

A low-angle, upward-looking photograph of several modern skyscrapers with glass facades, set against a bright, slightly hazy sky. The perspective creates a sense of height and architectural scale.

***KALPATARU ENGINEERING
LTD***

***ANNUAL
GENERAL
MEETING
2016-2017***



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36TH ANNUAL GENERAL MEETING

DAY	MONDAY
DATE	18 TH SEPTEMBER,2017
TIME	4.00 PM
VENUE	18 RABINDRA SARANI, PODDAR COURT GATE NO.4, 4TH FLOOR, ROOM NO.4 KOLKATA -700001

CIN: L27104WB1980PLC033133.

REGISTERED OFFICE: 18 RABINDRA SARANI, PODDAR COURT GATE NO.4,

4TH FLOOR, ROOM NO.4 KOLKATA -700001.

CORPORATE INFORMATION

BOARD OF DIRECTORS

BHAKTI SOMIYA

INDEPENDENT DIRECTOR

DIN: 06957470

BIMALKUMAR BAJRANGLAL PATODIA

INDEPENDENT DIRECTOR

DIN: 07555097

SUNITADEVI BIMALKUMAR PATODIA

EXECUTIVE DIRECTOR

DIN: 07589465

KEY- MANAGERIAL PERSONNEL

Ms. BARKHA JAIN COMPANY SECRETARY

STATUTORY AUDITOR

M/s J.B.S & Co.

Chartered Accountant

Mr. Gouranga Paul,

(Partner)

Firm Registration No. 323734E

REGISTRAR & TRANSFER AGENT:

NICHE TECHNOLOGIES PVT. LTD

D-511 BAGREE MARKET, 5TH FLOOR, 71 B R B BASU RD.

KOLKATA-700001

Tel.No. 033-2235-7271/7270; Fax: 22156823

Email: nichetechpl@nichetechpl.com

LISTED

The Calcutta Stock Exchange (CSE)

WEBSITE:

www.kalpataruengineering.co.in

ISIN:

INE216R01018

COMMITTEES

AUDIT COMMITTEE:

Mrs. BHAKTI SOMIYA - Chairman

Mrs. SUNITADEVI BIMALKUMAR PATODIA - Member

Mr. BIMALKUMAR BAJRANGLAL PATODIA - Member

NOMINATION & REMUNERATION COMMITTEE

Mrs. BHAKTI SOMIYA - Chairman

Mrs. SUNITADEVI BIMALKUMAR PATODIA - Member

Mr. BIMALKUMAR BAJRANGLAL PATODIA - Member

STAKEHOLDER RELATIONSHIP COMMITTEE

Mrs. BHAKTI SOMIYA - Chairman

Mrs. SUNITADEVI BIMALKUMAR PATODIA - Member

Mr. BIMALKUMAR BAJRANGLAL PATODIA - Member

NOTICE

NOTICE is hereby given that the Annual General Meeting of the members of the Company for the year 2017 will be held on Wednesday, the 18th day of September, 2017 at 4:00 P.M. at the registered office of the Company at 18 Rabindra Sarani, Poddar Court Gate No.4, 4th Floor, Room No.4 Kolkata -700001 to transact with or without modification(s), as may be permissible, the following businesses:

ORDINARY BUSINESS

Item No. 1 – Adoption of Financial Statements

To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2017 together with the Report of the Directors' and Auditors' thereon.

Item No.2 – Rotation of Director

To consider appointment of a Director in place of Mr. Bimalkumar Bajranglal Patodia (DIN: 07555097), who retires by rotation, and has sent his dissent for being reappointed as Director of the Company.

Item No.3 – Appointment of Auditor and fixing their remuneration

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

“RESOLVED THAT pursuant to the provision of section 139 and other applicable provision, if any of the Companies Act, 2013 read with the underlying rules viz. Companies (Audit and auditors) Rules, 2014 as may be applicable Mr. Anupam Sarkar., Chartered Accountants (ICAI M. No. 050083), be appointed as statutory auditors of the company to hold office from the conclusion of this Meeting until the conclusion of the Annual General Meeting (AGM) of the company to be held in the year 2022 subject to ratification of the appointment at every AGM at a remuneration (including term of payment) to be fixed by the board of Direction of the company, plus service tax and such other tax(es), as may be applicable & reimbursement of all out-of-pocket expenses in connection with the audit of the accounts of the company”

“RESOLVED FURTHER THAT both of the directors of the company be and is hereby authorised to do sign/digitally sign all such necessary e-forms and returns as may be required under the Companies Act, 2013 and rules made there under and amended time to time for giving effect to the aforesaid resolution.”

SPECIAL BUSINESS

Item No.4 – Regularization of Director

To consider, and if thought fit to pass, with or without modification, the following resolution as an Ordinary Resolution for Regularization of Additional Directors:

“**RESOLVED THAT** the appointment of Mrs. Sunitadevi Bimalkumar Patodia (DIN: 07589465) who was appointed as an Additional Director in the meeting of the Board of Directors as on 30.05.2017 pursuant to Section 161 of the Companies Act, 2013 and whose term expires at the Annual General Meeting of the Company be and is hereby approved by the members of the Company.”

Date: 14.08.2017

**By Order of the Board
For Kalpataru Engineering Ltd**

**Bhakti Somiya
Director (DIN: 06957470)**

NOTES:

A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF. SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD HOWEVER BE DEPOSITED AT REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING.

1. Proxies, in order to be valid and effective, must be delivered at the registered/ corporate office of the company not later than forty-eight hours before the commencement of the meeting.
2. Pursuant to provisions of Section 105 of the Companies Act, 2013, read with the applicable rules thereon, a person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights, may appoint a single person as proxy, who shall not act as a proxy for any other member.
3. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.

4. Only bonafide members of the Company whose names appear on the Register of Members/Proxy holders, in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the meeting.
5. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
6. The Register of Member and Share Transfer Register of the company will remain closed from 12th day of September, 2017 to 18th day of September, 2017 (both days inclusive).
7. Members holding shares in physical form are requested to intimate any change of address and/or bank mandate to M/s. Niche Technologies Private Limited or the Secretarial Department of the Company immediately.
8. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company. The Nomination Form SH 13 prescribed by the Government can be obtained from M/s. Niche Technologies Private Limited or the Secretarial Department of the Company at its Registered Office.
9. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Companies (Management and Administration Rules), 2014, companies can serve Annual Reports and other communications through electronic mode to those members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail address with the Company are requested to submit their request with their valid e-mail address to M/s. Niche Technologies Private Limited. Members holding shares in demat form are requested to register/ update their e-mail address with their Depository Participant(s) directly. Members of the Company, who have registered their email-address, are entitled to receive such communication in physical form upon request.
10. Explanatory Statement pursuant to section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the Meeting has been attached with this report.
11. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the registered office of the Company during business hours except on holidays, up to and including the date of the Annual General Meeting of the Company.
12. Details of Directors seeking appointment/ re-appointment/Regularization at the Annual General Meeting of the Company to be held on September 18, 2017 and are provided in Annexure A of this Notice.

13. VOTING THROUGH ELECTRONIC MEANS:

In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Services (India) Limited (CDSL).

The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise

their right at the meeting through ballot paper. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

The process and manner for remote e-voting are as under:

- (i) The remote e-voting period commences on 15th September, 2017 (9:00 AM) and ends on 17th September, 2017 (05:00 PM). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 11th September, 2017 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period.
- (iii) Click on "Shareholders" tab.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account with the depository or in the company records for your folio in dd/mm/yyyy format
Bank Account Number	Enter the Bank Account Number as recorded in your demat account with the depository or in the company records for your folio.

(DBD)

- Please Enter the DOB or Bank Account Number in order to Login.
- If both the details are not recorded with the depository or company then please enter the member-id / folio number in the Bank Account Number details field as mentioned in above instruction (iv).

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection Screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Company Name i.e. **Kalpataru Engineering Ltd** on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Institutional Shareholders & Custodians:
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helndesk.evoting@cdslindia.com

- After receiving the login details they have to create a compliance user which should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com

- 14.** Institutional Members/ Bodies Corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at sr_associates17@rediffmail.com with a copy marked to helpdesk.evoting@cdslindia.com on or before 17th September, 2017 upto 05:00 P.M. without which the vote shall not be treated as valid.
- 15.** The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 11th September, 2017.
- 16.** The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members / depositories as at closing hours of business, on 4th August, 2017.
- 17.** The shareholders shall have one vote per equity share held by them as on the cut-off date of 11th September, 2017. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.
- 18.** Since the Company is required to provide members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 11th September, 2017 and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
- 19.** Investors, who became members of the Company subsequent to the dispatch of the Notice/ Email and hold the shares as on the cut-off date i.e. 4th August, 2017 are requested to send the written / email communication to the Company at kalpataruenggltd@gmail.com by mentioning their Folio No./ DP ID and Client ID to obtain the Login-ID and Password for e-voting.
- 20.** Mr. Akhil Agarwal Practising Company Secretary having Membership No. 35073 have been appointed as the Scrutinizer to scrutinize the remote e-voting process and voting at the AGM in a fair and transparent manner. The Scrutinizer will submit, not later than 3 days of conclusion of the AGM, a consolidated Scrutinizer’s Report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

21. The Results declared along with the Scrutinizer's Report shall be placed on the website of CDSL. The same will be communicated to the listed stock exchange i.e. Calcutta Stock Exchange.

Date: 14.08.2017

By Order of the Board
For Kalpataru Engineering Ltd

Sd/-
Bhakti Somiya
Director (DIN: 06957470)

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4:

(a) The Board, appointed Mrs. Sunitadevi Bimalkumar Patodia as an Additional Director of the Company with effect from May 30, 2017, pursuant to section 161 of the Companies Act, 2013. Hence he is eligible to hold office up to the date of the ensuing Annual General Meeting.

The Company has received from Mrs. Sunitadevi Bimalkumar Patodia:

- (i) consent in writing to act as Director in form DIR-2 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014;
- (ii) intimation in Form DIR-8 in terms of Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that he is not disqualified under sub- section (2) of section 164 of the Companies Act, 2013.

The Board considers that his association would be of immense benefit to the Company and it is desirable to avail his service as Director.

Accordingly, the Board recommends the Item No. 4, in relation to appointment of Mrs. Sunitadevi Bimalkumar Patodia as Director, for the approval by the shareholders of the Company.

All documents concerning this item are available for inspection at the Registered Office of the Company from 11 A.M. to 1 P.M. on all working days till the date of the forthcoming Annual General Meeting of shareholders.

No Directors and the Key Managerial Personnel of the company including their relatives are concerned or interested in aforesaid resolution.

Date: 14.08.2017

By Order of the Board
For Kalpataru Engineering Ltd
Sd/-
Bhakti Somiya
Director (DIN: 06957470)

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT/
REGULARIZATION AT THE ANNUAL GENERAL MEETING**

Name of the Directors	Regularization of Director
	Mrs. Sunitadevi Bimalkumar Patodia
Date of Birth	12.09.1972
Date of Appointment/Re Appointment	May 30, 2017
Qualification	Graduate
List of other Public Ltd. Companies (in India) in which Directorships held	NIL

Date: 14.08.2017**By Order of the Board
For Kalpataru Engineering Ltd****Sd/-
Bhakti Somiya
Director (DIN: 06957470)**

DIRECTOR'S REPORT

To,
The Members,

Your Directors have pleasure in presenting their Annual Report on the business and operations of the Company and the Audited Statements of accounts for the Financial Year ended March 31, 2017.

1. Financial performance of the Company

Particulars	Amount (Rs.) in lacs	
	2016-2017	2015-2016
Total Income	317.92	42.04
Total Expenditure	207.85	41.22
Profit before exceptional items	110.07	0.82
Less : Exceptional Items	-	-
Profit before Tax	110.07	0.82
Less : Current Tax	44.09	2.02
Add/(Less) : Deferred Tax Assets/(Liability)	0.02	-
Net Profit after tax	65.95	-1.20

2. EVENTS SUBSEQUENT TO THE DATE OF FINANCIAL STATEMENTS:

The Company has earned profit after tax of Rs. 65,95,449/- during the current financial year Profit before tax is 11007313/-

3. DIVIDEND

In view of the carry forward losses incurred in the current year and pursuant to section 123 of the Companies Act, 2013, the board regrets its inability to declare any dividend for the year under review.

4. CHANGE IN THE NATURE OF BUSINESS, IF ANY

There were no changes in the nature of business of the company during the year.

5. CHANGE IN SHARE CAPITAL

The paid-up Equity Share Capital of the Company as at 31st March, 2017 stood at 18213400. During the year under review, the Company has not issued any further shares.

6. BOARD MEETINGS

The board of Directors of the Company met 7 times during the financial year. The details of various Board Meetings are provided in the Corporate Governance Report. The gap intervening between two meetings of the board is as prescribed in the Companies Act, 2013(hereinafter "the Act").

7. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

There has been no change in the constitution of Board during the year under review i.e. the structure of the Board remains the same. Subsection (10) of Section 149 of the Companies Act, 2013 provides that independent directors shall hold office for a term of up to five consecutive years on the board of a company; and shall be eligible for re-appointment on passing a special resolution by the shareholders of the Company. Further, according to Sub-

Section (11) of Section 149, No independent director shall be eligible for appointment for more than two consecutive terms of five years. Sub-section (13) states that the provisions of retirement by rotation as defined in

Sub-sections (6) and (7) of Section 152 of the Act shall not apply to such independent directors.

During the year under review, Ms. Barkha Jain was appointed as the Company Secretary of the Company w.e.f. 14th November, 2016 as a Key Managerial Person ("KMP") under the Act, the Company had the following KMPs:

1. Ms. Barkha Jain - Company Secretary.

POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS' INDEPENDENCE

1. Scope:

This policy sets out the guiding principles for the Nomination & Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent Directors of the Company.

2. Terms and References:

2.1 "Director" means a director appointed to the Board of a Company.

1.2 "Nomination and Remuneration Committee" means the committee constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and clause 49 of the Equity Listing Agreement.

1.3 "Independent Director" means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013 and Clause 49(II)(B) of the Equity Listing Agreement.

3. Policy:

Qualifications and criteria

3.1.1 The Nomination and Remuneration Committee, and the Board, shall review on annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a board with diverse background and experience that are relevant for the Company's operations.

3.1.2 In evaluating the suitability of individual Board member the NR Committee may take into account factors, such as:

- General understanding of the company's business dynamics, global business and social perspective;
- Educational and professional background
- Standing in the profession;
- Personal and professional ethics, integrity and values;
- Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

3.1.3 The proposed appointee shall also fulfill the following requirements:

- shall possess a Director Identification Number;
- shall not be disqualified under the companies Act, 2013;
- shall Endeavour to attend all Board Meeting and Wherever he is appointed as a Committee Member, the Committee Meeting;
- shall abide by the code of Conduct established by the company for Directors and senior Management personnel;
- shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of

- *individuals including his shareholding at the first meeting*
- *of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;*
- *Such other requirements as may be prescribed, from time to time, under the companies Act, 2013, Equity listing Agreements and other relevant laws.*

3.1.4 The Nomination & Remuneration Committee shall evaluate each individual with the objective of having a group that best enables the success of the company's business.

3.2 criteria of independence

3.2.1 The Nomination & Remuneration Committee shall assess the independence of Directors at time of appointment/ re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interest or relationships are disclosed by a Director.

3.2.2 The criteria of independence shall be in accordance with guidelines as laid down in companies Act, 2013 and Clause 49 of the Equity Listing Agreement.

3.2.3 The Independent Director shall abide by the "Code for Independent Directors" as specified in Schedule IV to the companies Act, 2013.

3.3 Other Directorships/ Committee Memberships

3.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance

Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere

with their role as Director of the company.

3.3.2 A Director shall not serve as director in more than 20 companies of which not more than 10 shall be public limited companies.

3.3.3 A Director shall not serve as an indecent Director in more than 7 listed companies and not more than 3 listed companies in case he is serving as a whole-time Director in any listed company.

3.3.4 A Director shall not be a member in more than 10 committee or act chairman of more than 5 committee across all companies in which he holds directorships.

For the purpose of considering the limit of the committee, Audit committee and stakeholder's relationship committee of all public limited companies, whether listed or not, shall be included and all other companies including private limited Companies, foreign companies and companies under section 8 of the Companies Act, 2013 shall be excluded.

Remuneration policy for Directors, key managerial personnel and other employees

1. Scope:

This policy sets out the guiding principles for the Nomination and Remuneration committee for recommending to the Board the Remuneration of the directors, key managerial personnel and other employees of the company.

2. Terms and Reference:

In this policy the following terms shall have the following meanings:

2.1 "Director" *means a Director appointed to the Board of the company.*

2.2 “key managerial personnel”
means

- (i) The Chief Executive Office or the managing director or the manager;
- (ii) The company secretary;
- (iii) The whole-time director;
- (iv) The chief finance Officer; and
- (v) Such other office as may be prescribed under the companies Act, 2013

2.3 “Nomination and Remuneration Committee” means the committee constituted by Board in accordance with the provisions of section 178 of the companies Act, 2013 and clause 49 of the Equity Listing Agreement.

3. Policy:

3.1 Remuneration to Executive Director and Key Managerial Personnel

3.1.1 The Board on the recommendation of the Nomination And Remuneration (NR) committee shall review and approve the remuneration payable to the Executive Director of the company within the overall approved by the shareholders.

3.1.2 The Board on the recommendation of the NR committee shall also review and approve the remuneration payable to the key managerial personnel of the company.

3.1.3 The Remuneration structure to the Executive Director and key managerial personnel shall include the following components:

- (i) Basic pay
- (ii) Perquisites and Allowances
- (iii) Stock Options
- (iv) Commission (Applicable in case of Executive Directors)
- (v) Retrial benefits
- (vi) Annual performance Bonus

3.1.4 The Annual plan and Objectives for Executive committee shall be reviewed by the NR committee and Annual performance Bonus will be approved by the committee based on the achievement against the Annual

plan and Objectives.

3.2 Remuneration to Non - Executive Directors

3.2.1 The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the remuneration payable to the Non - Executive Directors of the Company within the overall limits approved by the shareholders as per provisions of the companies act.

3.2.2 Non - Executive Directors shall be entitled to sitting fees attending the meetings of the Board and the Committees thereof.

The Non- Executive Directors shall also be entitled to profit related commission in addition to the sitting fees.

3.3. Remuneration to other employees

3.3.1. Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

8. DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS

The Company has received a declaration from Mr. Bhakti Somiya, and Mr. Bimalkumar Bajranglal Patodia, Independent directors of the company to the effect that they are meeting the criteria of independence as provided in Sub-section (6) of Section

149 of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure

Requirement) Regulations, 2015.

9. COMPLIANCE WITH SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:

In compliance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has signed uniform listing, agreement with CSE Limited and framed the following policies which are available On Company's website i.e. www.vipcl.in

- i. Board Diversity Policy
- ii. Policy on preservation of Documents
- iii. Risk Management Policy

10. Audit Committee

The Audit committee comprises of four members, out of whom three are Non Executive Director and one is Executive Director. The Committee met 4 (Four) times during the year. The details of the meetings of the committee are provided in the Corporate Governance Report.

The terms of reference of the Committee is in accordance with that specified in Regulation 27(2) of the Listing Agreement with Stock Exchanges and also confirms to the requirements of provision of Section 177 of the Companies Act, 2013.

11. Nomination and Remuneration Committee

The objective of Nomination and Remuneration Committee is to assess the remuneration payable to our Managing Director; sitting fee payable to our Non Executive Directors; remuneration policy covering policies

on remuneration payable to our senior executives.

The Independent Directors of the Company was not paid any sitting fee or any other remuneration or commission.

During the financial year 2016-2017, no remuneration has been paid to any of the Director of the Company

12. Vigil Mechanism for Directors and Employees

In compliance with the requirements of Section 177 of the Companies Act, 2013 and revised Clause 49 of Listing Agreement with the Stock Exchanges, your Company has established a vigil mechanism for the Directors and Employees of the Company through which genuine concerns regarding various issues can be communicated. The Company had adopted a Code of conduct for Directors and Senior Management Executives ("the Code"), which lays down the principles and standards that should govern their

actions. Any actual or potential violation of the code, howsoever insignificant or perceived as such, is a matter of serious concern for the company and should be brought to the attention of the concerned.

13. Directors' Responsibility Statement

The Directors' Responsibility Statement referred to in clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, shall state that—

in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures; the directors had selected such accounting policies and applied them consistently and made judgments and

estimates that are reasonable and prudent so as to give a true and fair

view of the state of affairs of the company at the end of the financial year and of the profit and loss of the

Company for that period; the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- a) the directors had prepared the annual accounts on a going concern basis;*
- b) the directors had laid down internal financial controls to be followed by the company and that such internal*

Financial controls are adequate and were operating effectively; and the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

14. STATUTORY COMPLIANCE:

The Company has complied with the required provisions relating to statutory compliance with regard to the affairs of the Company in all respects.

15. INFORMATION ABOUT THE FINANCIAL PERFORMANCE / FINANCIAL POSITION OF THE SUBSIDIARIES / ASSOCIATES/ JOINT VENTURES:

The Company does not have any subsidiaries, associates and joint ventures.

16. EXTRACT OF THE ANNUAL RETURN

The extract of Annual Return in Form

No. MGT – 9 as per section 134(3)(a) of the Companies Act, 2013 read with Rule 8 of Companies Act(Accounts)

Rules 2014 and Rule 12 of Companies (Management & Administration) Rules, 2014 as on the financial year ended on 31.03.2017, is annexed herewith the annual report.

17. STATUTORY AUDITORS:

M/s. J.B.S & Co., Statutory Auditors of the company retires at the ensuing annual general meeting and is eligible for reappointment. As required under the provisions of Section 139 of the Companies Act, 2013, the Company has received a written consent from the auditors to their re-appointment and a certificate to the effect that their re-appointment, if made, would be in accordance with the Companies Act, 2013 and the rules framed there under and that they have satisfied the criteria provided in Section 141 of the Companies Act, 2013.

The Board recommends the re-appointment of M/s. J.B.S & Co., as the statutory auditors of the Company from the conclusion of this Annual General meeting till the conclusion of the next Annual General Meeting

18. SECRETARIAL AUDIT REPORT

In terms of the provisions of Section 204 of the Companies Act, 2013 and Rules framed there under, a Secretarial Audit Report in the prescribed format, obtained from a Company Secretary in practice, is required to be annexed to the Board's Report. In view thereof,

The Board has appointed Mr. Akhil Agarwal, Practicing Company Secretary, to conduct Secretarial Audit for the Financial Year 2016-2017. The Secretarial Auditor's

Report, in the prescribed format, for the period ended March 31, 2017 is annexed to this Directors' Report and forms part of the Annual Report.

19. QUALIFICATIONS IN AUDIT REPORTS:

Explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made—

(a) Statutory Auditors Report:

The Board has duly reviewed the Statutory Auditor's Report on the Accounts for the year ended March 31, 2017 and has noted that the same does not have any reservation, qualification or adverse remarks. However, the Board decided to further strengthen the existing system and procedures to meet all kinds of challenges and growth in the market expected in view of the robust capital market in the coming years.

(b) Secretarial Audit Report:

The Board has duly reviewed the Secretarial Audit Report on the Compliances according to the provisions of section 204 of the Companies Act 2013, and the same does not have any reservation, qualifications or adverse remarks.

20. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The required information as per rule 8(3) of the companies (Accounts) Rules, 2014 is provided hereunder:

A. Conservation of Energy:

Your Company's operations are not energy intensive. Adequate measures have been taken to conserve energy wherever possible by using energy

efficient computers and purchase of energy efficient equipment.

B. Technology Absorption:

1. Research and Development (R&D) : NIL
2. Technology absorption, adoption and innovation: NIL.
3. Foreign Exchange Earnings and Out Go:

Foreign Exchange Earnings: NIL

Foreign Exchange Outgo: NIL

21. DETAILS RELATING TO DEPOSITS, COVERING THE FOLLOWING:

Your Company has not accepted any deposits falling within the meaning of Sec. 73, 74 & 76 of the Companies Act, 2013 read with the Rule 8(v) of Companies (Accounts) Rules 2014, during the financial year under review.

22. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS:

During the period under review there were no significant and material orders passed by the regulators or Courts or Tribunals impacting the going concern status and the company's operations in future.

23. DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:

Your Company has well established procedures for internal control across its various locations, commensurate with its size and operations. The organization is adequately staffed with qualified and experienced personnel for implementing and monitoring the internal control environment. The internal audit function is adequately resourced commensurate with the operations of the Company and reports to the Audit Committee of the Board.

24. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The company has not given loans, Guarantees or made any investments during the year under review.

25. CREDIT & GUARANTEE FACILITIES:

The Company has been availing facilities of Credit and Guarantee as and when required, for the business of the Company.

26. CORPORATE SOCIAL RESPONSIBILITY POLICY:

In accordance with the requirements of the provisions of section 135 of the Act, the Company has constituted a Corporate Social Responsibility ("CSR") Committee. The composition and terms of reference of the CSR Committee is provided in the Corporate Governance Report.

Since your Company do not have the net worth of Rs. 500 Crore or more, or turnover of Rs. 1000 Crore or more, or

A net profit of Rs. 5 Crore or more during the financial year, section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility is not applicable and hence the Company need not adopt any Corporate Social Responsibility Policy.

27. RELATED PARTY TRANSACTIONS:

All contracts/arrangements/ Transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on arm's length basis. During the year, the Company had not entered into any contract/arrangement/transaction with related parties which could be considered material in accordance with the policy of the company on materiality of related party transactions.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at www.kalpataruengineering.co.in

28. FORMAL ANNUAL EVALUATION:

As per section 149 of the Companies Act, 2013 read with clause VII (1) of the schedule IV and rules made there under, the independent directors of the company had a meeting on 26.03.2017 without attendance of non-independent directors and members of management. In the meeting the following issues were taken up:

(a) Review of the performance of non-independent directors and the Board as a whole;

(b) Review of the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;

(c) Assessing the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The meeting also reviewed and evaluated the performance of non-independent directors. The company has 1 (One) non-independent directors Namely:

i.) Mrs. Sunitadevi Bimalkumar Patodia – Non-Independent & Executive Director
The meeting was recognized for shaping up of the company and putting the company on accelerated growth path. They devoted more time and attention to bring up the company to the present level.

The meeting also reviewed and Evaluated the performance the Board as whole in terms of the following Aspects:

- *Preparedness for Board/Committee meetings*
- *Attendance at the Board/Committee meetings*
- *Guidance on corporate strategy, risk policy, corporate performance and overseeing acquisitions and disinvestments.*
- *Monitoring the effectiveness of the company's governance practices*
- *Ensuring a transparent board nomination process with the diversity of experience, knowledge, perspective in the Board.*
- *Ensuring the integrity of the company's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for financial and operational control and compliance with the law and relevant standards.*

Mr.Bhakti Somiya, chairman of the company has performed exceptionally well by attending board meetings regularly, by taking active participation in the discussion of the agenda and by providing required guidance from time to time to the company for its growth etc.

It was noted that the Board Meetings have been conducted with the issuance of proper notice and circulation of the agenda of the meeting with the relevant notes thereon.

29. DISCLOSURE ABOUT COST AUDIT:

Cost Audit is not applicable to your Company.

30. LISTING AGREEMENT:

The Securities and Exchange Board of India (SEBI), on September 2, 2015, issued SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the aim to consolidate and streamline the provisions of the Listing Agreement for different segments of capital Markets to ensure better enforceability.

The said regulations were effective December1, 2015. Accordingly, all listed entities were required to enter into the Listing Agreement within six months from the effective date. The company entered into Listing Agreement with CSE Limited.

31. LISTING WITH STOCK EXCHANGES:

The Director have issued certificate pursuant to the provisions of Regulation 27(2) of the listing agreement certifying that the Financial Statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs and the same forms a part of this report.

32. EMPLOYEE RELATIONS:

Your Directors are pleased to record their sincere appreciation of the contribution by the staff at all levels in the improved performance of the Company.

None of the employees is drawing Rs. 5,00,000/- and above per month or Rs.60,00,000/- and above in aggregate per annum, the limits prescribed under Section 134 of the Companies Act, 2013.

33. PARTICULARS OF EMPLOYEES REMUNERATION

The Disclosure pertaining to remuneration and other details as required under the provisions of section 197 (12) of the companies act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 forms part of the Annual Report.

During the period under review no employee of the company drew remuneration in excess of the limits specified under the provisions of section 197 (12) of the companies act, 2013. The Particulars of Remunerations in the prescribed format, for the period ended March 31, 2017 is annexed to this Directors'' Report and forms part of the Annual Report.

34. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy.

The following is the summary of sexual harassment complaints received and disposed during the calendar year.

- *No. of complaints received:
Nil*

- *No. of complaints disposed off:
Nil*

35. ACKNOWLEDGEMENTS:

Your Directors wish to place on record their appreciation of the contribution made by the employees at all levels, to the continued growth and prosperity of your Company.

Your Directors also wish to place on record their appreciation of business constituents, banks and other financial institutions and shareholders of the Company like SEBI, BSE, NSE, NSDL, CDSL, Bank etc. for their continued support for the growth of the Company.

*By Order of the Board
For Kalpataru Engineering Ltd*

*Place: Kolkata
Date: 14.08.2017*

*Sd/-
Bhakti Somiya
Director*

DECLARATION BY DIRECTOR OF AFFIRMATION BY DIRECTORS AND SENIOR MANAGEMENT PERSONNEL OF COMPLIANCE WITH THE CODE OF CONDUCT:

The shareholders

I, Bhakti Somiya, Director of the Company do hereby declare that the directors and senior management of the Company have exercised their authority and powers and discharged their duties and functions in accordance with the requirements of the code of conduct as prescribed by the company and have adhered to the provisions of the same.

Details under Section 197(12) of the Companies Act, 2013 read with rule 5(1) of the companies (Appointment and Remuneration of Managerial Personnel) Rules 2014

Ratio of the remuneration of each Executive Director to the median remuneration of the employees of the Company, the percentage increase in remuneration of Company Secretary during the year 2016-2017 are-

S.N	Name of Employee	Designation
1	BARKHA JAIN	COMPANY SECRETARY

a. No remuneration is paid to Non Executive Director

- The Company has 10 permanent employees including Executive Directors.
- Relationship between average increase in remuneration and Company's performance: The remuneration/policy of the Company Employees is based on the philosophy to reward and drive performance culture. Every year the salary increases are decided to provide reward on the basis of market opportunity determined by benchmarking the rewards with similar profile organizations. Variable component is an important criteria which is dependent of individual performance rating, business performance and market competitiveness of the Company.
- Comparison of the remuneration of the key managerial personnel against the performance of the Company: As per the policy increases are dependent on actual performance rating of each Director to as the business performance and increase in scope of work entrusted.

Ratio of Remuneration of each Director to median employee	% increase in Remuneration
N.A.	0
- The average percentage increased in remuneration of employees other than Directors during the year is 62%.

The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the Highest paid Director during the year – NA

7. The remuneration is paid as per the remuneration policy of the Company

ANNUAL REPORT 2016-2017-ANNEXURE "B" TO BOARD'S REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To
The Members,
KALPATARU ENGINEERING LTD

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. KALPATARU ENGINEERING LTD (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the M/s. KALPATARU ENGINEERING LTD books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

- 1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. KALPATARU ENGINEERING LTD ("The Company") for the financial year ended on 31st March, 2017, according to the provisions of:*
 - i. The Companies Act, 2013 (the Act) and the rules made there under for specified sections notified and came in to effect from 12th September, 2013 and sections and Rules notified and came in to effect from 1st April, 2014;*

- ii. *The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;*
 - iii. *The Depositories Act, 1996 and the Regulations and Bye-laws framed there under.*
 - iv. *Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment (FDI) and Overseas Direct Investment and External Commercial Borrowings;*
 - v. *The Securities and Exchange Board of India Act, 1992 ('SEBI Act')*
2. *Compliance status in respect of the provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) is furnished hereunder for the financial year 2016-2017.*
- i. *The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011: Not Applicable.*
 - ii. *The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; Not Applicable*
 - iii. *The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not Applicable.*
 - iv. *The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not Applicable.*
 - v. *The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993, regarding the Companies Act and dealing with client; Not Applicable.*
 - vi. *The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. Not Applicable.*
 - vii. *The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; Not Applicable.*
 - viii. *The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 Insider Trading Regulations; The Company has framed code of conduct for regulating & reporting trading by insiders and for fair disclosure, 2015 and displayed the same on the Company's website i.e. www.vipcl.in and all the required disclosures from time to time as and when applicable were complied with.*

ix. *The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 were complied with to the extent applicable and*

- *The Company has signed uniform listing agreement with CSE Limited;*
- *The Company has framed the policies as mentioned below and displayed the same on the Company's website i.e. www.vipcl.in*
 - *Board Diversity Policy*
 - *Policy on preservation of Documents*
 - *Risk Management Policy*

3. *During the year the Company has conducted Seven Board meetings including 4 Audit committee meetings, one meeting of Nomination & Remuneration Committee and Two meeting of Stakeholders Relationship Committee meeting. We have also examined compliance with the applicable clauses of the following:*

i. *Secretarial Standards issued by the Institute of Company secretaries of India and*

ii. *The Listing Agreements entered into by the Company with CSE Limited;*

4. *During the financial year under report, the Company has complied with the provisions of the New Companies Act, 2013, Old Companies Act, 1956 to the extent applicable and the Rules, Regulations, Guidelines, Standards, etc., mentioned above subject to the following observations;*

OBSERVATIONS:

(a) *As per the information and explanations provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we report that*

(i) *The provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of:*

- *External Commercial Borrowings were not attracted to the Company under the financial year under report;*
- *Foreign Direct Investment (FDI) was not attracted to the company under the financial year under report;*
- *Overseas Direct Investment by Residents in Joint Venture/Wholly Owned Subsidiary abroad was not attracted to the company under the financial year under report.*

(ii) *As per the information and explanations provided by the company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we report that the Company has not made any GDRs/ADRs or any Commercial Instrument under the financial year under report.*

(b) We further report that:

- (i) The Company has the Company Secretary namely Ms. Barkha Jain.*
- (ii) The Company is regular in deducting and paying TDS under the Income Tax Act.*
- (iii) The Company has not paid PF and ESI to the respective authorities.*
- (iv) The Company also has collected stamp duty and service tax on behalf of the client and paid to the respective authorities.*
- (v) The Company is a registered member of NSE, BSE and apart from having DP connectivity with CDSL. From time to time there were inspection of books, accounts, records of the company by the above said authorities and the observations given there on have also been complied with by the Company.*

Place: Kolkata

Date: 27.05.2017

Sd/-

*Akhil Agarwal
Practicing Company Secretaries
Membership No.:35073
C.P.No: 16313*

To
The Members of
M/s. KALPATARU ENGINEERING LTD

Our report of even date is to be read along with this letter.

- 1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.*
- 2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.*
- 3. We have not verified the correctness and appropriateness of financial records and Books of Account of the Company.*
- 4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.*
- 5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.*
- 6. The secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.*

Place: Kolkata
Date: 27.05.2017

Sd/-
Akhil Agarwal
Practicing Company Secretaries
Membership No.:35073
C.P.No: 16313

CORPORATE GOVERNANCE REPORT
(Pursuant to Regulation 27(2) of the LODR)

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

Our Board of Directors has the responsibility towards our shareholders to ensure the sound running of the Company. This can only be achieved if supported by appropriate and well managed Corporate Governance Processes. We believe that there are a number of key elements which are essential for an effective board and good governance. The Governance process should ensure that these resources are utilized in a manner that meets stakeholder's aspirations and societal expectations.

*At **KALPATARU ENGINEERING LTD**, Corporate Governance practices are based on the principles of adoption of transparent procedures and practices and complete and timely disclosures of corporate, financial and operational information to its stakeholders.*

2. COMPOSITION OF BOARD MEETING:

The Company has an adequate composition of Board of Directors along with Women Director.

<i>SR. NO.</i>	<i>NAME OF DIRECTORS</i>	<i>DESIGNATION</i>	<i>CATEGORY</i>
<i>1</i>	<i>SUNITADEVI BIMALKUMAR PATODIA</i>	<i>Additional Director</i>	<i>Non - Independent/Executive</i>
<i>2</i>	<i>BHAKTI SOMIYA</i>	<i>Director</i>	<i>Independent/Non - Executive</i>
<i>3</i>	<i>BIMALKUMAR BAJRANGLAL PATODIA</i>	<i>Director</i>	<i>Independent/Non - Executive</i>

3. Meetings and attendance during the year

The Company has conducted 7 Meetings of the Board of Directors were held during the financial year 2016-2017 i.e. on 26/05/2016, 13/07/2016, 11/08/2016, 14/11/2016, 14/02/2017 and 29/03/2017.

As is evident, the maximum time gap between any two Board Meetings was not more than 120 days.

Attendance of Directors at the Last Annual General Meeting which was held on 29th September, 2016 for the financial year 2015-2016:

SR. NO.	NAME OF DIRECTORS	ATTENDENCE AT AGM
1	Uday Shankar mahawar	P
2	Sachin Kumar Sharma	P
3	BimalKumar bajranglal Patodia	P
4.	Bhakti Somiya	P

COMPENSATION: - No Director is entitled to any Salary or Compensation or any fees for attending the meeting of the Board/ Committee.

4. AUDIT COMMITTEE

(a) Composition:

The Audit Committee of the Board is entrusted with the oversight of financial reporting with a view to provide accurate, timely and proper disclosures and the integrity and quality of the financial reporting. The role & terms of reference of the Committee are in conformity with the provisions of Section 177 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015. At present the committee comprises of four members. The Committee met 4 (Four) times during the year i.e. on 26/05/2016, 13/07/2016, 11/08/2016, 14/11/2016, 14/02/2017 and 28/03/2017. The gap between any two meetings did not exceed 120 days complying with the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

The composition of the Committee and the attendances of the members at the Committee meetings held during the financial year 2016-2017 are as follows:

Sl. No.	Name	Status	No. of Meetings
1	Sunitadevi Bimalkumar Patodia (Member)	Non - Independent/Executive	4
2	Bhakti Somiya (Chairman)	Independent/Non - Executive	4
3	Bimalkumar Bajranglal Patodia (Member)	Independent/Non - Executive	4
4	Sunitadevi Bimalkumar Patodia (Member)	Non - Independent/Executive	4

(b) Terms of Reference:

- *Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.*
- *Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the auditor and the fixation of audit fees.*
- *Approval of payment to statutory auditors for any other services rendered by the statutory auditors.*
- *Reviewing with the management the annual financial statements before submission to the Board for approval, with particular reference to:*
 - a) *Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.*
 - b) *Changes, if any, in accounting policies and practices and reasons for the same.*
 - c) *Major accounting entries involving estimates based on the exercise of judgment by management.*
 - d) *Significant adjustments made in the financial statements arising out of audit findings.*
 - e) *Compliance with listing and other legal requirements relating to financial statements.*
 - f) *Disclosure of any related party transactions.*
 - g) *Qualifications in the draft audit report.*
- *Review and monitor the auditor's independence and performance, and effectiveness of audit process.*
- *Approval or any subsequent modification of transactions of the company with related parties.*
- *Evaluation of internal financial controls and risk management systems.*
- *Reviewing, with the management, the quarterly financial statements before submission to the board for approval liabilities as at the end of the half-year and/or as at the end of the financial year.*
- *Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, private placement etc.).*
- *Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.*
- *Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.*
- *Discussion with internal auditors of any significant findings and follow up there on.*
- *Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.*
- *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.*
- *To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, Shareholders (in case of non-payment of declared dividends) and creditors.*

- To review the functioning of the Whistle Blower Mechanism, in case the same is existing.
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualification, experience & background, etc. of the candidate.
- To evaluate valuation of undertakings or assets of the Company, wherever necessary.
- To scrutinize inter-corporate loans and investments to be undertaken by the Company
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Furthermore the Audit committee has been authorised to invite the statutory auditors, any outsiders with relevant expertise, if it thinks necessary, to attend the meetings.

5. NOMINATION AND REMUNERATION COMMITTEE

- *Nomination & Remuneration Policy*

In terms with the provisions of the Section 178 and all other sections, if applicable, of the Companies Act, 2013 read with relevant Rules framed there under and SEBI (LODR) Regulations, 2015 entered with the Stock Exchanges Howrah Gases Ltd. ('The Company') on the recommendation of the Nomination & Remuneration Committee of the Board laid down a policy for:

- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- The criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
- Lay down criteria for evaluation of Directors (including both Executive and Non-executive Directors) and the Board.
- Devise a policy on Board diversity.

During the year, meetings of the Nomination and Remuneration Committee of the Company were held i.e. 12.02.2017.

(a) Composition of the Committee:

The Nomination and Remuneration Committee comprises of:

<i>Sl. No.</i>	<i>Name</i>	<i>Status</i>	<i>No of meetings attended</i>
1	Bhakti Somiya (Chairman)	Non Executive - Independent Director	1
2	Sunitadevi Bimalkumar Patodia (Member)	Executive - Independent Director	1
3	Bimalkumar Bajranglal Patodia (Member)	Independent/ Non Executive Director	1

During the year, one meeting of the Remuneration Committee was held as on 12.02.2017.

(b) Terms of Reference:

The terms of reference and the scope of Nomination and Remuneration Committee of the Board of Director are in accordance with the provisions of the Companies Act, 2013, the Rules made there under and SEBI (LODR) Regulations.

(c) Remuneration Policy:

Pursuant to provisions of the Section 178 of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, the Board of Directors of the Company, based on the recommendation of the Nomination and Remuneration Committee, has formulated a Remuneration Policy for Directors and senior management. The Company has paid remuneration by way of salary perquisites and allowances to its Managing Directors in line with the Nomination & Remuneration policy of the Company, current industry practice, the statutory limits and is being approved by the Board and Shareholders of the Company.

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Board has constituted Stakeholders Relationship Committee in terms of the Companies Act, 2013, rules made there under and SEBI (LODR) Regulations, 2015.

The term of reference of the Committee is as follows:

To approve transfer/transmission of shares

To readdress the investors' and shareholders' grievance relating to non-receipt of annual report, declared dividends, transfer of shares, etc.

To approve issue of duplicate share certificates as requested, if any.

To review Dematerialization/ Rematerialization of shares.

To review the work of Registrar and Transfer agent of the Company.

Any allied matter(s) out of and incidental to these functions and not herein above specifically provided for.

During the year, 2 meetings of the Stakeholders Relationship Committee of the Company were held i.e. 13.08.2016 & 12.11.2016

The Committee comprises of:

Ms. Bhakti Somiya as Chairperson, Mr. Sunitadevi Bimalkumar Patodia and Mr. Bimalkumar Bajranglal Patodia as Members

GENERAL BODY MEETINGS:

Location and time for last three Annual General Meetings were:

<i>Financial Year</i>	<i>Date of AGM/EGM</i>	<i>Meeting</i>	<i>Venue</i>
<i>2015-16</i>	<i>28-09-2016</i>	<i>AGM</i>	<i>195 BLOCK-J, NEW ALIPORE KOLKATA-700053</i>
<i>2014-15</i>	<i>29-09-2015</i>	<i>AGM</i>	<i>195 BLOCK-J, NEW ALIPORE KOLKATA -700053</i>
<i>2013-14</i>	<i>30-09-2014</i>	<i>AGM</i>	<i>195 BLOCK-J, NEW ALIPORE KOLKATA -700053</i>

There is no immediate proposal for passing of any resolution through Postal Ballot.

5. MEANS OF COMMUNICATION:

The quarterly, half-yearly and annual financial results are published in English & Vernacular newspaper and are also furnished to the Stock Exchange with whom the Company has listed. The Managing Discussion & Analysis, forms part of the Directors Report is covered in the Annual Report.

6. GENERAL SHAREHOLDERS INFORMATION

CIN : *L27104WB1980PLC033133*

Annual General Meeting

Date : *18th September, 2017*

Time : *4.00 P.M*

Venue : *18 RABINDRA SARANI, PODDAR COURT GATE NO.4, 4TH FLOOR, ROOM NO.4 KOLKATA -700001*

Financial Year : *Year ended March 31, 2017.*

Dates of Book Closure (Both Days Inclusive) : *12th Sept.2017 to 18th Sept. 2017*

Dividend Payment Date : *The Company has not declared any dividend for the Financial Year ended 31st March, 2017*

*Financial Calendar
Financial Year 2016-17
(Tentative schedule subject to change)*

First Quarter Results

*Second Quarter and Half-Year
Results*

*Within 45 days of the end of
Quarter.*

Third Quarter Results

*Fourth Quarter and Annual
Results*

*Within 60 days of the end of
Financial Year.*

Listing of Shares on Stock Exchanges with Stock Code:

*The Calcutta Stock Exchange Ltd. (Stock code: 32075)
7, Lyons Range, Kolkata 700 001.*

*The Company has paid the listing fee to The Calcutta Stock Exchange Ltd. for the year
2016-2017.*

Stock Market Price for the Financial Year 2016-2017:

<i>Month</i>	<i>High (Rs.)</i>	<i>Low (Rs.)</i>	<i>Volume (Nos.)</i>
<i>April, 2016</i>	<i>Not Traded</i>	<i>Not Traded</i>	<i>Not Traded</i>
<i>May, 2016</i>	<i>Not Traded</i>	<i>Not Traded</i>	<i>Not Traded</i>
<i>June, 2016</i>	<i>Not Traded</i>	<i>Not Traded</i>	<i>Not Traded</i>
<i>July, 2016</i>	<i>Not Traded</i>	<i>Not Traded</i>	<i>Not Traded</i>
<i>August, 2016</i>	<i>Not Traded</i>	<i>Not Traded</i>	<i>Not Traded</i>
<i>September, 2016</i>	<i>Not Traded</i>	<i>Not Traded</i>	<i>Not Traded</i>
<i>October, 2016</i>	<i>Not Traded</i>	<i>Not Traded</i>	<i>Not Traded</i>
<i>November, 2016</i>	<i>Not Traded</i>	<i>Not Traded</i>	<i>Not Traded</i>
<i>December, 2016</i>	<i>Not Traded</i>	<i>Not Traded</i>	<i>Not Traded</i>
<i>January, 2017</i>	<i>Not Traded</i>	<i>Not Traded</i>	<i>Not Traded</i>
<i>February, 2017</i>	<i>Not Traded</i>	<i>Not Traded</i>	<i>Not Traded</i>
<i>March, 2017</i>	<i>Not Traded</i>	<i>Not Traded</i>	<i>Not Traded</i>

Registrar & Share Transfer Agent:

NICHE TECHNOLOGIES PVT. LTD

D-511 BAGREE MARKET, 5TH FLOOR, 71 B R B BASU RD.

KOLKATA-700001

Tel.No. 033-2235-7271/7270; Fax: 22156823

Email: nichetechpl@nichetechpl.com

Share Transfer System:

Share transfers in physical form are generally registered within 15 days from the date of receipt provided the documents are found to be in order. Stakeholders Relationship Committee considers and approves the transfer proposals.

All requests for dematerialisation of shares, which are found to be in order, are generally processed within 15 days and the confirmation is given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Distribution of shareholding & shareholding pattern:

Distribution of shareholding as on 31.03.2017

<i>Ordinary Shares held</i>	<i>Number of shareholders</i>	<i>% of shareholders</i>	<i>Number of shares held</i>	<i>% of shares held</i>
<i>Upto 500</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>501 - 1000</i>	<i>1</i>	<i>0.48</i>	<i>1000</i>	<i>0.00</i>
<i>1001 - 5000</i>	<i>60</i>	<i>28.84</i>	<i>273750</i>	<i>1.50</i>
<i>5001-10000</i>	<i>69</i>	<i>33.17</i>	<i>644900</i>	<i>3.54</i>
<i>10001-50000</i>	<i>48</i>	<i>23.08</i>	<i>1308500</i>	<i>7.18</i>
<i>50001-100000</i>	<i>2</i>	<i>0.96</i>	<i>196000</i>	<i>1.08</i>
<i>100001 and Above</i>	<i>28</i>	<i>13.46</i>	<i>15789250</i>	<i>86.69</i>
<i>Total</i>	<i>208</i>	<i>100</i>	<i>18213400</i>	<i>100.00</i>

Shareholding Pattern as on 31.03.2017

<i>Sl. No.</i>	<i>Category</i>	<i>No. of shares held</i>	<i>% of shareholding</i>
<i>1</i>	<i>Promoters & Promoter Group</i>	<i>5450109</i>	<i>29.92</i>
<i>2</i>	<i>Public - Bodies Corporate</i>	<i>10440041</i>	<i>57.32</i>
<i>3</i>	<i>Public - Indian public</i>	<i>2323250</i>	<i>12.76</i>
<i>4</i>	<i>Public - Others</i>	<i>0</i>	<i>0</i>
	<i>TOTAL</i>	<i>18213400</i>	<i>100.00</i>

*Dematerialisation of shares and liquidity
Shares held in dematerialised and physical form as on 31st March, 2017.*

<i>Status of Dematerialisation</i>	<i>No. of Shares</i>	<i>% of total shares</i>
<i>Share held in Dematerialised form - NSDL</i>	<i>16923400</i>	<i>5.39</i>
<i>Share held in Dematerialised form - CDSL</i>	<i>560000</i>	<i>93.63</i>
<i>Share held in Physical form</i>	<i>730,000</i>	<i>0.98</i>
<i>Total</i>	<i>18213400</i>	<i>100.00</i>

The shareholders may address their communications/suggestions/grievances/queries to:

**Kalpataru Engineering Ltd
CIN- L27104WB1980PLC033133
18 RABINDRA SARANI, PODDAR COURT GATE NO.4,
4TH FLOOR, ROOM NO.4 KOLKATA -700001
Email Id- kalpataruenggltd@gmail.com**

Address for matters related to shares, any correspondence:

**NICHE TECHNOLOGIES PVT. LTD
D-511 BAGREE MARKET, 5TH FLOOR, 71 B R B BASU RD.
KOLKATA-700001
Tel.No. 033-2235-7271/7270; Fax: 22156823
Email: nichetechpl@nichetechpl.com**

Management Discussion & Analysis

INDUSTRY STRUCTURE AND DEVELOPMENT:

The Company is engaged in multiple activities ranging from investing and acquiring securities etc. to deal in textiles and leather goods. The company also raises or borrows money through sale or issue of securities etc. The company is mainly engaged in the business of Fabrics, readymade garments made using many distinctive textiles, fabrics, colors, patterns, motifs, designs and precious saris, bead & stone work, etc. No matter what your individual style maybe, you are sure to find a beautiful sari that will match your taste, given the large collection of stunning Indian sarees available in India. And the best part, saris can be worn at almost all occasions be it weddings, formal parties, family get together and more.

The year 2016-17 began with several changes on the macroeconomic front, including rising inflation, dwindling industrial output and a falling rupee. The enactment of the GST legislation has been a milestone reform that will create a win-win environment for all stakeholders and heralds an integrated and productive economy, and is expected to further boost economic growth. However, there could be temporary transition challenges during the cut-over India's textiles sector is one of the mainstays of the national economy. It is also one of the largest contributing sectors of India's exports contributing 11 per cent to the country's total exports basket. The textiles industry is labour intensive and is one of the largest employers. The industry realized export earnings worth US\$ 41.57 billion in 2013-14.

The textile industry has two broad segments, namely handloom, handicrafts, sericulture, power looms in the unorganized sector and spinning, apparel, garmenting, made ups in the organized sector.

The year 2016-17 marked several momentous economic policy decisions. The passage of the constitutional amendment for implementation of the Goods and Services Tax (GST), and the demonetisation of highest denomination notes were the two key measures taken during the year. GST is anticipated to have positive impact on almost all aspects of business operations in the country.

This also provides the industry with the capacity to produce a variety of products suitable to the different market segments, both within and outside the country. India's GDP grew by 7.6% in FY 2016-2017, making it one of the fastest growing key economies in the world. During the fourth quarter, the GDP displayed brilliant performance, growing at 7.9%, The policy initiatives taken up by the government,

low interest rates, declining fiscal deficit and moderate inflation have helped the Indian economy stay on a viable growth path. The growth rate is expected to touch 8% in FY 2017-17 if the monsoon is favourable.

OPPORTUNITIES AND THREATS:

Textile Industry is one of the largest employers in India and has strong linkages with rural economy. The growing young middle class is a source of great potential and provides immense opportunities to spur growth in the industry going forward. The major challenges that textile industry facing is rising production costs, arising out of rising wages, power and interest costs.

Our Company, like any other enterprise, is exposed to business risk which can be an internal as well as external risk. One of the key risks faced by the company in present scenario is the wide and frequent fluctuations in the prices of its raw materials.

The enactment of the GST legislation has been a milestone reform that will create a win-win environment for all stakeholders and heralds an integrated and productive economy, and is expected to further boost economic growth. However, there could be temporary transition challenges during the cut-over period.

SEGMENT WISE OR PRODUCT WISE PERFORMANCE:

The Company during the year mainly engaged in contact work of textile mainly trading in the readymade garments including embroidery work with stones, beads, etc. The company is presently exploring new opportunities and looks for better prospects in times to come. (Also the company is engaged in financing activities)

GOODS AND SERVICE TAX

Goods and Services Tax (GST) is a landmark reform which will have a lasting impact on the economy and on businesses. Implementation of a well-designed GST model that applies to the widest possible base at a low rate can provide significant growth stimulus to the business and contribute to the Prime Minister's mission of 'Make in India'. Your Company has been preparing for migrating to GST for the past year; changes across IT systems, Supply Chain and operations have been made keeping in mind the sweeping changes that GST would bring in. While there are a few areas that need to be addressed, the Government has announced an intention to go live on GST on 1st July, 2017 and your Company will be ready for this transformative reform. There were some big positives in India too that would lay the foundation for future growth.

The biggest among them being the growing consensus between all parties to roll out the combined Goods & Services Tax (GST). With the Constitution Amendment Bill for Goods and Services Tax being approved by the President of India post its passage in the Parliament, India moved a step closer to creating a unified taxation structure. GST is bound to usher in efficiencies in the system via ease of doing business (one tax rate subsuming all other taxes), thereby leading to an improved business environment. It will help curtail the cascading effect of multiple taxes and enable faster movement of goods across the country. Moreover, GST implementation is likely to have some temporary impact due to probable downstocking in the trade channels and likely conversion from unorganized to organized.

OUTLOOK:

The growth in demand is expected in the medium term to rely on high consumption in the domestic market. Our Company is committed to build business with long term goal based on our Company's intrinsic strength in terms of product quality and customer network. Large additions are expected this financial year that should result in more competitive costs that will improve our domestic profits. The introduction of GST should see a level playing field between our Company and other companies which are tax exempt. This should further improve margins for our Company in the long run, other things being same. The Company will continue to focus on specialty and differentiated products.

RISKS AND CONCERNS:

The Company has identified the potential risks and threats and the Company has taken effective steps to mitigate the same.

The present risks and anticipated future risks are reviewed by the management of our Company at regular intervals. Based on its past experiences, the management tries to remain vigilant about all prospective risks and takes suitable preventive measures to adequately safeguard its resources like men, machine & money, so that the business continues as usual even during difficult situations.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:

The Company has adequate internal control systems commensurate with its size. The Audit Committee of its Board of Directors, comprising of three Independent Directors & one non - Independent Directors, also reviews the systems at regular intervals. Moreover, the Company has appointed M/s E. Gatani & Associates, Chartered Accountants, Kolkata, as its Internal Auditor and they periodically test the efficacy of the prevailing internal control systems.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE:

During the year under review, sales amounts to Rs. 17,88,33,713/- as compared to previous year which stood at Rs. 19,34,32,182 & profit after tax amounts to Rs. 15,67,399/- in the current year as compared to preceding year of Rs. 35,29,347/-. Thus, sales & profits have down due to weather forecast about through not better utilization of available resources and proper implementation of business strategies.

**By Order of the Board
For Kalpataru Engineering Ltd
Sd/-**

**Place: Kolkata
Date: 14.08.2017**

**Bhakti Somiya
Director**

Grand Total (A+B+C)	17483 400	73000 0	182134 00	100	1748340 0	730000	182134 00	10 0	0

(ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	No. of Shares held at the beginning of the year		No. of Shares held at the end of the year	
		Number of Shares	% of Total Shares	Number of Shares	% of Total Shares
1.	AJAY KUMAR AGARWAL	9000	0.049	9000	0.049
2.	AMIT KUMAR AGARWALL	9000	0.049	9000	0.049
3.	EKDANT SALES PRIVATE LIMITED	302000	1.658	302000	1.658
4.	GLORY TRADE & EXPORTS LTD	20000	0.110	20000	0.110
5.	KIRSTEN TIEUP PRIVATE LIMITED	1269200	6.968	1269200	6.968
6.	MANGALRASHI COMMOTRADE PRIVATE LIMITED	252000	1.384	252000	1.384
7.	MARK HOMES & CONSTRUCTIONS PRIVATE LIMITED	252000	1.384	252000	1.384
8.	MARKS N GLIX AUTOMOTIVES PRIVATE LIMITED	870000	4.777	870000	4.777
9.	MARKS N GLIX MOTORS PRIVATE LIMITED	252000	1.384	252000	1.384
10.	NAVDURGA VINCOM PRIVATE LIMITED	252000	1.384	252000	1.384
11.	NIRMALA MERCHANDISE PRIVATE LIMITED	302000	1.658	302000	1.658
12.	NIRMALKUNJ SALES PRIVATE LIMITED	252000	1.384	252000	1.384
13.	OMATIC VYAPAAR PVT. LTD	18000	0.099	18000	0.099

14	PANCHRATAN MERCANTILE PRIVATE LIMITED	252000	1.384	252000	1.384
15	PURPOSIVE TRADERS PVT LTD	5000	0.027	5000	0.027
16	R M KOTHARI	8400	0.046	8400	0.046
17	RADHESHYAM AGARWAL	9000	0.049	9000	0.049
18	RAJNI PARAKH	9000	0.049	9000	0.049
19	REENA BHUTORIA	9000	0.049	9000	0.049
20	RUDRAMUKHI VINTRADE PRIVATE LIMITED	252000	1.384	252000	1.384
21	SATYAM PROJECTS LTD	10000	0.055	10000	0.055
22	SHIVDHARA SUPPLIERS PRIVATE LIMITED	302500	1.661	302500	1.661
23	SUNITA AGARWAL	9000	0.049	9000	0.049
24	TARA DEVI KOTHARI	8500	0.047	8500	0.047
25	TRENDON DISTRIBUTORS PRIVATE LIMITED	516509	2.836	516509	2.836

(iii) Change in Promoters' Shareholding (please specify, if there is no change): No changes

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Share holding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/	N.A	N.A	N.A	N.A

	sweat equity etc):				
	At the End of the year				

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No	Shareholder Name	Date	Reason	Shareholding at the beginning of the year		No. of shares	Cumulative Shareholding during the year
				No. of shares	% of total shares of The company		
1.	Bhagwat Marcom Private Limited						
	At the beginning of the year	01.04.2016	Opening balance	510000	2.80		
	Changes during the year						
	At the End of the Year	31.03.2017	Closing Balance	-	-	510000	2.802
2.	Coolhut Marketing Private Limited						
	At the beginning of the year	01.04.2016	Opening balance	510000	2.80		
	Changes during the year						
	At the End of the Year	31.03.2017	Closing Balance	-	-	510000	2.80
3.	Darshan Enclave Private Limited						
	At the beginning of the year	01.04.2016	Opening balance	510000	2.80		
	Changes during the year						
	At the End of the Year	31.03.2017	Closing Balance	-	-	510000	2.80
4.	Longview Suppliers Private Limited						
	At the beginning of the year	01.04.2016	Opening balance	2363391	12.976		
	Changes during the year						

	At the End of the Year	31.03.2017	Closing Balance	-	-	2363391	12.976
5.	Mangalshree Sales Limited						
	At the beginning of the year	01.04.2016	Opening balance	656450	3.604		
	Changes during the year						
	At the End of the Year	31.03.2017	Closing Balance	-	-	656450	3.604
6.	Mangalsudha Infrastructure Private Limited						
	At the beginning of the year	01.04.2016	Opening balance	510000	2.800		
	Changes during the year						
	At the End of the Year	31.03.2017	Closing Balance	-	-	510000	2.800
7.	Pinkrose Dealcomm Limited						
	At the beginning of the year	01.04.2016	Opening balance	895200	4.915		
	Changes during the year						
	At the End of the Year	31.03.2017	Closing Balance	-	-	895200	4.915
8.	Recon Agencies Limited						
	At the beginning of the year	01.04.2016	Opening balance	895500	4.917		
	Changes during the year						
	At the End of the Year	31.03.2017	Closing Balance	-	-	895500	4.917
9.	Sungold Shoppers Limited						
	At the beginning of the year	01.04.2016	Opening balance	664300	3.647		
	Changes during the year						
	At the End of the Year	31.03.2017	Closing Balance	-	-	664300	3.647

10.	Tigerhill Tradelink Private Limited						
	At the beginning of the year	01.04.2016	Opening balance	895200	4.915		
	Changes during the year						
	At the End of the Year	31.03.2017	Closing Balance	-	-	895200	4.915

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	SACHIN KUMAR SHARMA				
	At the beginning of the year	50000	0.275		
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NA	NA	NA	NA
	At the End of the year			50000	0.275

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Principal Amount	0	0	0	0
ii) Interest due but not paid				

iii) Interest accrued but not due				
Total (i+ii+iii)	0	0	0	0
Change in Indebtedness during the financial year	0	0	0	0
Addition				
Reduction				
Net Change	0	0	0	0
Indebtedness at the end of the financial year	0	0	0	0
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	0	0	0	0

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: Nil

Sl. no.	Particulars of Remuneration	Managing Director				Total Amount
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	0	0	0	0	0
2.	Stock Option	0	0	0	00	0
3.	Sweat Equity	0	0	0	0	0
4.	Commission - as % of profit - Others, specify...	0	0	0	0	0
5.	Others, please specify	0	0	0	0	0
6.	Total (A)	0	0	0	0	0

B. Remuneration to other directors:

Sl.	Particulars of Remuneration	Name of Director	Total
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no.						Amount
	3. Independent Directors · Fee for attending board / committee meetings · Commission · Others, please specify	0	0	0	0	0
	Total (1)	0	0	0	0	0
	4. Other Non-Executive Directors · Fee for attending board / committee meetings · Commission · Others, please specify	0	0	0	0	0
	Total (2)	0	0	0	0	0
	Total (B)=(1+2)	0	0	0	0	0
	Total Managerial Remuneration					

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary (Barkha Jain)	CFO	Total
1.	Gross salary (a) Salary as per Provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	108000	0	108000
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify...	-	-	-	-
5.	Others, please specify	-	-	-	-
6.	Total	-	108000	0	108000

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:					
Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

**AUDITOR'S CERTIFICATE TO THE MEMBERS OF
KALPATARU ENGINEERING LTD**

1. We have examined the compliance of conditions of Corporate Governance by **KALPATARU ENGINEERING LTD** for the year ended 31st March' 2017 as stipulated in Regulation 27(2) of LODR of the said Company with Stock Exchanges, with the relevant records and documents maintained by the Company and furnished to us.
2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion in the financial statements of the Company.
3. We further state that such compliance is neither an assurance as to further viability of the Company of the efficiency or effectiveness with which management has conducted the affairs of the Company.
4. We state that in respect of Investor Grievances received during the year ended 31st March, 2017, no investor grievances are remaining unattended/pending against the Company for a period exceeding one month as per the records maintained by the Shareholders/Investors Grievance Committee.
5. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the aforesaid Listing Agreement.

For J.B.S & Company
Chartered Accountants
ICAI Firm Registration: 323734E

Sd/-
Gouranga Paul
Partner

Membership Number: 063711

Place of Signature: Kolkata

Date: 30/05/2017

INDEPENDENT AUDITOR'S REPORT**TO****THE MEMBERS OF****KALPATARU ENGINEERING LIMITED****Report on the Financial Statements**

We have audited the accompanying financial statements of **KALPATARU ENGINEERING LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2017, the Statement of Profit and Loss, Cash Flow Statement for the year ended on that date, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles, generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards, and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the company's management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence, we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India,

- (a) In the case of Balance Sheet of the **state of affairs** of the Company as at 31st March 2017;
- (b) In the case of Statement of Profit and Loss, of the **profit** of the Company for the year ended on that date; *and*
- (c) In the case of Cash Flow Statement, of the **cash flows** of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies(Auditors Report) Order, 2016 ('the order') issued by the Central Government of India in terms of subsection (11) of the section 143 of the Act, we give in the Annexure 'A' a statement on the matters specified in the paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.

- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of written representations received from the directors as on 31st March 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2017, from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact on financial position in its financial statements ;
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred by the Company to the Investor Education and Protection Fund.
 - iv. The Company had provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 these are in accordance with the books of accounts maintained by the company

For J B S& Company

Chartered Accountants

FRN: 323734E

Sd/-

(Gouranga Paul)

Partner

Membership Number: 063711

Place: Kolkata

Date: 30.05.2017

Annexure - A to the Independent Auditor's Report (referred to in our report of even date)

The Annexure referred to in Independent Auditor's report to the members of the company on financial statements for the year ended 31st March, 2017, we report that:

- (i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed asset;
- (b) The fixed assets were physically verified during the year by the management in accordance with a regular programme of physical verification which, in my opinion, provides for verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us, the Company does not have any immovable property.
- (ii) According to the information and explanations given to us, the Company does not have any inventories. Hence, reporting under clause (ii) of the Order is not applicable to the Company.
- (iii) The Company has not granted any loan, secured or unsecured to Companies, Firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clauses (iii) of the Order are not applicable.
- (iv) In our opinion and according to the information and explanation given to us, the Company has not granted any loan under section 185. In respect to the investment made, the Company has complied with the provisions of section 186 of the Companies Act, 2013.
- (v) The Company has not accepted any deposits from the public and consequently, the directives issued by Reserve Bank of India and provisions of Section 73 to 76 of the Companies Act, 2013 and the rules framed there under are not applicable.
- (vi) The Central Government has not prescribed the maintenance of the Cost records under section 148(1) of the Companies Act, 2013 for the services of the Company. Hence, clause (vi) is not applicable.
- (vii) (a) According to the information and explanations given to us and on the basis of our examinations of the records of the company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Income Tax and other material statutory dues have been regularly deposited during the year by the company with the appropriate authorities.

According to the information and explanation given to us, no undisputed amounts payable in respect of income tax and other material statutory dues were in arrears as at 31 March, 2017 for a period of more than six months from the date they became payables and on the basis.

- (b) According to the information and explanations given to us, there are no dues of Income Tax and other material statutory dues which have not been deposited as on 31st March, 2017 with the appropriate authorities on account of any dispute.

- (viii) The Company does not have any loans or borrowings from any financial institutions, banks, government or debenture holders during the year. Hence, clause (viii) is not applicable.
- (ix) In our opinion and according to the information and explanations given to us, there were no moneys raised by way of initial public offer or further public offer or term loans by the company.
- (x) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.
- (xi) According to the information and explanation provided to us, managerial remuneration has not been paid during the year by the company. Hence, the clause is not applicable to the Company.
- (xii) According to the information and explanations provided to us, the company is not a Nidhi Company as defined under section 406 of Companies Act, 2013.
- (xiii) In our opinion and according to the information and explanations given to us, there were no transactions with the related parties as regards to Section 177 and 188 of Companies Act, 2013. Hence, clause (xiii) is not applicable.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of this clause 3(xiv) are not applicable to the company.
- (xv) According to the information and explanation provided to us, the company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) According to the information and explanations provided to me, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934

For J B S &Company

Chartered Accountants

FRN: 323734E

Sd/-

(Gouranga Paul)

Partner

Membership Number: 063711

Place: Kolkata

Date:30.05.2017

Annexure - B to the Auditors' Report

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **KALPATARU ENGINEERING LIMITED** ("the Company") as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the

transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For J B S & Company

Chartered Accountants

FRN: 323734E

SD/-

(Gouranga Paul)

Partner

Membership Number: 063711

KALPATARU ENGINEERING LTD

CIN: L27104WB1980PLC033133

Balance Sheet as at 31st March, 2017

Sl.No	Particulars	Note No.	As at 31st March, 2017	As at 31st March, 2016
			Amount in Rs.	Amount in Rs.
A	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	3	182,134,000	182,134,000
	(b) Reserves and surplus	4	284,516,793	277,921,344
			466,650,793	460,055,344
2	Current liabilities			
	(a) Trade Payables	5	3,115,875	-
	(b) Deferred tax Liabilities		2,564	-
	(c) Other Current Liabilities	6	150,776	107,676
	(d) Short-term provisions	7	4,047,727	64,537
			7,316,942	172,213
	TOTAL		473,967,735	460,227,557
B	ASSETS			
1	Non-Current assets			
	(a) Fixed Assets			
	(i) Tangible Assets	8	32,734	-
	(b) Non-Current Investments	9	320,590,200	401,759,700
	(c) Other Non-Current Assets	10	-	-
			320,622,934	401,759,700
2	Current assets			
	(a) Trade Receivables	11	5,873,800	-
	(b) Cash and Bank Balances	12	5,448,873	3,576,367
	(c) Short-term loans & advances	13	141,822,128	54,491,490
	(d) Other Current Assets	14	200,000	400,000
			153,344,801	58,467,857
	TOTAL		473,967,735	460,227,557
	See accompanying notes forming part of the financial statements	1-29		

In terms of our report attached.
For J.B.S & Company
Firm Registration No: 323734E
 Chartered Accountants

[Gouranga Paul]
 Partner

Place : Kolkata
 Date : 30/05/2017

For and on behalf of the Board of Directors

Sd/-
Bimalkumar Bajranglal Patodia
 Director
 [DIN-07555097]

Sd/-
Bhakti Somiya
 Director
 Director

sd/-
Barkha Jain
 Company Secretary

KALPATARU ENGINEERING LTD

CIN: L27104WB1980PLC033133

Statement of Profit and Loss for the year ended 31st March, 2017

Sl.No	Particulars	Note No.	For the year ended	For the year ended
			31st March, 2017	31st March, 2016
			Amount in Rs.	Amount in Rs.
1	Revenue			
	Revenue From Operations	15	23,598,800	2,300,000
	Other Income	16	8,193,644	1,904,751
2	Total revenue		31,792,444	4,204,751
3	Expenses			
	(a)Purchase of stock in trade	17	18,115,875	2,000,000
	(b)Changes in Inventories	18	-	-
	(c)Employee Benefit Expenses	19	1,785,204	1,095,567
	(d)Payment to Auditors	20	57,500	11,500
	(e)Depreciation & Amortisation Expenses	21	201,766	200,000
	(f) Other expenses	22	624,786	815,593
	Total expenses		20,785,131	4,122,660
4	Profit / (Loss) before tax (2 - 3)		11,007,313	82,091
5	Tax expense:			
	(a) Current tax expense for current year		4,022,360	25,366
	(b) Current tax expense for prior year		386,940	177,340
	(c) Deferred Tax		2,564	-
			4,411,864	202,706
6	Profit / (Loss) for the year (4 - 5)		6,595,449	(120,615)
7	Earnings per share (of Rs. 10/- each):	28		
	(a) Basic		0.36	(0.01)
	(b) Diluted		0.36	(0.01)
	See accompanying notes forming part of the financial statements	1-29		

In terms of our report attached.

For J.B.S & Company
Firm Registration No: 323734E
Chartered Accountants

[Gouranga Paul]
Partner

For and on behalf of the Board of Directors

Sd/-
Bimalkumar Bajranglal Patodia
Director
[DIN-07555097]

Sd/-
Bhakti Somiya

Membership No. : 063711

Place : Kolkata

Date : 30/05/2017

Director
[DIN-06957470]

Sd/-

Barkha Jain
Company Secretary

KALPATARU ENGINEERING LTD

CIN: L27104WB1980PLC033133

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH,2017

Sl. No	PARTICULARS	Year ended 31.03.2017	Year ended 31.03.2016
		Amount(Rs.)	Amount(Rs.)
A.	<u>CASH FLOW FROM OPERATING ACTIVITIES</u>		
	Net Profit/(loss) before Tax and Extra Ordinary Items	11,007,313	82,091
	A d d :		
	Depreciation	1,766	-
	Preliminary Expenses w/off	200,000	-
	Loss on sale of investments	-	-
		11,209,079	82,091
	L e s s :		
	Profit on Sale of Investments	5,504,750	-
	Interest & Dividend received	2,688,894	1,904,751
	Operating Profit before Working Capital changes	3,015,435	(1,822,660)
	<u>Adjustments for Changes in Current Liabilities & Current Assets</u>		
	Other Current Liabilities	-	(446,261)
	Trade Payables	-	-
	Trade Receivables	-	-
	Advances Given	-	9,151,603
	Other Current Assets	-	200,000
	Net cash from operating activities before income tax	3,015,435	7,082,682
	Less: Income Taxes Paid	635,787	180,349
	Cash generated from Operations	2,379,648	6,902,333
	Extra-ordinary items		
	Income tax refund	84,580	80,848
	Add: Income tax excess provision provided/ (W/Back)	-	(258,189)
	NET CASH FLOW FROM OPERATING ACTIVITIES	2,464,228	6,724,992
B.	<u>CASH FLOW FROM INVESTING ACTIVITIES</u>		
	Interest & Dividend Received	2,688,057	1,904,751
	Sale of investments	139,954,000	(11,900,000)
	Purchase of investments	(53,279,750)	-
	Purchase of Fixed asset	(34,500)	-
	Loan Given	-	-
	NET CASH USED IN INVESTING ACTIVITIES	89,327,807	(9,995,249)
C.	<u>CASH FLOW FROM FINANCING ACTIVITIES</u>		
	NET CASH FLOW FROM FINANCING ACTIVITIES	-	-
	NET INCREASE IN CASH AND CASH EQUIVALENTS (A + B + C)	91,792,034	(3,270,257)
	OPENING CASH & CASH EQUIVALENTS	3,576,367	6,846,624
	CLOSING CASH & CASH EQUIVALENTS	95,368,401	3,576,367

As per our report of even date

For J.B.S & Company
Firm Registration No. 323734E
Chartered Accountants

Sd/-
 (Gouranga Paul)

(Partner)
 Membership No. 063711
 Place : Kolkata
 Date: 30/05/2017

For and on behalf of the Board of Directors

Sd/-
 Bimalkumar Bajranglal
 Patodia
 Director
 [DIN-07555097]

Sd/-
 Bhakti Somiya
 Director
 [DIN-06957470]

Sd/-
 Barkha Jain
 Company Secretary

KALPATARU ENGINEERING LTD

Notes forming part of the financial statements for the year ended 31st March, 2017

Note 3: Share capital

Particulars	As at 31st March, 2017		As at 31st March, 2016	
	Number of shares	Amount(Rs.)	Number of shares	Amount(Rs.)
(a) Authorised				
Equity shares of Rs. 10/- each	21,100,000	211,000,000	21,100,000	211,000,000
	21,100,000	211,000,000	21,100,000	211,000,000
(b) Issued				
Equity shares of Rs. 10/- each	18,213,400	182,134,000	18,213,400	182,134,000
	18,213,400	182,134,000	18,213,400	182,134,000
(c) Subscribed and fully paid up				
Equity shares of Rs. 10/- each	18,213,400	182,134,000	18,213,400	182,134,000
Total	18,213,400	182,134,000	18,213,400	182,134,000

Notes:

(i) Terms/rights attached to equity shares

Equity Share

The equity shares having a par value of ` 10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of amounts to the Preferential Creditors, if any.

The distribution will be in proportion to the number of equity shares held by the shareholders.

(ii) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh Issue	Other Changes	Closing Balance
Issued, Subscribed and Fully Paid-up				
<i>Equity shares with voting rights</i>				
year ended 31st March, 2017				
- Number of shares	18,213,400	-	-	18,213,400
- Amount (Rs.)	182,134,000	-	-	182,134,000
year ended 31st March, 2016				
- Number of shares	18,213,400	-	-	18,213,400
- Amount (Rs.)	182,134,000	-	-	182,134,000

(iii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31st March, 2017		As at 31st March, 2016	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity shares with voting rights				
Longview Suppliers Pvt. Ltd.	2,363,391	12.98	2,530,491	13.89
Kristen Tie-up Pvt. Ltd.	1,269,200	6.97	1,269,200	6.97
Recon Agencies Ltd.	-	-	983,000	5.40
Total	3,632,591	19.94	4,782,691	26.26

KALPATARU ENGINEERING LTD

Notes forming part of the financial statements for the year ended 31st March, 2017

Note 4: Reserves & Surplus

Particulars	As at 31-Mar-17	As at 31-Mar-16
	Amount(Rs.)	Amount(Rs.)
(a) Securities Premium Reserve		
Opening balance	277,853,404	277,853,404
Add : Premium on shares issued during the year	-	-
	277,853,404	277,853,404
Less : Utilised during the year for:		
Closing balance	-	-
	277,853,404	277,853,404
(b) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	67,940	188,555
Add: Profit / (Loss) for the year	6,595,449	(120,615)
Closing balance	6,663,389	67,940
Total	284,516,793	277,921,344

Note 5: Trade Payables

Particulars	As at 31-Mar-17	As at 31-Mar-16
	Amount(Rs.)	Amount(Rs.)
Due to Micro, small & Medium Enterprises	-	-
Due to Others	3,115,875	-
Total	3,115,875	-

Note 6: Other Current Liabilities

Particulars	As at 31 March, 2017	As at 31 March, 2016
	Amount(Rs.)	Amount(Rs.)
Audit fees payable	102,972	45,472
Professional fees Payable	20,618	12,204
TDS Payable	-	21,986
Salary payable	20,000	28,014
Filing Fees Payable	7,186	-
	150,776	107,676

Note 7: Short Term Provisions

Particulars	As at 31-Mar-17	As at 31-Mar-16
	Amount(Rs.)	Amount(Rs.)
Provision for Income Tax	4,047,727	64,537
Total	4,047,727	64,537

Note 9: Non-Current Investments

Particulars	As at 31-Mar-17	As at 31-Mar-16
	Amount(Rs.)	Amount(Rs.)
Investments other than Trade		
In Quoted equity shares (fully paid-up) (valued at cost)	370,200	370,200
In Unquoted equity shares (fully paid-up) (valued at cost) (As per list attached)	320,220,000	401,389,500
Total	320,590,200	401,759,700

Note 10: Other Non-Current Assets

Particulars	As at 31-Mar-17	As at 31-Mar-16
	Amount(Rs.)	Amount(Rs.)
Preliminary Expenditure (to the extent not written off)		
Balance b/f from last year	-	200,000
Addition during the year	-	-
Less: Transfer to Current Assets (to be amortised within next 12 months)	-	200,000
Total	-	-

Note 11: Trade Receivables

Particulars	As at 31-Mar-17	As at 31-Mar-16
	Amount(Rs.)	Amount(Rs.)
(Unsecured, Considered good)		
Outstanding for More Than Six Months	-	-
Others	5,873,800	-
Total	5,873,800	-

Note 12: Cash and Cash Equivalents

Particulars	As at 31-Mar-17	As at 31-Mar-16
	Amount(Rs.)	Amount(Rs.)
Cash in hand	80,605	913,504
Balances with banks		
In current accounts	5,368,268	662,863
Cheque in Hand	-	2,000,000
Total	5,448,873	3,576,367

Note 13: Short term Loans & Advances

Particulars	As at 31-Mar-17	As at 31-Mar-16
	Amount(Rs.)	Amount(Rs.)
(Unsecured, considered good)		
Loan given to Body Corporate -other than related party	109,131,977	15,888,229
Loan given to others	15,442,455	-
Advances Given (Recoverable in cash or in kind or for value thereof)	16,818,500	38,300,000
TDS Receivables	429,196	303,261
Total	141,822,128	54,491,490

Note 14: Other Current Assets

Particulars	As at 31 March, 2017	As at 31 March, 2016
	(To be amortised within next 12 months)	
Preliminary Expenditure		
Opening Balance	400,000	400,000
Add: Transfer from Non Current Assets	-	200,000
Less: Written off during the year	200,000	200,000
Total	200,000	400,000

Note 15 : Revenue from operations

Particulars	For the year ended 31-Mar-17	For the year ended 31-Mar-16
	Amount(Rs.)	Amount(Rs.)
Sale of Fabric	3,351,525	2,300,000
Sale of Saree	20,247,275	-
Total	23,598,800	2,300,000

Note 16: Other Income

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	Amount(Rs.)	Amount(Rs.)
Interest Income	2,688,057	1,904,751
Interest on IT Refund	837	-
Profit on sale of Investment	5,504,750	-
Total	8,193,644	1,904,751

Note 17: Purchase of stock in trade

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	Amount(Rs.)	Amount(Rs.)
Purchase of goods	18,115,875	2,000,000
Total	18,115,875	2,000,000

Note 18: Changes in Inventories

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	Amount(Rs.)	Amount(Rs.)
Opening Stock	-	-
Add: Purchased During the year	18,115,875	2,000,000
Less: Sold During the year	18,115,875	2,000,000
Less: Closing stock	-	-
Total	-	-

Note 19: Employee Benefit Expenses

Particulars	For the year ended 31 March, 2017	For the year ended 31 March, 2016
	Amount(Rs.)	Amount(Rs.)
Salaries and Bonus	1,767,204	1,095,567
Staff Welfare Expenses	18,000	-
Total	1,785,204	1,095,567

Note 20: Payment to Auditors

Particulars	For the year ended	For the year ended
	31 March, 2017	31 March, 2016
	Amount(Rs.)	Amount(Rs.)
As Statutory Audit Fees	40,250	11,500
As Tax Audit Fees	17,250	-
Total	57,500	11,500

Note 21: Depreciation and Amortisation Expenses

Particulars	For the year ended	For the year ended
	31 March, 2017	31 March, 2016
	Amount(Rs.)	Amount(Rs.)
Preliminary Expenses written off	200,000	200,000
Depreciation for the Year	1,766	-
Total	201,766	200,000

Note 22 : Other expenses

Particulars	For the year ended	For the year ended
	31-Mar-17	31-Mar-16
	Amount(Rs.)	Amount(Rs.)
Bank Charges	4,817	1,963
Misc. Expenses	1,280	13,238
Advertisement Charges	16,128	69,010
Custodian Fees	164,232	109,287
Selling and Distribution Expenses	24,560	59,496
Legal and Professional Fees	57,055	214,000
Secretarial Audit Fees	7,500	-
Rates & Taxes	4,500	4,700
Internal Audit Fees	10,000	-
Printing & Stationary Expenses	16,107	25,903
Web Hosting fees	5,750	7,729
Registrar Fees	-	16,388
Conveyance Expenses	13,800	48,751
Telephone Expenses	93,363	68,728
Filing Fees	37,694	8,400
Rent	168,000	168,000
	624,786	815,593

NOTE NO. 20: Significant Accounting Policies and other Notes on Financial Statements

(Annexed to and forming part of the Balance Sheet as at 31st March, 2017 and the annexed Statement of Profit & Loss for the year ended on that date.)

I. SIGNIFICANT ACCOUNTING POLICIES:

2.1 Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Indian Accounting Standards Rules), 2015 read with Rule 3(2) thereof and the Companies (Accounting Standards) Rules, 2014 (as amended) and the relevant provisions of the Companies Act, 2013. The company is a small and medium-sized company (SMC) as defined in the General Instructions in respect of Accounting Standards notified under the Companies Act, 2013. Accordingly, the company has complied with the Accounting Standards as applicable to an SMC. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year. There are no changes in any accounting policies during the year.

2.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

2.3 Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue from sale of goods is recognized upon passage of risk and reward of ownership of the goods to the customers. Sales are net of returns, rebates and trade discounts.

2.4 Other Income

Interest Income is accounted on accrual basis.

2.5 Fixed Assets

Fixed Assets are valued at cost less Depreciation.

Depreciation on Fixed Assets has been provided at the rate prescribed under Schedule II to the Companies Act, 2013 on Straight Line Method. Depreciation on the Fixed Assets added during the year has been provided on pro-rata basis with reference to the date of addition/installation.

2.6 Investments

Long-term investments are stated at cost. Diminution in the value of Long Term Investments , "other than temporary in nature", are provided for in the accounts.

2.7 Earnings per share

Basic earning per share is calculated by dividing the net Profit or Loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net Profit or Loss for the year attributable to the equity share holders and weighted average number of share outstanding if any are adjusted for the effects of all dilutive potential equity shares.

2.8 Inventories

Inventories of Traded Goods are valued at cost or net realisable value, whichever is lower.

2.9 Taxes on income

As per AS - 22 issued by the ICAI, Provision for Current Tax is made after taking into consideration benefits admissible under the provisions of the Income Tax, 1961. Deferred resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is recognised and carried forward only to the extent that there is a virtual certainty that the asset will be realised in future.

2.10 Provisions and contingencies

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

Note 23: Contingent Liabilities and Commitments to the extent not provided for - Nil

Note 24: Earning and Expenditure in Foreign Currency - Nil

Note 25: Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006

The Company has no dealing with any party registered under the Micro, Small and Medium Enterprises Development Act, 2006.

Note 26:

(iv) During the year , the Company had specified bank notes or other denomination notes as defined in the MCA notification G.S.R. 308(E) dated March 31, 2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination wise SBNs and other notes as per the notification is given below:

Particulars	SBNs	Other Denominations	Total
Closing Cash in hand as on November 8, 2016	15,00,000	63,577	15,63,577
Add: Permitted Receipts	-	3,00,000	3,00,000
Less: Permitted Payments	-	39,304	39,304
Less: Amount deposited into bank	15,00,000	-	15,00,000
Closing Cash in hand as on December 30,2016	-	3,24,273	3,24,273

Note 27: Related Parties, Related Party Transactions & Balances receivable/payable as at the end of the year

27.a: Related Parties

Description of relationship	Name of related parties
(a) Key Management Personnel (KMP)	SUNITADEVI BIMALKUMAR PATODIA
	BIMALKUMAR BAJRANGLAL PATODIA

27.b: Related Party Transactions

Amount
(Rs.)

The Company have not entered into any transaction with the related parties during the financial year as defined under AS -18.

Note 29: Figures for the previous year

The figures for the previous year have been regrouped and/or rearranged wherever found necessary to make those comparable with the figures for the current year.

In terms of our report attached

For and on behalf of the
Board of Directors

For J.B.S & Company

Firm Registration No: 323734E

Chartered Accountants

Sd/-

BIMALKUMAR
BAJRANGLAL PATODIA
[DIN-07555097]

[Gouranga Paul]

Partner

Membership No. : 063711

Sd/-

BHAKTI
SOMIYA
Director [DIN-
06957470]

Place : Kolkata

Date : 30/05/2017

Sd/-

BARKHA JAIN

Company
Secretary

PROXY FORM

(Annual General Meeting 2017- Monday, 18th day of September, 2017)

Form No. MGT-11

[Pursuant to Section 105(6) of the Companies Act, 2013 and of the Companies (Management and Administration) Rules, 2014]

CIN: L27104WB1980PLC033133
Name of the Company: KALPATARU ENGINEERING LTD
Regd Office: 18 Rabindra Sarani, Poddar Court Gate No.4, 4th Floor, Room No.4 Kolkata - 700001
Name of the member(s):
Registered Address:
E-mail ID:
Folio No. /DP Client ID:

I/We, being the member(s) of shares of the above Company, hereby appoint

1. Name..... Address.....
E-mail id..... Signature..... or filing him
2. Name..... Address.....
E-mail id..... Signature..... or filing him

As my/our proxy to attend and vote (on a poll) for me/us on my/our behalf at the AGM of the Company for the year 2017, to be held on Monday, the 18th day of September, 2017 at 4:00 P.M. at the registered office of the Company at 18 Rabindra Sarani, Poddar Court Gate No.4, 4th Floor, Room No.4 Kolkata - 700001 and at any adjournment thereof in respect of such resolution(s) as are indicated below:

Resolution No.	Resolution	For	Against
Ordinary Business			
1.	Ordinary Resolution to receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31 st March, 2017 together with the Report of the Directors' and Auditors' thereon.		
2.	Ordinary Resolution for Re-appointment of a Director Mr. Bimalkumar Bajranglal Patodia (DIN: 07555097) as Director		
3.	Appointment of Mr. Anupam Sarkar, Chartered Accountants in place of M/s. J.B.S & CO as the statutory auditor of the company from the conclusion of this Annual General Meeting until the conclusion of the fifth Annual General Meeting (AGM) of the company and fixation of their remuneration.		
Special Business			
4.	Ordinary Resolution for Regularization of appointment of Mrs. Sunitadevi Bimalkumar Patodia as Director of the Company, who was appointed as an Additional Director.		

Signed this.....day of2017

Affix Revenue Stamp

.....
Signature of the member

.....
Signature of proxy

Note: This form of proxy in order to be effective should be duly completed and deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.

ATTENDANCE SLIP

Regd. Folio / DP ID & Client ID

Name and Address of the Shareholder

1. I hereby record my presence at the **ANNUAL GENERAL MEETING** of the Company being held on 18th day of September, 2017 at 4:00 P.M. at the Registered Office of the Company at 18 Rabindra Sarani, Poddar Court Gate No.4, 4th Floor, Room No.4 Kolkata -700001.

2. Signature of the Shareholder/Proxy Present

--

3. Shareholder / Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and handover the same at the entrance duly signed.
4. Shareholder / Proxy holder desiring to attend the meeting may bring his / her copy of the Annual Report for reference at the meeting.

Note: - PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING.

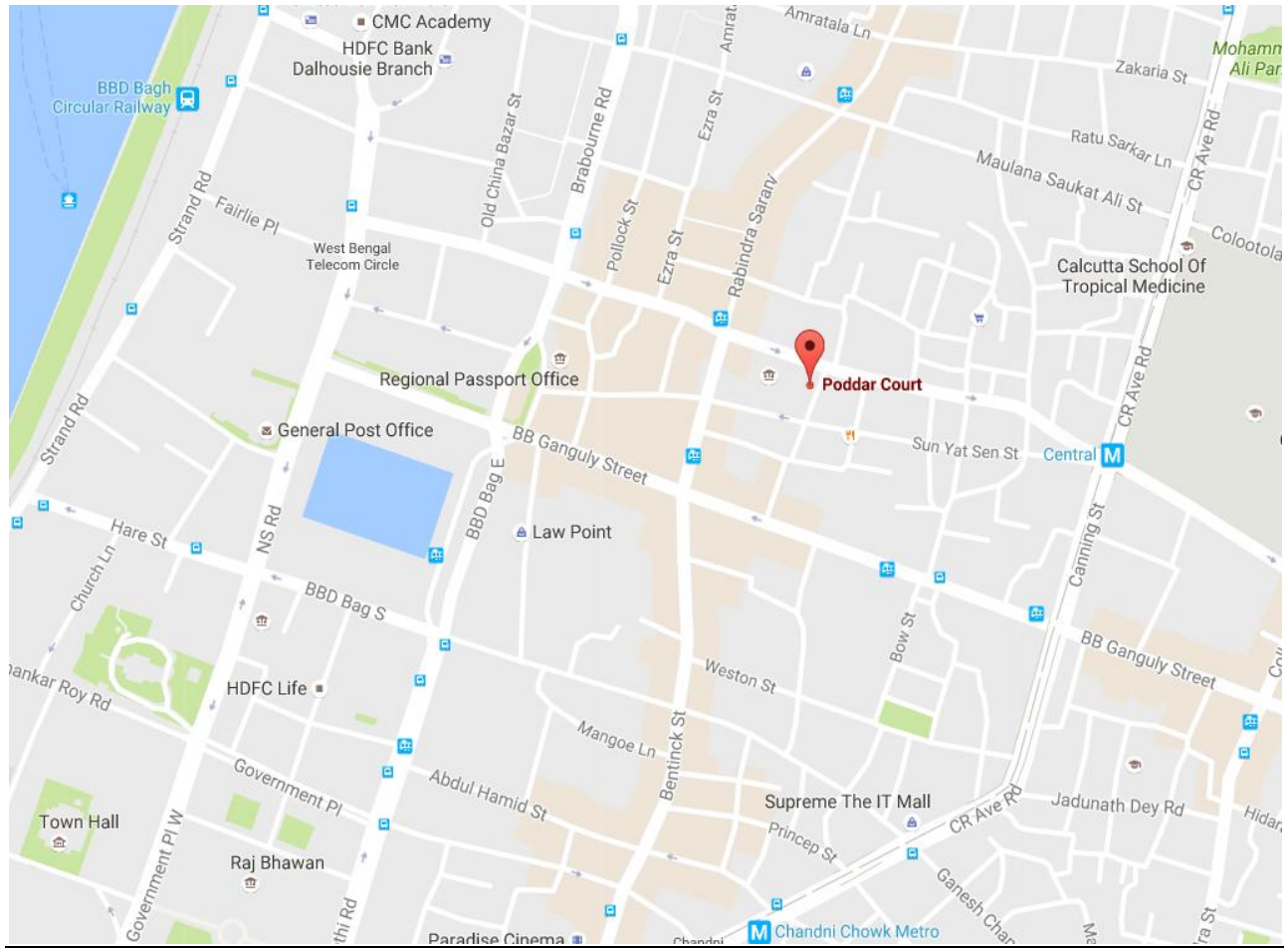
ELECTRONIC VOTING PARTICULARS

(1) EVSN (E-Voting Sequence No.)	(2) USER ID.	(3) PAN or Relevant No.as under	(4) Bank Account No.
			(See Note No.1)

Notes:

- (1) Where Bank Account Number is not registered with the Depositories or Company please enter your User Id. as mentioned in column (2) above.
- (2) Please read the Instructions printed under the Note No. 2 to the Notice dated 14th August, 2017 of the Annual General Meeting. The e-Voting period starts from 9.00 A.M. on 15.09.2017 and ends at 5.00 P.M. on 17.09.2016, the e-voting module shall be disabled by CDSL for voting thereafter.

ROAD MAP TO AGM VENUE



Poddar Court

18 Rabindra Sarani, Poddar Court Gate No.4,
4th Floor, Room No.4 Kolkata -700001