh Pandya	Member	7
3.	Shri Shivratan Sharma**	Member	1

*Appointed as Chairman and Member of the Audit Committee w.e.f. 24/08/2011.

**Appointed as Member of the Audit Committee w.e.f. 15/11/2011.

The necessary quorum was present at the meetings. There are changes in the composition of the Committee during the year. Seven (7) meetings were held during the year. Dates of the meetings are: 06/04/11, 14/05/11, 30/07/11, 24/08/11, 14/10/11, 15/11/11 and 13/02/11.

Scope of Audit Committee

The Audit Committee oversees the work carried out in the financial reporting process by the management, including the Internal Auditors. The scope of activities of the Audit Committee is as set out in Clause 49 of the Listing Agreements entered with the Stock Exchanges read with Section 292A of the Companies Act, 1956 are mentioned as under:

1. Overseeing of the company's financial reporting process and the disclosure of its financial information;
2. Reviewing with the management, the annual financial statements before submission to the Board for approval;
3. Reviewing with the management, the quarterly financial statements before submission to the Board for approval;
4. Reviewing with the management, performance of statutory and internal auditors, adequacy of the internal control systems and internal audit function;
5. Discussion with internal auditors any significant findings and follow up there on;
6. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
7. Holding periodic discussions with the Statutory Auditors and Internal Auditors of the Company concerning the accounts of the Company, internal control systems, scope of audit and observations of the Auditors/ internal Auditors;
8. Recommending the Board on any matter relating to the financial management of the Company, including Statutory & Internal Audit Reports;
9. Such other matters as may be necessary in course of performing their functions.

The Chairman of the Committee attended the previous Annual General Meeting of the Company held on 28th September, 2011.

The Secretary to the Company acts as a Secretary to the Committee. The Internal Auditors, Managing Director, DGM -Finance & Accounts are invited to attend and participate at the meeting from time to time.

Powers of the Audit Committee:

The Audit Committee has powers that include the following:

- a) To investigate any activity of the Company within its terms of reference.
- b) To seek information from any employee.
- c) To obtain outside legal and other professional advice.
- d) To secure attendance of outsiders with relevant expertise, if it considers necessary.

4. Remuneration Committee (non-mandatory):

The Company has not constituted the Remuneration Committee. But the Audit Committee is entrusted with the responsibility of finalizing the remuneration of Executive / Whole Time Directors.

5. Shareholders' and Investors' Grievance Committee :

Board of Directors of the Company has constituted a Shareholders' and Investors' Grievance Committee. Presently, the Shareholders and Investors Grievance Committee comprises of two directors namely, Shri. Jaikishan Gupta, Chairman of the Committee and Shri. Naveen Gupta. The Committee, inter alia, approves issue of duplicate certificates and oversees and

reviews all matters connected with the securities transfers. The Committee also looks into redressal of shareholders' complaints like transfer of shares, non-receipts of balance sheet, non-receipt of declared dividends etc. The Committee oversees the performance of the Registrar and Transfer Agents and recommends measures for overall improvement in the quality of investor services.

Sr.No.	Name of the Member	Designation	No. of meeting attended
1	Shri Jai Kishan Gupta	Chairman	11
2.	Shri Naveen Gupta	Member	11

Eleven (11) meetings were held in year 2011-12. Dates of the meetings are: 30/04/11, 14/05/11, 03/06/11, 30/07/11, 19/08/11, 24/08/11, 24/09/11, 10/11/11, 17/12/11, 22/12/11 and 13/02/11.

The Company secretary acts as secretary to the Committee.

The necessary quorum was present at the meetings. There is no change in the composition of the Committee during the year.

None of the request for transfers, dematerialization and re-materialization was pending for approval as on 31st March, 2012.

Quarter-wise Summary of Investors' Complaints received and resolved to the satisfaction of the shareholders during the financial year 2011-2012.

Quarter Period		Complaints Position at the beginning of the quarter	Complaints received during the quarter	Complaints resolved during the quarter	Complaints pending at the end of the quarter
From	To				
01/04/2011	30/06/2011	NIL	NIL	NIL	NIL
01/07/2011	30/09/2011	NIL	NIL	NIL	NIL
01/10/2011	31/12/2011	NIL	NIL	NIL	NIL
01/01/2012	31/03/2012	NIL	NIL	NIL	NIL
Total		NIL	NIL	NIL	NIL
Complaint pending at beginning of the year		=	NIL		
Complaint received during the year		=	NIL		
Complaint resolved during the year		=	NIL		
Complaint pending at the end of the year		=	NIL		

6. Annual General Body Meetings :

Location, Date and Time for last three Annual General Meetings were as follows :

Year	Location	Date	Time
2008-09	701, Avdhesh House, Opp : Gurudwara, Nr. Thaltej Chokdi, Ahmedabad - 380054	29/09/2009	10:00 a.m.
2009-10	701, Avdhesh House, Opp : Gurudwara, Nr. Thaltej Chokdi, Ahmedabad - 380054	29/09/2010	10:00 am
2010-11	701, Avdhesh House, Opp : Gurudwara, Nr. Thaltej Chokdi, Ahmedabad - 380054	28/09/2011	10:30 am

Pursuant to the provisions of Section 192A of the Companies Act, 1956 there was no matter required to be dealt by the company to be passed through Postal Ballot.

Whether any Special Resolutions :

- | | | | |
|-----|--|---|-----|
| (a) | Were put in the previous AGM | : | Yes |
| (b) | Were put through Postal Ballot last year | : | No |
| (c) | Are proposed to be conducted through postal ballot | : | No |

7. Disclosures:

- 7.1 There are no materially significant related party transactions i.e. transactions of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc., that may have potential conflicts with the interests of the company at large in the financial year 2011 - 2012 Related party transactions have been disclosed in the Notes to the Annual Accounts of the Company for the year ended 31st March, 2012.

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7.2 There has been no instance of non-compliance by the company on any matter related to capital markets, during the last three years and hence no penalties or strictures have been imposed on the company by Stock Exchange(s) or SEBI or any other statutory authority.

7.3 The Company has complied with all the mandatory requirements of the Revised Clause 49 of the Listing Agreement.

8. Means of Communication:

The Company has always promptly reported to all the Stock Exchanges where the securities of the Company are listed, all the material information including declaration of quarterly/ half yearly and annual Financial Results in the prescribed formats and through press release etc.

The Financial Result and the other statutory information are communicated to the shareholders by way of advertisement in one English daily and one Gujarati language daily newspaper, as per the requirement of the Listing Agreement entered with Stock Exchanges.

Financial Results are normally published in "Western Times" in English daily and in its Gujarati edition.

The said are also available on the Company's website: www.kalptaru.co.in

As the Financial Results are published in leading newspapers as well as hosted on the Company's website, the results are not sent to the households of the individual shareholders.

All price sensitive information and announcements are communicated immediately after the Board decisions to the Stock Exchanges, where the company's shares are listed, for dissemination to the Shareholders and also hosted on Company's website.

The Management Discussion and Analysis Report forms part of this report.

9. General Shareholder Information :

9.1 24th Annual General Meeting

Date : 26th day of September, 2012

Time : 10:00 a.m.

Venue : 701, Avdshesh House, Opp. Gurudwara, Near Thaltej Chokdi, Ahmedabad - 380054

As required under Clause 49(IV) (G) (i), particulars of Directors seeking appointment/re-appointment are given in Annexure to the Notice of the Annual General Meeting to be held on 26th September, 2012.

9.2 Financial Year / Calendar :

The Company follows April to March as its Financial Year. The results for every quarter beginning from April are being declared in the month following the quarter as per the Listing Agreement.

9.3 Date of Book Closure :

From Friday, 21st day of September, 2012 To Wednesday, 26th day of September, 2012 (both days inclusive), for the Annual General Meeting scheduled to be held on 26th September, 2012.

9.4 Listing on Stock Exchanges :

Bombay Stock Exchange Limited.

9.5 Stock Code

Bombay Stock Exchange Limited

: 590036

Demat ISIN Number in NSDL & CDSL for Equity Shares

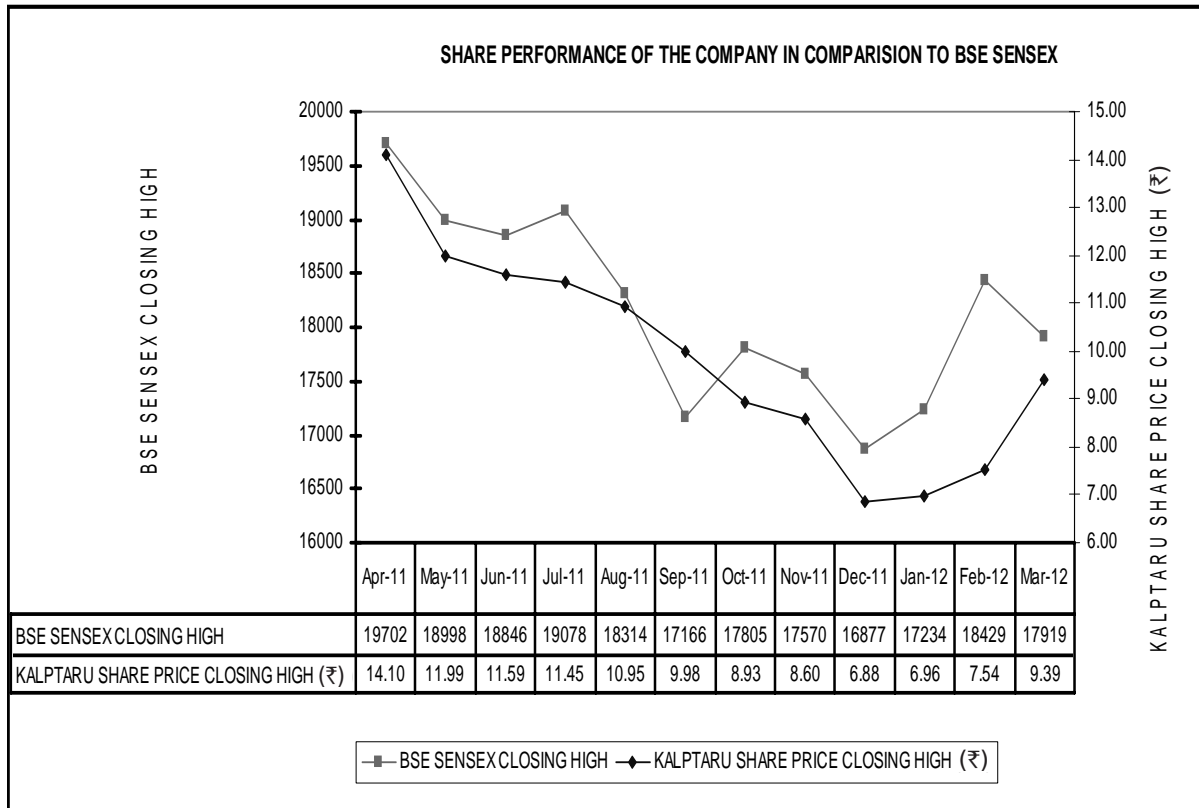
: INE783C01019

9.6 Market Price Information and Other information concerning the shares

The table below sets forth, for the periods indicated, the Closing high and low and volume of trading activity on the BSE for the shares

Month	Bombay Stock Exchange (BSE)		
	High (₹)	Low (₹)	Volume Traded
April, 2011	14.10	11.72	108909
May, 2011	11.99	10.61	68391
June, 2011	11.59	10.20	100217
July, 2011	11.45	10.61	19234
August, 2011	10.95	9.15	11047
September, 2011	9.98	8.35	12953
October, 2011	8.93	7.85	16835
November, 2011	8.60	6.77	6045
December, 2011	6.88	7.90	2411
January, 2012	6.96	8.00	15210
February, 2012	7.54	8.80	37359
March, 2012	9.39	7.94	6991
Total			405602

9.7 BSE - Share performance of the Company



9.8 Registrars and Shares Transfer Agents :

LINK INTIME INDIA PVT. LTD.

Head Office :

13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400 078
Tel.: 91-22-2596 3838. Fax : 91-22-2594 6969. E-mail : mumbai@linkintime.co.in

Branch Office:

Unit No. 303, 3rd Floor, Shoppers Plaza V, Opp. Minicipal Market, Behind Shoppers Plaza II, Off C G Road, Ahmedabad - 380009
Tel.: 079-26465179. E-mail : ahmedabad@linkintime.co.in

9.9 Share Transfer / Demat System

All the shares related work is being undertaken by our R & T Agent, Link Intime India Pvt. Ltd., 13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai - 400 078. To expedite the process of share transfer, transmission, split, consolidation, re-materialization and de-materialization etc. of securities of the Company, the Board of Directors has delegated the power of approving the same to the Company's R & T Agent under the supervision and control of the Company Secretary & Compliance Officer of the Company, who is placing a summary statement of transfer / transmission etc. of securities of the Company at the meeting of the Shareholders' and Investors' Grievance Committee.

Shares lodged for transfer at the R & T Agents address in physical form are normally processed and approved within 15 days from the date of receipt, subject to the documents been valid and complete in all respect. Normally, the entire requests for de-materialization of shares are processed and the confirmation is give to the Depository within 15 days. The investors / shareholders grievances are also taken-up by our R & T Agent.

The Company has obtained and filed with the Stock Exchange(s), the half yearly certificates from a Company Secretary in Practice for due compliance with the share transfer formalities as required under Clause 47(c) of the Listing Agreement.

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9.10 Distribution Schedule and Shareholding Pattern as on 31st March, 2012

Distribution Schedule

No. of equity shares held	No. of holders	%	No. of Shares	% of Total
1 - 500	1826	80.16	274838	6.15
501 - 1000	193	8.47	159436	3.57
1001 - 2000	101	4.43	162120	3.63
2001 - 3000	51	2.24	127116	2.85
3001 - 4000	17	0.75	60241	1.35
4001 - 5000	19	0.83	88143	1.97
5001 - 10000	29	1.27	210140	4.70
10001 and Above	42	1.85	3386086	75.78
Total	2278	100.00	4468120	100.00

Shareholding Pattern :

No.	Category	As on March 31, 2012		As on March 31, 2011	
		Nos. of Shares held	Voting Strength %	Nos. of Shares held	Voting Strength %
1	Promoters	2655686	59.44	2655308	59.43
2	Mutual Fund & UTI	0	0.00	0	0.00
3	Bank, Financial Institutions (FI's), Insurance Companies	0	0.00	0	0.00
4	Foreign Institutional Investors (FI's)	0	0.00	0	0.00
5	Private Bodies Corporate	182253	4.08	215795	4.82
6	Indian Public	1554839	34.80	1513748	33.88
7	Any other (i) Non Resident Indian	43780	0.97	34305	0.77
	(ii) Clearing Member	31562	0.71	48964	1.10
	Total	4468120	100.00	4468120	100.00

9.11 Dematerialization of Shares and Liquidity :

The Company's Shares are in compulsory De-mat segment and as on 31st March, 2012, Equity Shares of the Company forming 96.65% of the company's paid - up Equity share capital is in dematerialized form. Company's shares are easily traded on Bombay Stock Exchange Limited.

The Table herein below gives the breakup of shares in physical and demat form as on 31st March, 2012:

No. of Shares in Physical Segment	149700	3.35%
No. of Shares in Demat Segment	4318420	96.65%
Total	4468120	100.00%

9.12 Out standing GDRs/ADRs/Warrants or any Convertible Instruments

- Not applicable.

9.13 Insider Trading

All the Directors and Senior Management have affirmed compliance of "The Code of Conduct and Ethics" as suggested under the SEBI (Prohibition of Insider Trading) regulations, 1992.

9.14 Plant Location :

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

9.15 Address for correspondence :

a) Investor correspondence for transfer / dematerialization of shares, payment of dividend on shares and any other query relating to the shares of the company.	Link Intime India Pvt. Ltd. 13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400 078
b) Any query on Payment of Dividend on shares and Annual Report	701, Avdhesh House, Opp. Gurudwara, Near Thaltej Chokdi, Ahmedabad – 380054 Tel.: 079 26858510/511, 40230202. Fax : 079 30171202 e-mail : contact@kalptaru.co.in

9.16 Reconciliation of Share Capital Audit Report :

The Reconciliation of Share Capital Audit Report of the Company prepared in terms of SEBI Circular No. D&CC/FITTC/CIR-16/2002 dated December 31, 2002 reconciling the total shares held in both the depositories, viz NSDL and CDSL and in physical form with the total issued / paid-up capital of the Company were placed before the Board of Directors every quarter and also submitted to the Stock Exchange(s) every quarter.

9.17 Investor Education and Protection Fund:

Pursuant to the provision of Section 205A and 205C of the Companies Act, 1956, dividends, matured fixed deposits, redeemed debentures and interest thereon, which remained unclaimed up to 14th October, 2012 were deposited with Investors' Education and Protection Fund (IEPF) of the Central Government.

The amount of dividend paid, fixed deposit that have matured, debentures redeemed and interest thereon, after 14th October, 2012 will be transferred to the IEPF as mentioned above, no claim shall lie in respect of the same, with the Company and /or Government of India. Therefore, the shareholders are advised to claim such amounts immediately.



SECRETARIAL COMPLIANCE CERTIFICATE

CIN – L21019GJ1988PLC040325

Nominal Capital : ₹ 10,00,00,000

To,

The Members

KALPTARU PAPERS LIMITED

701, Avdhesh House, Opp. Gurudwara, Near Thaltej Chokdi, Ahmedabad - 380054

We have examined the registers, records, books and papers of **M/s. KALPTARU PAPERS LIMITED** (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the Rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on **31st MARCH, 2012** (Financial Year). In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, we certify that in respect of the aforesaid financial year :

1. The company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the Rules made there under and generally all entries therein have been duly recorded.
2. The company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act, and the Rules made there under.
3. The company, being a public limited company, comments are not required.
4. The Board of Directors duly met 11 (Eleven) times respectively on 04/04/2011, 14/05/2011, 30/07/2011, 24/08/2011, 24/09/2011, 14/10/2011, 15/11/2011, 18/01/2012, 13/02/2012, 27/02/2012 and 17/03/2012 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed (There were no circular resolutions passed), in the Minutes Book maintained for the purpose.
5. The company has close its Register of Members From Friday, 23rd day of September, 2011 To Wednesday, 28th day of September, 2011 (both days inclusive).
6. The annual general meeting for the financial year ended on 31st March 2011 was held on Wednesday, 28th day of September, 2011 after giving duly notice to the members of the company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No extra ordinary general meeting was held during the year under review.
8. As per the information and explanation provided to us, the company has not advanced any loans to its directors or persons or firms or companies referred to under section 295 of the Act.
9. As per the information and explanation provided to us, the company has not entered into any contracts falling within the purview of Section 297 of the Act,
10. The company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the company has not obtained any approvals from the Board of Directors, members or Central Government.
12. The company has not issued any duplicate share certificates during the financial year.
13. The Company has :
 - (i) not made any allotment of securities during the financial year. The company has delivered all the certificate on lodgment thereof for transfer / transmission of securities during the year.
 - (ii) not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
 - (iii) not required to post warrants to any members of the company as no dividend was declared during the financial year.
 - (iv) not required to transfer the amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund.
 - (v) duly complied with the requirements of section 217 of the Act.

14. The Board of Directors of the company is duly constituted. The Company have appointed Shri. Ramesh Chand and Shri. Shivratna Sharma as Additional and Independent Directors w.e.f.30/07/2011 and 15/11/2011 respectively. Shri. Satish Singhal, Shri. Arpit Gupta and Shri. Pinakin Patel have resigned as Directors of the company w.e.f.30/07/2011, 24/09/2011 and 15/11/2011 respectively. Additional Director Shri. Ramesh Chand has been confirmed as regular director of the Company on 28/09/2011.
15. The company has not appointed any managing director / whole time director / manager during the financial year.
16. The company has not appointed any sole selling agents during the financial year.
17. The company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such authorities prescribed under the various provisions of the Act during the financial year.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The company has not issued any shares/debentures or other securities during the financial year.
20. The company has not bought back any shares during the financial year.
21. The company has no redemption of preference shares/debentures during the financial year under review.
22. There were no transactions necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The company has not invited/accepted any deposits including any unsecured loans falling within the purview of section 58A during the financial year. As informed to us, the unsecured loan received from Directors during the year are exempted deposit pursuant to Section 58A read with Rule 2(b)(xi) of Companies (Acceptance of deposits) Rules, 1975 being the amount brought in by the Directors/Promoters in pursuance of stipulation of Bank, and the loan are provided by Promoters themselves and/or by their relatives and not from their friends and business associates.
24. The amount borrowed by the company during the financial year are within the borrowing limits of the Company.
25. The company has made loans and investments, or given guarantees or provided securities to other bodies corporate in compliance with the provisions of the Act and has made necessary entries in the register kept for the purpose.
26. The company has not altered the provisions of the Memorandum with respect to situation of the company's registered office from one State to another during the year under scrutiny.
27. The company has not altered the provisions of the Memorandum with respect to the objects of the company during the year under scrutiny.
28. The company has not altered the provisions of the Memorandum with respect to name of the company during the year under scrutiny.
29. The company has not altered the provisions of the Memorandum with respect to share capital of the company during the year under scrutiny.
30. The Company has altered its Articles of Association on 28/09/2011 by inserting new Clause No. 216A after Clause 216 and Article 127B after Clause 127A in compliance of and be a part of the "Green Initiative in the Corporate Governance" of the Ministry of Corporate Affairs by allowing paperless compliances through electronic mode by way of Circular No. 17/2011 dtd.21/4/2011, Circular No.18/2011 dtd.29/4/2011, Circular No.21/2011 dtd.2/5/2011 and Companies (Passing of the Resolution by Postal Ballot) Rules, 2011.
31. There was no prosecution initiated against or show cause notices received by the company and no fines or penalties or any other punishment was imposed on the company during the financial year, for offences under the Act.
32. The company has not received any money as security from its employees during the financial year.
33. The Company has deposited both employee's and employer's contribution to provident fund with prescribed authority. However, there are some delays in payment of employees provident fund in favour of Central Government of Satpuda Unit.

Place: Ahmedabad
Date : 30/05/2012

For, Ashok P. Pathak & Co.,
Company Secretaries,
Ashok P. Pathak
Proprietor
C.P.No. 2662

ANNEXURE A - SECRETARIAL COMPLIANCE CERTIFICATE

Name of the Company : KALPTARU PAPERS LIMITED
CIN : L21019GJ1988PLC040325
Authorized Capital : ₹10,00,00,000

Registers as maintained by the Company.

Sr. No.	Section Number	Name of the Register
1.	108	Register of Transfer
2.	143	Register of Charges
3.	150	Register of the Members
4.	193	Minutes of all meetings of Board of Directors
5.	193(1)	Minutes of General Meetings
6.	301	Register of Contracts / Transactions
7.	303	Register of Directors
8.	307	Register of Directors' Shareholding
9.	372A (5)	Register of Investments or Loans made, Guarantee given or Security provided.

Place: Ahmedabad
Date : 30/05/2012

For, Ashok P. Pathak & Co.,
Company Secretaries,
Ashok P. Pathak
Proprietor
C.P.No. 2662

ANNEXURE B - SECRETARIAL COMPLIANCE CERTIFICATE

Name of the Company : KALPTARU PAPERS LIMITED
CIN : L21019GJ1988PLC040325
Authorized Capital : ₹ 10,00,00,000

Forms / Documents / Returns as filed by the Company with Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending 31st March, 2012.

FOR THE YEAR 2011-2012 (01/04/2011 To 31/03/2012)
REGISTRAR OF COMPANIES

Sr. No.	e-Form No.	Relevant Section	Description	Date of Document
1.	32	303(2)	Shri Ramesh Chand was appointed as Additional Independent Director w.e.f. 30/07/2011 and Shri. Satish Kumar Singhal was resigned to act as Director w.e.f.30/07/2011 by way of resolutions passed at the meeting of the Board of Directors held on 30/07/2011.	08/08/2011
2.	32	303(2)	Change in designation of Additional Director Shri. Ramesh Chand as Director w.e.f.28/09/2011 by ordinary resolution passed in the 23rd Annual General Meeting held on Wednesday, 28th day of September, 2011. Shri. Arpit J. Gupta has been resigned to act as director w.e.f.24/09/2011.	04/10/2011
3.	66	383A	Compliance Certificate for the Financial Year ended on 31st March, 2011.	06/10/2011
4.	23	192	Alteration in Articles of Association of the Company on 28/09/2011 by inserting new Clause No. 216A after Clause 216 and Article 127B after Clause 127A in compliance of and be a part of the "Green Initiative in the Corporate Governance" of the Ministry of Corporate Affairs by allowing paperless compliances through electronic mode by way of Circular No.17/2011 dtd. 21/4/2011, Circular No. 18/201 dtd.29/4/2011, Circular No.21/2011 dtd.2/5/2011 and Companies (Passing of the Resolution by Postal Ballot) Rules,2011.	06/10/2011
5.	23B	224(1A)	Intimation by Statutory Auditor the Registrar of Companies, Gujarat for their Re-appointment for the Financial Year 2011-2012.	15/11/2011
6.	23 AC & 23 ACA XBRL	220	Balance Sheet, Profit & Loss Account, Auditors Report, Directors Report etc. for the Financial Year 2010-2011.	16/11/2011

7.	20B	159	Annual Return made up to the date of AGM held on Wednesday, 28th day of September, 2011.	16/11/2011
8.	32	303(2)	Shri Shivratn Sharma as Additional Independent Director w.e.f.15/11/2011 and Shri Pinakin M. Patel was resigned to act as Director w.e.f.15/11/2011 by way of resolutions passed in the meeting of the Board of Directors held on 15/11/2011.	25/11/2011
9.	32	303(2)	Ms. Veenita Gehlot has been resigned from the post of the Company Secretary cum Compliance Officer w.e.f.01/02/2012 and Ms. Shrima G. Dave has been appointed as Company Secretary cum Compliance Officer of the Company w.e.f.15/02/2012 by passing Board Resolution dtd.13/02/2012.	25/02/2012

CENTRAL GOVERNMENT

Sr. No.	e-Form No.	Relevant Section	Description	Date of Document
1.	23C	233B(2) Read with the Companies (Cost Accounting Records) Rule, 2011 and Circular No.15/2011 dated 11-April-2011.	Application to Central Government for Appointment of Cost Auditor Shri Jagdishchandra Babulal Mistri to conduct Cost Audit for the Financial Year 2011-2012 by way of resolutions passed in Board Meeting held on 24/09/2011.	18/10/2011
2.	23D	233B	Information by Cost Auditor to Central Government to conduct Cost Audit of records maintained by the Company for the Financial Year 2011-2012.	14/12/2011

**REGIONAL DIRECTOR
NIL**

Place : Ahmedabad
Date : 30/05/2012

For, Ashok P. Pathak & Co.
Company Secretaries
Ashok P. Pathak
Proprietor
C.P.No. 2662

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of M/s. Kalptaru Papers Limited

We have examined the compliance of condition of Corporate Governance by M/s. Kalptaru Papers Limited ('the Company') for the year ended 31st March, 2012 as stipulated in Clause 49 of Listing Agreement of the company with Stock Exchanges.

The compliance of condition of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion of the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which Management has conducted the affairs of the Company.

V. D. AGGARWAL & CO.
Chartered Accountant

Place : Ahmedabad
Date : 30/05/2012

(CA ABHIJAI AGGARWAL)
Partner
Membership No. 517463
FRN No. 008332N

CEO / MD CERTIFICATION PURSUANT TO CLAUSE 49 (V) OF THE LISTING AGREEMENT

To,
The Board of Directors
Kalptaru Papers Limited,
701, Avdhesh House, Opp. Gurudwara, Near Thaltej Chokdi, Ahmedabad-380054

CERTIFICATION BY CHIEF EXECUTIVE OFFICER / MANAGING DIRECTOR

I, Naveen J. Gupta, Managing Director of the Company M/s. Kalptaru Papers Limited, hereby certify that for the financial year ending 31st March, 2012 on the basis of the review of the financial statements and the cash flow statement and to the best of my knowledge and belief that :

- 1 These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- 2 These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- 3 There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year 2011-2012 which are fraudulent, illegal or in violation of the Company's code of conduct.
- 4 I accept responsibility for establishing and maintaining internal controls. I have evaluated the effectiveness of the internal control systems of the company and I have disclosed to the auditors and the Audit Committee those deficiencies, of which I am aware, in the design or operation of the internal control systems and that I have taken the required steps to rectify these deficiencies.
- 5 I further certify that :
 - a) there have been no significant changes in internal control during this year.
 - b) there have been no significant changes in accounting policies during this year.
 - c) there have been no instances of significant fraud of which I have become aware and the involvement therein, of management or an employee having a significant role in the Company's internal control system.

Place : Ahmedabad
Date : 30/05/2012

Naveen J. Gupta
Managing Director

CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT FOR BOARD OF DIRECTOR AND SENIOR MANAGEMENT PERSONNEL

To,

The Members of M/s. Kalptaru Papers Limited

As required under Clause 49(I) (D) of the Listing Agreement with the Stock Exchanges, I hereby declare that all the Board Members and senior management personnel of the Company have complied with the Code of Conduct of the Company for the year ended 31st March, 2012.

For, Kalptaru Papers Limited

Place: Ahmedabad

Date : 30/05/2012

Naveen Gupta

Managing Director

AUDITOR'S REPORT

To,

The Shareholders

KALPTARU PAPERS LIMITED

We have audited the attached Balance Sheet of **KALPTARU PAPERS LIMITED** as at 31st March 2012 and the Profit & Loss Account and also the Cash Flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to above, we report that:

- (a) We have obtained all the information & explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (b) In our opinion proper books of accounts, as required by law, have been kept by the Company as far as appears from our examination of those books;
- (c) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with books of account;
- (d) In our opinion, the Balance Sheet and Profit & Loss Account dealt with by this report comply with the accounting standards referred to in sub-section 3 (C) of Section 211 of the Companies Act, 1956;
- (e) Based on the representations made by all the Directors of the company as on 31st March, 2012 and taken on record by the Board of Directors of the company and in accordance with the information and explanations as made available, the directors of the company do not, Prima Facie have any disqualification as referred to in clause (g) of Sub Section (1) to section 274 of the Act.;
- (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) In the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2012; and
 - (ii) In the case of the Profit & Loss Account, of the profit for the year ended on that date.
 - (iii) In case of Cash Flow Statement, of the cash flow for the year ended on that date.

For V. D. AGGARWAL & CO.
CHARTERED ACCOUNTANTS

CA ABHIJAI AGGARWAL
(PARTNER)

Membership No. 517463

FRN No. 008332N

Place : Ahmedabad

Date : 30/05/2012

ANNEXURE TO THE AUDITOR'S REPORT

(Annexure referred to in paragraph (1) of our report of even date as on 31st March 2012)

- 1) a) i) The company has maintained proper records showing full particulars including quantitative details & situation of fixed assets.
- b) i) All the assets were physically verified by the management during the year & no material discrepancies were noticed on such verification. In our opinion frequency of verification is reasonable with regard to size of the company & the nature of its assets.
- c) i) During the year, company has disposed off a small part of fixed assets. According to information & explanation given to us, we are of the opinion that the sale of the said fixed assets has not affected the going concern status of the company.
- 2) a) i) The stocks of finished goods, spare parts and raw materials have been physically verified during the year by the management. In our opinion the frequency of verification is reasonable.
- b) The procedures of physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- i) No discrepancies noticed on verification between physical stock and the book records.
- 2) a) i) The company has taken, secured or unsecured loan from companies, firm or other parties covered in the register maintained under section 301 of the Act. Details of which are as follows:

No. of Parties	Maximum Amount (₹)	Year End Balance (₹)
5	8,09,12,000.00	6,34,57,000.00

- ii) The company has granted secured or unsecured loan to companies, firms or other parties covered in the register maintained under section 301 of the Act. Details of which are as follows:

No. of Parties	Maximum Amount (₹)	Year End Balance (₹)
1	12,60,000.00	NIL

- b) i) According to information & explanations given to us the rate of interest & other terms & conditions of secured/unsecured loans taken by the company from companies, firms or other parties listed in the register maintained u/s 301 of the Companies Act, 1956 are prima facie not prejudicial to the interest of the company.
- c) i) Stipulations regarding repayment of principal amount have not been made. However loans are repayable on demand, as we have been explained.
- d) i) There is no over due amount of loan of more than one lakh taken from or granted to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act.
- 4) In our opinion and according to information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of the business with regard to purchase of inventory & fixed assets and with regard to sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control.
- 5) a) According to the information & explanations given to us, we are of the opinion that the transaction that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- b) In our opinion & according to information & explanation given to us, the transactions entered in the register maintained u/s 301 & aggregating during the year to ₹ 5,00,000 or more in respect of each party have been made at prices which are reasonable having regard to prevailing market prices for such goods, materials or services or prices at which transactions for similar goods, materials or services have been made with other parties.
- 6) a) ii) In our opinion and according to information and explanations given to us the company has not accepted any deposit from the public under the provisions of Section 58-A & Section 58AA of the Companies Act, 1956 and Companies (Acceptance of deposits) Rules, 1975.
- 7) In our opinion, the company has an adequate internal audit system commensurate with size and nature of the business.
- 8) a) ii) In our opinion and according to information and explanations given to us the company has made and maintained cost records u/s 209(1)(d) of the Companies Act, 1956. We have, however not made a detailed examination of the records with a view to determining whether they are accurate or complete.

- 9) i) According to information & explanations given to us an amount of ₹ 1,49,410.00 in respect of sales tax is disputed & appeal for the same is still pending with Gujrat Sales tax Department. The details of which are

Name of Statute	Nature of Dues	Amount (₹)	Forum where Dispute is pending
Gujarat Sales Tax Act	Excess benefit Claimed Under Deferment Tax Scheme In F.Y 04-05.	1,49,410.00	Gujarat Sales Tax Deptt.

- ii) There are some delays in payment of employees provident fund in favour of central government of Satpuda unit.
- 10) a) ii) There are no accumulated losses at the end of the financial year and The Company has not incurred cash losses during the year under report.
- 11) a) i) According to information & explanations given to us the, there are some delays by company in repayment of Term Loans to financial institution and Banks.
- 12) We are of the opinion that the company has maintained adequate documents & records in cases where the company has granted loans & advances on the basis of security by way of pledge of shares, debentures & other securities.
- 13) In our opinion, the company is not a chit fund or a nidhi/mutual benefit fund/society. There for the provisions of clause 4(xiii) of the companies (Auditor Report) order 2003 are not applicable to the company.
- 14) a) i) In our opinion, the company is not dealing in or trading in shares, securities, debentures and others investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditors Report) order, 2003 are not applicable to the company.
- 15) a) i) As per the information & explanation given to us, the company has not given any guarantee for loans taken by others from banks/ financial institutions.
- 16) In our opinion, the term loans have been applied for the purpose for which they were raised.
- 17) According to the information and explanations given to us and on overall examination of the balance Sheet of the Company, we report that the no funds raised on short-term basis have been used for long term investment. No long-term funds have been used to finance short-term assets except permanent working capital.
- 18) a) i) The company has not made any preferential allotment of shares during the year under consideration to parties and companies covered in the register maintained under section 301 of the Act, hence the question of whether the price at which shares have been issued is prejudicial to the interest of the company does not arise.
- 19) According to the information & explanations given to us & records examined by us during the period covered by our audit report, the company has not issued any Debentures.
- 20) a) i) The company has not raised moneys during the year under consideration from public issue & hence the question of disclosure & verification of end-use of such monies does not arise.
- 21) According to the information & explanations given to us no fraud on or by company has been noticed/reported during the course of our audit.
- 22) The nature of the company's business/activities during the year have been such that other provisions of Companies (Auditors Report) order 2003, are not applicable to the company.

For V. D. AGGARWAL & CO.
CHARTERED ACCOUNTANTS

CA ABHIJAI AGGARWAL
(PARTNER)

Membership No. 517463
FRN No. 008332N

Place : Ahmedabad
Date : 30/05/2012

BALANCE SHEET AS AT 31ST MARCH, 2012

Particulars	Note No.	Figures as at the end of the current reporting period (₹)	Figures as at the end of the Previous reporting period (₹)
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	4,46,81,200.00	4,46,81,200.00
(b) Reserves and Surplus	2	6,96,97,060.39	7,20,27,284.05
(c) Money received against share warrants		-	-
(2) Share Application money pending allotment			
		-	-
(3) Non-Current Liabilities			
(a) Long-Term Borrowings	3	19,53,46,892.57	21,17,16,299.47
(b) Deferred Tax Liabilities (Net)	4	3,52,70,143.00	3,60,37,806.00
(c) Other Long Term Liabilities	5	5,87,09,474.00	9,10,53,627.00
(d) Long Term Provisions	6	11,75,000.00	16,10,019.00
(4) Current Liabilities			
(a) Short-Term Borrowings	7	10,17,39,205.11	8,67,24,157.46
(b) Trade Payables	8	4,81,87,261.66	4,73,61,607.53
(c) Other Current Liabilities	9	9,07,14,922.21	7,35,82,474.17
(d) Short-Term Provisions	10	35,70,539.00	72,65,547.00
Total Equity & Liabilities		64,90,91,697.94	67,20,60,021.68
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
1) Tangible Assets	11	36,78,21,869.05	38,73,67,515.09
2) Intangible Assets		2,19,374.11	1,88,667.38
3) Capital Work-in-progress		8,73,77,537.38	7,94,41,871.33
4) Intangible Assets under Development		-	-
(b) Non-current investments	12	46,000.00	46,000.00
(c) Deferred tax assets (net)		-	-
(d) Long term loans and advances	13	42,66,159.88	1,36,71,284.88
(e) Other non-current assets	14	2,37,20,483.57	2,37,18,034.50
(2) Current Assets			
(a) Current investments		-	-
(b) Inventories	15	4,85,35,613.31	5,36,33,414.31
(c) Trade receivables	16	9,82,93,524.63	9,72,30,724.20
(d) Cash and cash equivalents	17	80,89,288.52	62,88,478.84
(e) Short-term loans and advances		-	-
(f) Other current assets	18	1,07,21,847.49	1,04,74,031.15
Total Assets		64,90,91,697.94	67,20,60,021.68

NOTES TO ACCOUNTS

01-33

The notes form an integral part of these Financial Statements

For and on behalf of the Board

Naveen Gupta
Managing DirectorJaikishan Gupta
DirectorShrima Dave
Company SecretaryAuditor's Report
As per our report of even date attached
For V. D. Aggarwal and Co.
Chartered AccountantsCA Abhijai Aggarwal
(Partner)
M.N.:517463
FRN No. 008332NPlace : Ahmedabad
Date : 30/05/2012

PROFIT & LOSS STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2012

Particulars	Note No.	Figures as at the end of the current reporting period (₹)	Figures as at the end of the Previous reporting period (₹)
I Revenue from operations	19	99,55,96,680.52	59,81,14,806.65
II Other Income	20	43,11,423.00	15,50,589.74
III III. Total Revenue (I +II)		99,99,08,103.52	59,96,65,396.39
IV Expenses:			
Cost of materials consumed	21	29,24,33,858.51	35,12,79,287.88
Purchase of Stock-in-Trade	22	45,63,14,720.00	-
Manufacturing & Operating Cost	23	15,68,79,542.29	14,05,97,657.62
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	24	- 54,65,961.00	- 40,37,861.00
Employee Benefit Expense	25	2,26,35,461.00	2,19,32,406.50
Financial Costs	26	3,89,86,593.76	3,53,25,641.43
Depreciation and Amortization Expense	27	2,57,96,832.32	2,47,96,221.57
Other Administrative Expenses	28	1,54,24,943.30	1,40,33,997.82
Total Expenses (IV)		1,00,30,05,990.18	58,39,27,351.82
V Profit before exceptional and extraordinary items and tax (III - IV)		- 30,97,886.66	1,57,38,044.57
VI Exceptional Items		-	-
VII Profit before extraordinary items and tax (V - VI)		- 30,97,886.66	1,57,38,044.57
VIII Extraordinary Items		-	-
IX Profit before tax (VII - VIII)		- 30,97,886.66	1,57,38,044.57
X Tax expense:			
(1) Current tax		-	12,55,000.00
(2) Deferred tax		- 7,67,663.00	50,60,031.08
XI Profit(Loss) from the period from continuing operations (IX-X)		- 23,30,223.66	94,23,013.49
XII Profit/(Loss) from discontinuing operations		-	-
XIII Tax expense of discounting operations		-	-
XIV Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
XV Profit/(Loss) for the period (XI + XIV)		- 23,30,223.66	94,23,013.49
XVI Earning per equity share:			
(1) Basic		(0.52)	2.11
(2) Diluted		(0.52)	2.11

NOTES TO ACCOUNTS

01-33

The notes form an integral part of these Financial Statements

For and on behalf of the Board

Naveen Gupta
Managing Director

Jaikishan Gupta
Director

Shrima Dave
Company Secretary

Auditor's Report
As per our report of even date attached
For V. D. Aggarwal and Co.
Chartered Accountants

CA Abhijai Aggarwal
(Partner)
M.N:517463
FRN No. 008332N
Place : Ahmedabad
Date : 30/05/2012

NOTES TO THE FINANCIAL STATEMENTS

Particulars	Current Year Amount (₹)	Previous Year Amount (₹)
Note : 1 Share Capital		
Authorized Shares:-		
10000000 Equity Shares of ₹ 10/- each.	10,00,00,000.00	10,00,00,000.00
Issued, Subscribed & Paid up:-		
To the Subscribers of the Memorandum		
4468120 Equity Shares of ₹ 10/- each, Fully Paid Up	4,46,81,200.00	4,46,81,200.00
Total	4,46,81,200.00	4,46,81,200.00

The company has only one class of Equity Shares having a par value of ₹ 10/- per share. Each shareholder is eligible for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholder, except in case of Interim Dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion of their shareholding.

Details of shares held by shareholders holding more than 5% of the aggregate shares in the company:-

Name of the Shareholder	As at 31st March,2012		As at 31st March,2011	
	No. of shares held	% of Holding	No. of shares held	% of Holding
N.N.Papers Pvt.Ltd.	750700	16.80	750700	16.80
Kalptaru Fincap Limited	546650	12.23	546650	12.23
Jai Kishan Gupta	420670	9.41	420670	9.41
Naveen Jai Kishan Gupta	311820	6.98	311820	6.98

Particulars	Current Year Amount (₹)	Previous Year Amount (₹)
Note : 2 Reserve & Surplus		
1 Capital Reserve*	22,27,481.25	22,27,481.25
2 Capital Redemption Reserve	-	-
3 Securities Premium Reserve	-	-
4 Debenture Redemption Reserve	-	-
5 Revaluation Reserve	-	-
6 Share option outstanding Account	-	-
7 Other Reserves		
General Reserve	69,88,201.00	69,88,201.00
8 Surplus (Profit & Loss Account)		
Opening Balance	6,28,11,601.80	5,33,88,588.31
Less: Tax on Regular Assessment Paid	-	-
Add/(Less): Profit/(Loss) for the period	- 23,30,223.66	94,23,013.49
Transfer from/(to) General Reserve	-	-
Proposed Dividend	-	-
Tax on Proposed Dividend	-	-
Closing Balance	6,04,81,378.14	6,28,11,601.80
Total	6,96,97,060.39	7,20,27,284.05

* Capital Reserve includes G.S.F.C. Subsidy received of Rs.609000

Particulars	Current Year Amount (₹)	Previous Year Amount (₹)
Note : 3 Long Term Borrowings		
1 Bonds / Debentures	-	-
2 Term Loan (Secured)		
- From Bank (after 12 months)	6,79,83,971.40	11,50,69,337.20
- From Other Parties (after 12 mts)	5,92,70,107.17	4,26,51,962.27
3 Deferred Payment Liabilities	-	-
4 Deposit	-	-
5 Loans & Advances From Related Parties	2,78,32,000.00	2,61,50,000.00
6 Long Term Maturities of Finance lease obligation	-	-
7 Loans From Directors	3,56,25,000.00	2,78,45,000.00
8 Other Loans & Advances	46,35,814.00	-
Total	19,53,46,892.57	21,17,16,299.47

NOTES TO THE FINANCIAL STATEMENTS

Nature of Security and Terms of Repayment for Long Term secured borrowings:

Nature of Security	Terms of Repayment
i) Term Loan from Axis Bank Ltd. amounting to ₹16224317 (31/03/11: ₹ 20030303) is collaterally secured by Residential property in the name of Directors of the company and personal guarantee of the directors of the company.	Repayable in monthly installment of ₹ 545570 including Interest amount calculated on Base Rate +4% Rate of Interest 14% p.a. as at year end.
ii) Term Loans from IOB (Refer Sub-Notes-1, 2 & 4):- a) Amounting to ₹ 13493350 (31/03/11: ₹ 16870195) b) Amounting to ₹ 7735963 (31/03/11: ₹ 9672010) c) Amounting to ₹ 12064309 (31/03/11: ₹ 15112500) d) Amounting to ₹ 57453683.62 (31/03/11: ₹ 71909169.2)	Each Term loan Repayable in 60 monthly installments commencing from October 2008. Last installment due in September 2013.
iii) Working Capital Term Loan from IOB to ₹ 27980879 (31/03/11: ₹ 35743000) is secured by a first charge on the entire block of assets of the company. (Refer Sub-Notes-1,2 & 4)	Repayable in 60 monthly installments commencing from July 2009. Last installment due in June 2014.
iv) Term Loan from Religare Finevest Ltd. amounting to ₹ 41498399 (31/03/11: ₹ 44248951) is secured by specific and exclusive charge on Residential property in the name of Directors of the company and personal guarantee of the directors of the company.	Repayable in 117 monthly installments commencing from October 2010. Last installment due in June 2020.
v) Term Loan from Religare Finevest Ltd. amounting to ₹ 19534827 (31/03/11: ₹ Nil) is secured by specific and exclusive charge on Residential property in the name of Directors of the company and personal guarantee of the directors of the company.	Repayable in 135 monthly installments commencing from September 2011. Last installment due in November 2022.
vi) Vehicle loan from HDFC Bank amounting to ₹ Nil (31/03/11: ₹ 141741.53) is secured by specific and hypothecation of vehicle.	Repayable in 36 monthly installments commencing from July 2008. Last installment due in June 2011.
vii) Vehicle loan from Tata Capital Limited amounting to ₹ 1063713.61 (31/03/11: ₹ 1308583.86) is secured by hypothecation of vehicle.	Repayable in 60 monthly installments commencing from September 2010. Last installment due in August 2015.
vii) Vehicle loan from Tata Motors Finance Limited amounting to ₹ 83898.66 (31/03/11: ₹ 173295.24) is secured by hypothecation of vehicle.	Repayable in 59 monthly installments commencing from March 2008. Last installment due in January 2013.
viii) Others Loans:- Amounting ₹ 68092814 (31/03/11: ₹ 53995000)	The terms of arrangement do not stipulate any repayment schedule and the loan is repayable on demand.

Sub-Notes:-

- 1) Term Loans taken from IOB are primarily secured against Equitable mortgage of factory Land & Building and hypothecation of plant & machineries/misc. fixed assets of the company situated at survey No.116/P and 117/P of mouje Karoli, Kalol Distt, Gandhinagar.
- 2) All type of Loans from IOB are collaterally secured by:-
 - a) Residual value of existing fixed assets of the company valued by approved valuation officer.
 - b) Equitable mortgage of residential flats at B-4/101 & B-4/103, Goyal intercity, Drive-in-Road, Ahmedabad in the name of company and residential value of Factory & Building situated at Kalol Distt, Gandhinagar.
 - c) Personal guarantee of Directors and corporate guarantee of M/s Kalptaru Alloys Pvt.Ltd., Kalptaru Fincap Ltd., Kalptaru Insurance Brokers Ltd. And N.N.Papers Pvt.Ltd.
- 3) Installments falling due in respect of all the above Loans upto 31.03.2013 have been grouped under "Current maturities of Long Term debt". (Refer to Note No-9)

NOTES TO THE FINANCIAL STATEMENTS

4) Following are the details of delays in repayment of Term Loans from IOB:-

		REPAYMENT DUE		AMOUNT REPAID	NOT PAID
		PRINCIPAL	INTEREST		
i) Term Loan-0026:-	Oct-11	6,34,900.00	2,10,606.00	-	8,45,506
	Nov-11	6,34,900.00	2,01,267.00	-	16,81,673
	Dec-11	6,34,900.00	2,10,034.00	5,29,342.00	19,97,265
	Jan-12	6,34,900.00	2,15,081.00	8,34,881.00	20,12,365
	Feb-12	6,34,900.00	1,80,089.00	8,44,934.00	19,82,420
	Mar-12	6,34,900.00	1,90,276.00	7,42,441.00	20,65,155
			38,09,400.00	12,07,353.00	29,51,598.00
ii) Term Loan-0007:-	Oct-11	3,64,000.00	1,20,745.00	-	4,84,745
	Nov-11	3,64,000.00	1,15,391.00	-	9,64,136
	Dec-11	3,64,000.00	1,20,417.00	3,03,483.00	11,45,070
	Jan-12	3,64,000.00	1,23,311.00	4,78,653.00	11,53,728
	Feb-12	3,64,000.00	1,03,249.00	4,84,417.00	11,36,560
	Mar-12	3,64,000.00	1,09,089.00	4,25,696.00	11,83,953
			21,84,000.00	6,92,202.00	16,92,249.00
iii) Term Loan-0008:-	Oct-11	5,68,750.00	1,88,663.00	-	7,57,413
	Nov-11	5,68,750.00	1,80,297.00	-	15,06,460
	Dec-11	5,68,750.00	1,88,151.00	4,74,190.00	17,89,171
	Jan-12	5,68,750.00	1,92,672.00	7,47,895.00	18,02,698
	Feb-12	5,68,750.00	1,61,265.00	7,81,901.00	17,50,812
	Mar-12	5,68,750.00	1,70,073.00	6,62,826.00	18,26,809
			34,12,500.00	10,81,121.00	26,66,812.00
iv) Term Loan-0041:-	Oct-11	27,16,000.00	8,97,361.00	-	36,13,361
	Nov-11	27,16,000.00	8,57,582.00	-	71,86,943
	Dec-11	27,16,000.00	8,94,701.00	23,20,970.00	84,76,674
	Jan-12	27,16,000.00	9,15,459.00	35,73,582.00	85,34,551
	Feb-12	27,16,000.00	7,66,414.00	35,45,092.00	84,71,873
	Mar-12	27,16,000.00	8,10,371.00	31,73,730.00	88,24,514
			1,62,96,000.00	51,41,888.00	1,26,13,374.00
v) Term Loan-0004:-	Oct-11	9,17,000.00	4,11,499.00	-	13,28,499
	Nov-11	9,17,000.00	3,92,521.00	-	26,38,020
	Dec-11	9,17,000.00	4,09,661.00	8,72,015.00	30,92,666
	Jan-12	9,17,000.00	4,20,845.00	13,07,505.00	31,23,006
	Feb-12	9,17,000.00	3,56,882.00	13,26,661.00	30,70,227
	Mar-12	9,17,000.00	3,82,075.00	11,27,423.00	32,41,879
			55,02,000.00	23,73,483.00	46,33,604.00

Particulars	Current Year Amount (₹)	Previous Year Amount (₹)
Note : 4 Deferred Tax Liabilities (Net)		
1 Deferred Tax Liability on account of:-		
Depreciation	5,14,97,981.10	4,93,66,251.00
	<u>5,14,97,981.10</u>	<u>4,93,66,251.00</u>
2 Deferred Tax Assets on account of:-		
(i) Gratuity	3,63,075.00	4,97,496.00
(ii) Earn Leave	2,53,587.03	1,88,503.00
(iii) Bonus Payable	1,86,855.08	1,66,187.00
(iv) Loss c/f	1,54,24,321.10	1,24,76,259.00
	<u>1,62,27,838.21</u>	<u>1,33,28,445.00</u>
Total	<u>3,52,70,143.00</u>	<u>3,60,37,806.00</u>

NOTES TO THE FINANCIAL STATEMENTS

- i) Deferred tax is recognised only on timing difference between the accounting income and taxable income, which are capable of reversal in subsequent periods.
- ii) Deferred assets on carried forward business loss and unabsorbed depreciation is recognised only if management certifies with virtual certainty & convincing evidence that there will be sufficient future taxable income.
- iii) Value of deferred tax is assessed on each balance Sheet date and any change in value is recognised in the profit & loss appropriation account.

Particulars	Current Year Amount (₹)	Previous Year Amount (₹)
Note : 5 Other Long Term Liabilities		
1 Advance from Spl.Land Acquisition Authority*	44,688.00	-
2 Trade Deposits	5,83,50,000.00	9,07,50,000.00
3 Other Payables	3,14,786.00	3,03,627.00
Total	5,87,09,474.00	9,10,53,627.00

* Advance from Spl.Land Acquisition Authority of ₹ 44688 is claim received by company against Compulsory acquisition of a part of land situated in Satpuda.This amount is not a final compensation. Proceedings are still going with authority against this compulsory acquisition.

Particulars	Current Year Amount (₹)	Previous Year Amount (₹)
Note : 6 Long Term Provisions		
1 Provision For Employees Benefit		
Gratuity Payable	11,75,000.00	16,10,019.00
2 Others	-	-
Total	11,75,000.00	16,10,019.00

Note : 7 Short Term Borrowings

1 Loan Repayable on Demand		
- From Bank	-	-
- From Other Parties	-	-
2 Loans & Advances From Related Parties	-	-
3 Deposits	-	-
4 Others loans & Advances (Secured)	10,17,39,205.11	8,67,24,157.46
Total	10,17,39,205.11	8,67,24,157.46

- i) Working Capital Loan from Axis Bank Limited is collaterally secured by residential property in the name of directors of the company and the personal guarantee of the directors of the company.
- ii) Cash Credit facility from IOB is primarily secured against hypothecation of paid up stock upto 90 days and entire current assets of the company.
- iii) Limit for letter of credits from IOB primarily Secured against documents of title to goods/underlying stocks/ accepted hundies.
- iv) Limit for letter of guarantee from IOB primarily Secured against counter guarantee of the company.
- v) All type of borrowings from IOB are collaterally secured by:-
 - a) Residual value of existing fixed assets of the company valued by approved valuation officer.
 - b) Equitable mortgage of residential flats at B-4/101 & B-4/103, Goyal intercity, Drive-in-Road, Ahmedabad in the name of company and residential value of Factory & Building situated at Kalol Distt, Gandhinagar.
 - c) Personal guarantee of Directors and corporate guarantee of M/s Kalptaru Alloys Pvt.Ltd., Kalptaru Fincap Ltd., Kalptaru Insurance Brokers Ltd. and N.N.Papers Pvt.Ltd.

Particulars	Current Year Amount (₹)	Previous Year Amount (₹)
Note : 8 Trade Payable		
1 Payable against Materiel/Supplies	4,81,87,261.66	4,73,61,607.53
Total	4,81,87,261.66	4,73,61,607.53

NOTES TO THE FINANCIAL STATEMENTS

Particulars	Current Year Amount (₹)	Previous Year Amount (₹)
Note : 9 Other Current Liabilities		
1 Current Maturities of Long Term Debt (Secured)		
- From Bank (within 12 months)	6,69,68,530.22	5,42,67,840.00
- From Other Parties (within 12 mts)	39,45,731.10	40,97,418.51
2 Interest accrued but not due on borrowings	-	-
3 Interest accrued and due on borrowings	-	-
4 Statutory Dues	15,57,847.00	13,73,241.00
5 Unclaimed Dividend	3,75,096.29	-
6 Other Payables		
Creditors against Expenses	94,77,359.00	62,59,347.06
Creditors against Capital goods	70,27,786.60	62,58,440.60
Advance from Customers	13,62,572.00	13,26,187.00
Total	9,07,14,922.21	7,35,82,474.17
Note : 10 Short Term Provisions		
1 Provision For Employees Benefit		
Provident Fund Payable	1,16,968.00	1,17,671.00
Bonus Payable (10-11)	57,707.00	5,37,823.00
Bonus Payable (11-12)	5,47,002.00	-
Earn Leave Payable	8,20,670.00	6,10,042.00
2 Others		
Provision of Internal Audit Fee	60,000.00	-
Provision for Expenses (others)	69,192.00	43,241.00
Income Tax Provision	-	12,55,000.00
Provision of Telephone Expense	45,000.00	37,920.00
Provision of Electricity Expense	18,54,000.00	46,63,850.00
Total	35,70,539.00	72,65,547.00

NOTES TO THE FINANCIAL STATEMENTS

NOTE 11 - FIXED ASSETS

Assets Description	GROSS BLOCK					DEPRECIATION			NET BLOCK	
	Value at the beginning	Additions during the Year	Deduction during the year	Value at the end	Value at the beginning	Sales / Adjustments	Depreciation of the year	Total Depreciation	WDV as on 31.03.2012	WDV as on 31.03.2011
I Tangible Assets										
1 Land	10,57,469.00	-	-	10,57,469.00	-	-	-	-	10,57,469.00	10,57,469.00
2 Building	8,22,28,382.99	3,21,045.00	-	8,25,49,427.99	1,29,01,632.00	-	26,57,620.31	1,55,59,252.31	6,69,90,175.68	6,93,26,750.99
3 Plant and Machinery	38,42,86,187.62	35,18,312.00	-	38,78,04,499.62	10,13,53,697.75	-	1,97,74,393.45	12,11,28,091.20	26,66,76,408.42	28,29,32,489.87
4 Electrical Installation	3,44,75,818.99	23,44,878.00	-	3,68,20,696.99	1,10,29,798.00	-	17,00,660.34	1,27,30,458.34	2,40,90,238.65	2,34,46,020.99
5 Furnitures & Fixtures	25,29,974.80	-	-	25,29,974.80	15,91,797.65	-	1,60,147.40	17,51,945.05	7,78,029.75	9,38,177.15
6 Office Equipment	64,48,575.00	1,54,306.00	-	66,02,881.00	49,51,275.78	-	1,89,344.69	51,40,620.47	14,62,260.53	14,97,299.22
7 Vehicles	1,36,96,312.40	-	4,65,911.00	1,32,30,401.40	55,27,004.53	3,34,263.01	12,70,372.85	64,63,114.37	67,67,287.03	81,69,307.87
SUB TOTAL (A)	52,47,22,720.80	63,38,541.00	4,65,911.00	53,05,95,350.80	13,73,55,205.71	3,34,263.01	2,57,52,539.05	16,27,73,481.75	36,78,21,869.05	38,73,67,515.09
II Intangible Assets										
1 Software	2,04,000.00	75,000.00	-	2,79,000.00	15,332.62	44,293.27	59,625.89	2,19,374.11	1,88,667.38	-
SUB TOTAL (B)	2,04,000.00	75,000.00	-	2,79,000.00	15,332.62	-	44,293.27	59,625.89	2,19,374.11	1,88,667.38
III Capital Work-in-progress										
1 Building Under Construction	7,94,41,871.33	79,35,666.00	-	8,73,77,537.33	-	0.05	-	-0.05	8,73,77,537.38	7,94,41,871.33
SUB TOTAL (C)	7,94,41,871.33	79,35,666.00	-	8,73,77,537.33	-	0.05	-	-0.05	8,73,77,537.38	7,94,41,871.33
IV Intangible Assets Under Development										
SUB TOTAL (D)	-	-	-	-	-	-	-	-	-	-
Total [A + B + C + D] Current Year	60,43,68,592.13	1,43,49,207.00	4,65,911.00	61,82,51,888.13	13,73,70,538.33	3,34,263.06	2,57,96,832.32	16,28,33,107.59	45,54,18,780.54	46,69,98,053.80
(Previous Year)	58,81,54,724.45	16,10,93,463.70	14,48,79,596.02	60,43,68,592.13	11,31,08,533.10	5,34,216.35	2,47,96,221.57	13,73,70,538.32	46,69,98,053.81	47,50,46,191.35

NOTES TO THE FINANCIAL STATEMENTS

Particulars	Current Year Amount (₹)	Previous Year Amount (₹)
Note : 12 Non Current Investment		
1 Investment in Property	-	-
2 Investment in Equity Instrument	46,000.00	46,000.00
3 Investment in Preference shares	-	-
4 Investment in Government or Trust Securities	-	-
5 Investment in Debentures & Bonds	-	-
6 Investment in Mutual Fund	-	-
7 Investment in Partnership Firm	-	-
8 Other	-	-
Total	46,000.00	46,000.00
Investment in Equity Shares:- (Quoted, Non-Trade) 4600 shares of ₹ 10/- face value of Gujrat State Financial Corporation Ltd. (G.S.F.C.) having market value of ₹ 2.48/- per share as on 31/03/2012.		
Note : 13 Long Term Loans and Advances		
I) Capital Advances		
a) Secured, Considered Good :	-	-
b) Unsecured, Considered Good :	35,92,958.88	50,30,994.88
c) Doubtful	-	-
II) Security Deposit		
a) Secured, Considered Good :	6,73,201.00	86,40,290.00
b) Unsecured, Considered Good :	-	-
c) Doubtful	-	-
III) Loans & Advances to related parties	-	-
IV) Other Loans & Advances	-	-
Total	42,66,159.88	1,36,71,284.88
Note : 14 Other Non Current Assets		
a) Long Term Trade Recievables		
i) Secured, Considered Good :	-	-
ii) Unsecured, Considered Good :	-	-
iii) Doubtful	-	-
b) Others		
1 Advance Recoverable in Cash or in Kind	74,12,706.57	74,10,257.50
2 Advance to Suppliers	1,28,08,414.00	1,28,08,414.00
3 Indirect Taxes/claims recoverables	34,99,363.00	34,99,363.00
Total	2,37,20,483.57	2,37,18,034.50
Note : 15 Inventories		
1 Finished Goods	1,40,15,751.00	84,97,790.00
2 Raw Material	83,75,210.31	1,28,20,190.31
(+) Goods in Transit	4,85,217.00	-
3 Stores & Spare Parts	2,51,86,797.00	3,15,69,551.00
4 Work in Progress	2,72,000.00	3,24,000.00
5 Packing Material	2,00,638.00	4,21,883.00
Total	4,85,35,613.31	5,36,33,414.31

NOTES TO THE FINANCIAL STATEMENTS

Particulars	Current Year Amount (₹)	Previous Year Amount (₹)
i) Mode of Valuation of Inventories:-		
a) Raw Material, stores & spares are valued at cost on FIFO basis.		
b) Work in Progress at estimated cost.		
c) Stock in transit are valued at cost.		
d) Finished goods are valued at cost or net realizable value whichever is lower on FIFO basis.		
e) Packing Material is valued at cost.		
ii) Detail of Raw Material:-		
Ahmedabad		
a) Kraft Waste	59,15,359.00	
b) News Waste	13,00,162.00	
c) Colour & Material	8,06,470.00	
Satpuda		
a) Bagasse	3,53,219.31	
Total	83,75,210.31	
iii) Detail of Finished Goods:-		
Ahmedabad		
a) Kraft Waste	76,40,763	
b) News Print	63,19,848	
c) Sundry Board	55,140	
Total	1,40,15,751	
Note : 16 Trade Receivables		
1 Outstanding for more than six months		
a) Secured, Considered Good :	-	-
b) Unsecured, Considered Good :	1,61,76,849.06	1,74,87,093.70
c) Doubtful	-	-
2 Others		
a) Secured, Considered Good :	-	-
b) Unsecured, Considered Good :	8,21,16,675.57	7,97,43,630.50
c) Doubtful	-	-
Total	9,82,93,524.63	9,72,30,724.20
Note : 17 Cash & Cash Equivalents		
1 Cash & Bank Balances		
a) Cash in Hand	6,04,383.00	8,12,762.00
b) Balance with Banks	1,73,859.23	2,19,716.84
2 Other Bank Balances		
a) Unclaimed Dividend Account	375096.29	-
3 Cheques on Hand (C)	-	-
4 Others		
Margin Money with Bank	69,35,950.00	52,56,000.00
Total [1 + 2 + 3]	80,89,288.52	62,88,478.84

NOTES TO THE FINANCIAL STATEMENTS

Particulars	Current Year Amount (₹)	Previous Year Amount (₹)
Note :18 Other Current Assets		
1 Advance Recoverable in cash or in kind	46,88,436.51	32,44,428.86
2 Advance to Staff	3,40,277.00	2,95,491.00
3 Advance to Suppliers	40,57,519.17	28,62,982.30
4 Advance Income Tax/Refund Due	4,85,770.18	11,76,465.00
5 Indirect Tax/claims Recoverables	9,01,731.33	25,84,613.69
6 Advance against Expenses	2,48,113.30	3,10,050.30
Total	1,07,21,847.49	1,04,74,031.15

Note : 19 Revenue from Operations

Sale of Products

1 Sales of Manufactured Goods (Net of Return)	51,67,69,630.52	61,94,31,433.65
2 Sales of Stock in Trade	49,84,95,346.00	-
Less:-Excise Duty	- 1,96,68,296.00	- 2,13,16,627.00
Total	99,55,96,680.52	59,81,14,806.65

Note : 20 Other Income

1 Interest Income		
(i) Interest Received	12,35,671.00	3,69,284.00
(ii) Interest on I.Tax Refund	4,610.00	1,62,690.00
(iii) Interest on GSFC & GIIC & GEB-SD	-	3,30,846.38
2 Dividend Income		
3 Net Gain on Sale of Investments		
4 Other non-operating income		
(i) Insurance Claim Received	3,94,578.00	-
(ii) Miscellaneous Income	500.00	2,10,538.50
(iii) Provision of Gratuity no longer required	4,17,654.00	-
(iv) Prior period adjustments (Net)	2,03,041.00	-
(v) Sale Others	20,55,369.00	2,16,074.93
(vi) Foreign Exchange Fluctuation	-	1,17,871.23
(vii) Balance W/off	-	39,623.70
(viii) Profit on Sale of Assets	-	1,03,661.00
Total	43,11,423.00	15,50,589.74

Note : 21 Cost of Material Consumed

Raw Materials

Opening Stock	1,24,66,971.00	76,18,418.00
Purchases (including Direct cost)	28,79,88,878.51	35,61,27,840.88
Less:-Closing Stock	- 80,21,991.00	- 1,24,66,971.00
Total	29,24,33,858.51	35,12,79,287.88

Import & Indigenous Raw Material Consumed:-

	Current Year		Previous Year	
	Value	Percentage	Value	Percentage
Imported	1,56,31,897.00	5.35	1,13,54,516.05	3.23
Indigenous	27,68,01,962.00	94.65	33,99,24,771.83	96.77
	29,24,33,859.00	100.00	35,12,79,287.88	100.00

NOTES TO THE FINANCIAL STATEMENTS

Particulars	Current Year Amount (₹)	Previous Year Amount (₹)		
Note : 22 Purchase of Stock-in-Trade				
1 Purchase Account Trading	45,63,14,720.00	-		
Total	45,63,14,720.00	-		
Note : 23 Manufacturing & Operating Cost				
Building Repair & Maintenance	3,79,238.94	9,10,344.32		
Machinery Repairs & Maintenance	11,19,772.00	-		
Power, Electricity & Water Charges	7,33,86,076.20	7,60,43,057.66		
Manufacturing Expenses (Others)	6,75,709.00	14,79,018.00		
Stores Consumed	8,07,56,795.15	5,75,34,782.99		
Packing Material Consumed	5,61,951.00	46,30,454.65		
Total	15,68,79,542.29	14,05,97,657.62		
Import & Indigenous Raw Material Consumend:-				
	Value	Current Year Percentage	Value	Previous Year Percentage
Imported	18,95,098.10	2.35	16,63,108.15	2.89
Indigenous	7,88,61,697.05	97.65	5,58,71,674.84	97.11
	8,07,56,795.15	100.00	5,75,34,782.99	100.00
Note : 24 Change in Inventories				
1 Opening Stock				
(i) Finished Goods	84,97,790.00		45,07,929.00	
(ii) Work in Progress	3,24,000.00		2,76,000.00	
	88,21,790.00		47,83,929.00	
2 Closing Stock				
(i) Finished Goods	1,40,15,751.00		84,97,790.00	
(ii) Work in Progress	2,72,000.00		3,24,000.00	
	1,42,87,751.00		88,21,790.00	
Total	- 54,65,961.00		- 40,37,861.00	
Note : 25 Employment Benefit Expenses				
1 Bonus Expense	5,42,171.00		5,52,123.00	
2 Earn Leave Expense	7,09,788.00		6,61,030.00	
3 Gratuity Expense	-		11,41,355.00	
4 Providend Fund Contribution	7,92,255.00		6,67,116.00	
5 Recruitment Expense	10,996.00		-	
6 Salary (Staff)	60,67,776.00		56,33,211.50	
7 Salary (Worker)	1,40,21,394.00		1,26,32,047.00	
8 Staff Welfare & Medical Exp.	4,91,081.00		6,45,524.00	
Total	2,26,35,461.00		2,19,32,406.50	
Note :26 Financial Cost				
1 Bank Charges & Commission	3,88,34,015.34		3,51,24,383.38	
2 Interest on Car Loan	1,52,578.42		1,59,936.05	
3 Other Interest	-		41,322.00	
Total	3,89,86,593.76		3,53,25,641.43	

NOTES TO THE FINANCIAL STATEMENTS

Particulars	Current Year Amount (₹)	Previous Year Amount (₹)
Note : 27 Depreciation & Amortised Cost		
1 Depreciation	2,57,96,832.32	2,47,96,221.57
2 Preliminary Expenses W/O	-	-
Total	2,57,96,832.32	2,47,96,221.57
Note : 28 Other Expenses		
1 Advertisement Expenses	1,19,090.00	1,47,327.00
2 Audit Fees	1,00,000.00	1,16,683.00
3 Balance W/off	14,21,201.64	-
4 Commission, Rebate & Discount	38,79,299.00	40,75,450.25
5 Director Remuneration	12,00,000.00	10,08,000.00
6 Donation & Charity	2,10,750.00	-
7 Electric Power (Office)	3,10,669.00	3,75,703.00
8 Foreign Exchange Fluctuation	3,32,048.45	-
9 Freight & Cartage Outward	1,63,836.00	1,27,169.00
10 Insurance Expenses	9,57,702.62	6,89,547.80
11 Internal Audit Fee	2,40,000.00	2,40,000.00
12 Legal & Professional Fee	5,81,252.00	7,67,256.00
13 Loss on Insurance Claim	-	1,01,396.00
14 Loss on Sales of Assets	57,648.00	87,030.67
15 Miscellaneous Expenses	4,29,936.51	3,46,374.16
16 Prior Period Adjustment (Net)	-	2,24,669.00
17 Postage & Telegram Expenses	6,87,971.08	7,45,028.54
18 Printing & Stationary	2,58,876.00	2,97,529.00
19 Rates & Taxes	1,51,055.00	3,38,270.40
20 Rent	6,78,000.00	5,59,500.00
21 Repair & Maintenance (Others)	3,10,470.00	5,02,422.00
22 Sales Tax Expense (06-07)	68,764.00	-
23 Subscription & Membership Fee	90,602.00	74,565.00
24 Travelling Expense (Other Than Director)	2,76,582.00	2,44,785.00
25 Travelling Expense (Director)	2,33,137.00	4,29,006.00
26 Vehicle Repair & Maintenance Exp.	15,16,583.00	16,12,087.00
27 Watch & Ward	11,49,470.00	9,24,199.00
Total	1,54,24,943.30	1,40,33,997.82
i) Payment made to auditor includes following:		
	Year ended 2012	Year ended 2011
Audit Fees	78,000.00	70,662.00
Income Tax matter	22,000.00	20,000.00
Total	1,00,000.00	90,662.00
Note : 29 Expenditure in Foreign Currency:		
Particulars	Current Year	Previous Year
(a) Travelling (Director)	Nil	296344
Note : 30 Earnings in Foreign Currency:		
Particulars	Current Year	Previous Year
	63466	Nil

NOTES TO THE FINANCIAL STATEMENTS

Note : 31 Related Party disclosures

1 Relationships:-

(A) **Key Management Personnel**

Sh. J.K. Gupta	(Director Cum Chairman)
Sh. Naveen Gupta	(Managing Director)
Sh. Paresh Pandya	(Director)
Sh. Ramesh Chand	(Director)
Sh. Shivratan Sharma	(Additional Director)

Associate Concerns

(B) Kalptaru Fincap Ltd.

N.N Papers (P) Ltd. (Earlier known as Kalptaru Softech Pvt Ltd)
Jai Kishan & Sons (HUF)
Naveen Gupta (HUF)
Kalptaru Alloys Pvt. Ltd.
Kalpatru Insurance Broker Ltd.
Kalpatru Infosoft Pvt. Ltd.

Transactions carried out with related parties referred in 1 above, in ordinary course of business:-

2

S. No.	Current year				Previous year		
	Nature of Transaction	Key Management Personnel	Associate Concerns	Year end Balance	Key Management Personnel	Associate Concerns	Outstanding Balance
1.	a) Director's Remuneration	12,00,000.00	Nil	13,318.00	9,00,000.00	Nil	65,800.00
	b) Comp Cont to E.P.F	1,38,000.00	Nil		1,08,000.00	Nil	
2	Rent Paid		4,80,000.00	Nil	60,000.00	4,80,000.00	36,000.00
	Rent Security Paid			Nil			5,00,000.00
3	Loans accepted	1,41,45,500.00	5,10,78,000.00	6,34,57,000.00	3,46,19,000.00	4,24,50,000.00	5,39,77,000.00
4	Loans repaid	63,47,500.00	4,93,96,000.00	6,34,57,000.00	80,36,300.00	11,55,15,000.00	5,39,77,000.00
5	Sales		60,060.00	60,060.00			Nil

Note : 32 The financial statements for the year ended 31st March 2011 had been prepared as per the then applicable, pre-revised schedule VI to the Companies Act 1956. Consequent to the notification under the Companies Act 1956, the financial statements for the year ended 31st March, 2012 are prepared under revised Schedule-VI. Accordingly, the previous year figures have also been reclassified to conform to this year's classification.

Note : 33 Significant accounting policies and practices adopted by the company:-

Basis of Accounting:-

- Accounts of the company are prepared on mercantile system of accounting and on going concern basis. The accounting policies are consistent and in accordance with generally accepted Auditing Standards and Indian Accounting Standards specified by ICAI

Fixed Assets:-

- 2) a) Fixed assets are stated at cost of acquisition or construction, net of accumulated depreciation, cenvat credit adjustments and inclusive of non refundable taxes, incidental Expenses and interest on borrowings till the Assets are put to use
- b) Capital work – in – progress are valued at cost
- c) Land is valued at cost.
- d) Advances paid towards acquisition of Fixed assets are Shown as advance Against Capital Goods.

Depreciation:-

- 3) a) Depreciation on fixed assets has been provided on straight-line basis at the rates prescribed in schedule XIV of the Companies act, 1956
- b) Fixed Assets acquired below ₹ 5000/- has been fully written off in the year.

Recognition of Income & Expenditure

- 4) Items of income and expenditure are recognized on accrual basis, except various Govt. revenues, Insurance claims and prior period incomes.

Excise Duty

- 5) Excise duty on manufactured goods is accounted for at the time of their clearance from the factory rather than at the time of manufacturing. The above policy has, however no impact on the operating results of the company.

Investments

- 6) Permanent investments are valued at cost less permanent diminution, if any in value of investment.

Employment Benefits

7) A) Retirement Benefits

i) Gratuity

Liability for gratuity is accounted as per actuarial valuation and in accordance with the Accounting Standard 15 issued by ICAI.

ii) Provident Fund

Retirement benefits in the form of provident fund are charged to profit & loss account for the year.

B) Short Term Employee Benefits

i) Leave Encashment

Provision for leave encashment made on 31/03/2012 is paid within 12 months.

Borrowing Costs

- 8) a. Interest on borrowing costs & other incidental expenses are charged to Profit & Loss except for the:
 - i) Interest on borrowings for acquisition of capital assets till the date of its put to use.

Foreign Exchange Transactions

9) Initial recognition

Import purchases and foreign creditors are initially recognised in the books at the exchange rates prevailing on the date of bill of entry.

Year End Disclosure

Foreign exchange creditors are translated at the exchange rates prevailing on the last day of accounting year and amount of fluctuation from initial recognition is charged to profit & loss account.

Revenue Recognition

- 10) i) Revenue is recognised on completion of sale of goods
- ii) Sales are stated at inclusive of excise duty and net of sales tax /vat & other incidental amount collected.

Taxation

- 11) Income tax on current year profits has been accounted for as per provisions of Income Tax Act, 1961.

Cash Flow Statement

12) Cash flow statement is prepared as per indirect method prescribed under Accounting Standard 3 issued By ICAI.

Prior period Items

13) i) Prior period items are incomes/ expenses, which arise in the current period due to error or omissions in the preparation of financial statements of one or more earlier Period.

Segment Reporting

14) Company is engaged in the core business of manufacturing of paper; therefore reporting requirements of under AS-17 are not applicable in the company case.

Estimated amount of contracts remaining to be executed on capital A/c and not provided for:-

15) CURRENT YEAR	₹ Nil
PREVIOUS YEAR	₹ Nil

Claims against the company not acknowledged as debts:-

16) CURRENT YEAR	₹ Nil
PREVIOUS YEAR	₹ Nil

17) In the opinion of the Board of Directors, the current assets, loans and advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

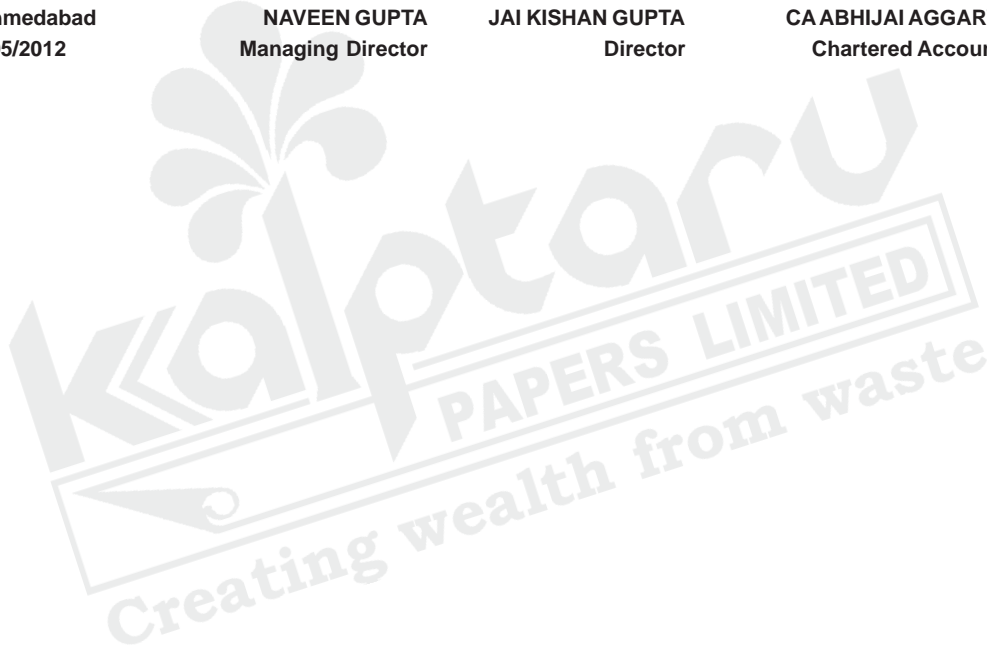
Place: Ahmedabad

Date:30/05/2012

NAVEEN GUPTA
Managing Director

JAI KISHAN GUPTA
Director

CA ABHIJAI AGGARWAL
Chartered Accountant



CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31.03.2012

Particulars	Current Year Amount (₹)	Previous Year Amount (₹)
[A] Cash Flow from Operating Activities		
Net Profit after tax as per Profit and Loss Account	(23,30,223.66)	94,23,013.49
Add: Adjustments for Non Cash Items		
Deferred Tax	(7,67,663.00)	50,60,031.08
Depreciation	2,57,96,832.32	2,47,96,221.57
Loss on Sale of Assets	57,648.00	87,030.65
Profit on Sale of Assets	-	1,03,661.00
Provision for Taxes	-	12,55,000.00
Financial Charges Paid	3,89,86,593.76	3,53,25,641.43
Operating Profit before Working Capital changes	6,17,43,187.42	7,58,43,277.22
Adjustment for changes in working capital		
Change in Inventories	50,97,801.00	(1,66,20,263.95)
Change in Trade Receivables	(10,62,800.43)	40,07,784.36
Change in Loans and Advances	94,05,125.00	10,28,321.42
Change in Other current Assets	2,37,953.84	-
Change in Other non-current Assets	(2,449.07)	-
Change in Advances for Capital Goods	-	5,72,703.12
Change in Current Liabilities	-	(42,66,791.42)
Change in Trade Payables	8,25,654.13	-
Change in Other Current Liabilities	45,83,957.23	-
Change in Long Term Liabilities	(3,23,44,665.00)	-
Change in Long Term Provisions	(4,35,019.00)	-
Change in Short Term Provisions	(36,95,008.00)	(42,50,509.00)
Less: Taxes Paid	(4,85,770.18)	(11,76,465.00)
	(1,78,75,220.48)	(2,07,05,220.47)
Net Cash Inflow from Operating Activities [A]	4,38,67,966.94	5,51,38,056.75
[B] Cash Flow from Investing Activities		
Net Addition to Fixed Assets including Capital WIP	(1,43,49,207.06)	(1,71,51,648.68)
Sale of Fixed Assets	74,000.00	4,20,195.00
Sale of Investments	-	11,95,500.00
Net Cash Inflow from Investing Activities [B]	(1,42,75,207.06)	(1,55,35,953.68)
[C] Cash Flow from Financing Activities		
Proceeds from New Borrowings	1,50,15,047.65	15,10,849.00
Repayment of Long Term Borrowings	(38,20,404.09)	(29,40,350.00)
Financial Charges Paid	(3,89,86,593.76)	(3,53,25,641.43)
Net Cash Inflow from Financing Activities [C]	(2,77,91,950.20)	(3,67,55,142.43)
Net Cash And Cash Equivalents [A + B + C]	18,00,809.68	28,46,960.64
Opening Balance of Cash and Cash Equivalents	62,88,478.84	34,41,518.20
Closing Balance of Cash and Cash Equivalents	80,89,288.52	62,88,478.84

Notes

1. The above Statement has been prepared as per indirect method specified under AS-3 issued by ICAI.
2. Cash and Cash equivalents represent cash, bank balance and FDR held as margin money including interest thereon.
3. Addition to fixed assets are stated at inclusive of movement of capital work in progress between beginning and end of the year however exclusive of movement between advance against capital goods and treated as part of investing activities
4. Previous Year figures have been regrouped, wherever necessary

This is the Cash Flow referred to in our report of even date.

For V. D. Aggarwal and Co.
Chartered Accountants

CA Abhijai Aggarwal
Partner
M.N:517463
FRN No. 008332N

Place : Ahmedabad
Date : 30/05/2012

For and on behalf of the Board

Naveen Gupta
Managing Director

Jaikishan Gupta
Director

Shrima Dave
Company Secretary



Regd. Office : 701, Avdhesh House, Opp. Gurudwara, Near Thaltej Chokdi, Ahmedabad – 380054

ATTENDANCE SLIP

Registered Folio No. _____

DP Id. No.* _____

No. of Share Held _____

Client Id.* _____

I certify that I am a registered shareholder / proxy for the registered shareholder of the company.

I hereby record my presence at the 24th Annual General Meeting of Kalptaru Papers Limited held at 701, Avdhesh House, Opp. Gurudwara, Near Thaltej Chokdi, Ahmedabad – 380054 at 10:00 a.m. on Wednesday, 26th day of September, 2012.

Member's/Proxy's name in BLOCK letters

Member's/Proxy's Signature

Note : Please fill in this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copy of the Annual Report.

*Applicable for investors holding shares in electronic form.

----- (TEAR HERE) -----



Regd. Office : 701, Avdhesh House, Opp. Gurudwara, Near Thaltej Chokdi, Ahmedabad – 380054

FORM OF PROXY

I/We _____
of _____ being a member / members of the above named company
hereby appoint _____ of _____ or failing
him/her _____ of _____
_____ as my / our proxy to vote for / me / us on my / our behalf at the
24th Annual General Meeting of the members of the company to be held on Wednesday, 26th day of September,
2012 at 10:00 a.m. and at any adjournment thereof.

Registered Folio No. : _____

DP ID* & Client ID* No. : _____

No. of Shares Held : _____

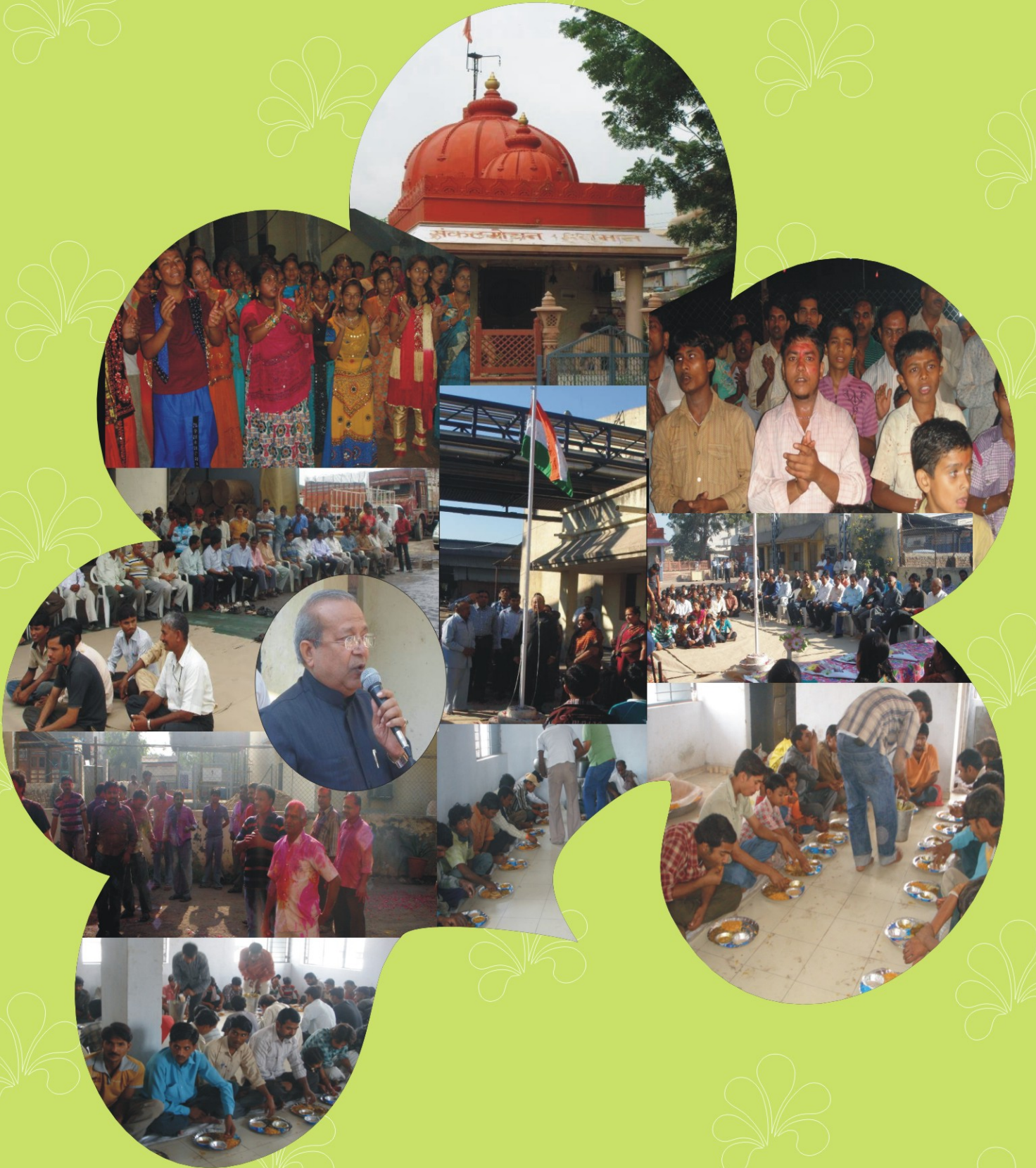
Signed this _____ days of _____ 2012

Signed _____

Affix
1 Rupee
Revenue
Stamp

- Notes :**
- This Form in order to be effective should be duly stamped, completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
 - A Member entitled to attend and vote at this Meeting is entitled to appoint a proxy and the Proxy need not be a Member

*Applicable for investors holding shares in electronic form



Social Activities & Initiatives

If undelivered, please return to :



Registered Office :

701, Avdhesh House, Opp. Gurudwara, Near Thaltej Chokdi, Ahmedabad-380054
Tel.: 079 26858510/511. Fax : 079 26857590. E-mail : contact@kalptaru.co.in
Website : www.kalptaru.co.in