

SECRETARIAL AUDIT REPORT

Form No. MR-3

FOR THE FINANCIAL YEAR ENDED 31ST, MARCH, 2015.

[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,
KKALPANA INDUSTRIES(INDIA)LIMITED,
2B, Pretoria Street,
KOLKATA- 700071

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by KKALPANA INDUSTRIES (INDIA) LIMITED.(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 KKALPANA INDUSTRIES(INDIA)LIMITED, 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31ST, MARCH, 2015 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by KKALPANA INDUSTRIES (INDIA) LIMITED ("the Company") for the financial year ended on 31ST, March, 2015, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **Not applicable, since the company has not raised any share capital during the year.**
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

Not applicable, since the company has not issued any shares as per (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 during the year.
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

Not applicable, since the company has not issued any debt securities as per (Issue and Listing of Debt Securities) Regulations, 2008;

- (f) 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;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable, as the Company not delisted its shares from any Stock Exchange during the year.**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not Applicable, as the Company has not Buyback any securities during the year.**
- (vi) Water (Prevention and Control of Pollution) Act, 1974 and Air(prevention And Control of pollution) Act, 1981.
- (vii) Factories Licence under Factories Act, 1948 for its units situated in different places.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India. **(Not notified hence not applicable to the Company during the audit period).**
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited and Calcutta Stock Exchange Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

The company has not spent or made provisions at least two percent of the average profit made during the three immediately preceding years, in pursuance of its Corporate Social Responsibility Policy, pursuant to Sec.135(5) of the Companies Act, 2013.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period:

A fire incident was occurred in the factory of Dankuni Unit, West Bengal, and the entire factory was gutted in the fire, however there was no personal injury happened to any Individual, the company has raised Insurance claim with relevant insurance company which is not yet settled, the company has taken financial impact in the Accounts stating loss occurred due to fire.

Place: KOLKATA
Date: 26.06.2015

ASHOK KUMAR DAGA
FCS -2699, C P No: 2948