

10th Annual Report
2001-2002



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CORAL NEWSPRINTS LTD.

CORAL NEWSPRINTS LTD.**BOARD OF DIRECTORS**

Shri Chetan P.S. Chauhan	-	Chairman
Shri Pushpendra P.S. Chauhan	-	Whole-time-Director
Shri Ajay Vir Singh	-	Whole-time-Director
Shri Yogesh Alawadi	-	Whole-time-Director
Shri Subhash Chand Jain	-	Director
Shri G.K. Tandon	-	Director
Shri Ram Avtar Bansal	-	Director
Shri Atul Kumar Jain	-	Director
Shri T.C. Gupta	-	Director

FACTORY :

4 K.M. Stone,
Delhi Road
Gajraula - 244 235
Phone : (05924) 53170, 53313

AUDITORS :

L.N. Malik & Co.
Chartered Accountants
5625, Qutab Road,
Delhi - 110 055
Ph.No. : 3527232

REGISTERED OFFICE :

A-138, First Floor
Vikas Marg, Shakarpur
Delhi - 110 092
Phone : 2213870
Fax : 2010998

BANKERS :

1. **Punjab National Bank**
Preet Vihar, Delhi - 110 092
2. **Punjab National Bank**
Gajraula Industrial Area
Gajraula - 244 235 (U.P.)

CORAL NEWSPRINTS LTD.**NOTICE**

Notice is hereby given that the 10th Annual General Meeting of the Members of the Company will be held on Monday, 30th September, 2002 at 9.30 A.M. at the Lion Bhawan, B-122-C, Vivek Vihar, Delhi - 110 095 to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as on 31st March, 2002 and the Profit & Loss Account for the year ended on that date and the Report of Directors and Auditors thereon.
2. To appoint a Director in place of Shri G. K. Tandon, who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri T. C. Gupta, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this meeting until conclusion of the next Annual General Meeting and to fix their remuneration.

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/ HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. PROXIES IN ORDER TO BE EFFECTIVE SHOULD BE DULY STAMPED, COMPLETED AND SIGNED, AND MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 26th, September, 2002 to 30th September, 2002 (both days inclusive).
4. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their queries to the Director at least seven days before the date of the meeting, so that the information required may be made available at the meeting.
5. No gifts/cash payment will be made to Share Holders/Proxies for attending the meeting.

Regd. Office :
A-138, Vikas Marg,
Shakarpur, Delhi-110092

For and on behalf of the Board

COMPANY SECRETARY

Place : Delhi
Date : 29.08.2002

CORAL NEWSPRINTS LTD.**DIRECTORS' REPORT**

To The Members,

Your Directors have pleasure in placing before you the 10th Annual Report on the working results of the Company together with the Audited Statement of Accounts for the year ended 31st March, 2002.

1. FINANCIAL RESULTS*(Rs. in lakhs)*

	Year Ended 31st March' 02	Year Ended 31st March '01
Gross Revenue	1239.68	919.25
Gross Operating Profit/ (Loss)	188.35	149.95
Less Interest/Financial Charges	122.96	133.35
Less Depreciation	39.27	38.44
Profit after tax	26.12	(21.84)
Less Preliminary Exp. Written Off	3.57	3.57
Profit/(Loss) after tax	22.55	(25.41)

FUTURE PLANS & OPERATIONS

1. The Company is installing slotted screen which will improve the quality of Paper. The order for the same has been placed.
2. High consistency pulper has been installed.
3. Delinking cell has been installed.

2. DIRECTORS

Shri G. K. Tandon and Shri T. C. Gupta, Directors of your Company retire from the Board by rotation at the 10th Annual General Meeting and being eligible, offer themselves for re-appointment.

3. AUDITORS

M/s. L.N. Malik & Company, the Auditors of your company retire at this Annual General Meeting and are eligible for re-appointment. You are requested to re-appoint Auditors until the conclusion of next Annual General Meeting and authorise directors to fix their remuneration.

4. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies (Amendment) Act, 2000, your Directors' state that;

CORAL NEWSPRINTS LTD.

- i. in the preparation of the annual accounts, the applicable accounting standards have been followed;
- ii. appropriate accounting policies have been selected and applied consistently and have made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2002 and of the Profit, loss of the Company for that period;
- iii. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the annual accounts have been prepared on a going concern basis.

5. DIVIDEND

Due to losses the Company did not declare dividend to the shareholders of the Company.

6. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, R & D CELL AND FOREIGN EXCHANGE EARNING & OUTGO.

The details required under the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 are annexed to this report as **Annexure-I**.

7. STOCK EXCHANGE LISTING

Equity Shares of your Company are listed on the Delhi Stock Exchange Association Ltd., New Delhi and The Stock Exchange, Mumbai. The Listing fees of Delhi Stock Exchange for the years 2000-2001 to 2002-2003 have not been paid due to funds scarcity. However, the efforts are being made to clear these fees very soon.

8. BIFR

The Company has been declared sick. Punjab National Bank has been appointed as operating agency by BIFR. The rehabilitation scheme has been submitted by the Company.

9. PARTICULARS OF EMPLOYEES & DISCLOSURE OF INFORMATION

During the year under report, there is no employee in respect of whom the particulars are required to be disclosed under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975.

10. AUDIT COMMITTEE

The Audited Committee has met on 31.05.2001, 31.07.2001, 30.08.2001, 11.09.2001 and 05.02.2002 during the year.

CORAL NEWSPRINTS LTD.



11. APPRECIATION

Your Directors thank the Punjab National Bank, U.P. Financial Corporation & PICUP. Your Directors also wish to place on record the appreciation of the sustained efforts, cooperation and assistance of all employees and workers of the Company.

Regd. Office :
A-138, Vikas Marg,
Shakarpur, Delhi-110092

For and on behalf of the Board of Directors

(CHETAN P.S. CHAUHAN)
CHAIRMAN

Place : Delhi
Date : 29.08.2002

ANNEXURE-I

INFORMATION AS PER COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.

A. Conservation of Energy

- a. ENERGY CONSERVATION MEASURE TAKEN
The company's efforts at energy conservation continued during the year.
- b. ADDITIONAL INVESTMENTS AND PROPOSALS BEING IMPLEMENTED FOR REDUCTION OF CONSUMPTION OF ENERGY.
No additional investments has been made in this case and no proposal is under consideration due to scarcity of funds.
- c. IMPACT OF THE MEASURES AT (A) AND (B) ABOVE.
No comments.
- d. TOTAL ENERGY CONSUMPTION AND ENERGY CONSUMPTION PER UNIT OF PRODUCTION AS PER PRESCRIBED FORM 'A' OF THE ANNEXURE.

CORAL NEWSPRINTS LTD.**FORM - A****FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT OF
CONSERVATION OF ENERGY**

	Current Year	Previous Year
a) Power & Fuel Consumption		
1. Electricity		
a) Purchased		
Units	Nil	Nil
Total Amt. (Rs.)	Nil	Nil
Rate/Unit (Rs.)	Nil	Nil
b) Own Generation		
Unit	48,16,674.00	32,81,100.00
Unit per Ltr. of Diesel	3.60	3.00
Cost/Unit (Rs.)	5.19	4.74
Total Cost (Rs.)	2,08,28,954.50	1,55,59,415.00
c) Through Steam Turbine/Generator		
Unit	Nil	Nil
Unit per Ltr. of Diesel	Nil	Nil
Cost/Unit (Rs.)	Nil	Nil
2. Paddy Husk		
Quantity (Tonnes)	6,030.761	3,862.73
Total Cost (Rs.)	72,77,476.00	38,25,345.00
Average Rates (Rs.)	1,206.72	990.32
3. Baggase		
Quantity (Tonnes)	Nil	Nil
Total Cost (Rs.)	Nil	Nil
Average Rate (Rs.)	Nil	Nil
4. Furnace Oil	Nil	Nil
5. Other/Internal Generation	Nil	Nil
b) Consumption per unit of Production		
Newsprints / Cream Wove Paper	Current Year	Previous Year
Unit	Nil	Nil
Electricity & Diesel	680.45	725.72
Furnace Oil	Nil	Nil
Paddy Husk (M.T.)	0.852	0.854
Baggage (M.T.)	Nil	Nil
Others	Nil	Nil

CORAL NEWSPRINTS LTD.**B. TECHNOLOGY ABSORPTION****FORM - 'B'**

e. (Form for disclosure of particulars with respect to absorption)

Research & Development (R & D)

1. Specified areas in which R & D carried out by the Company. No R&D carried out during the year.
2. Benefits derived as a result of the above R & D. Nil
3. Future plan of action. Nil

	(Rs. in lacs)	
4. Expenditure on R & D :	Current Year	Previous Year
a. Capital	Nil	Nil
b. Recurring	Nil	Nil
c. Total	Nil	Nil
d. Total R & D expenditure as a percentage of total turnover	Nil	Nil

Technology absorption, adaptation and innovation

1. Efforts, in brief, made towards technology absorption, adaptation and innovation : Nil
2. benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc. : Nil
3. In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished
 - a) Technology imported : No
 - b) Year of import : N.A.
 - c) Has technology been fully absorbed : N.A.
 - d) If not fully absorbed, areas where this has not taken place, reasons thereof and future plans of action. : N.A.

C. Foreign exchange earnings and outgo : Nil

CORAL NEWSPRINTS LTD.



AUDITORS' REPORT

**To The Members of
Coral Newsprints Ltd.**

1. We have audited the attached Balance Sheet of **CORAL NEWSPRINTS LIMITED** as at 31st March 2002 and also the Profit & Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statement based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards required that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence, supporting the amounts and disclosures in the financial statement. An audit also include assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988, issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexed a statement on the matters specified in paragraph 4 and 5 of the said Order.
4. Further to our comments in the annexure referred to in paragraph 3 above, we report that :-
 - a) We have 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 appears from our examination of such books;
 - c) The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the Profit and Loss Account and the Balance Sheet dealt with by this report comply with the Accounting Standards referred to in Sub-Section (3C) of the Section 211 of the Companies Act, 1956;
 - e) On the basis of written representation received from the Directors as on 31 March 2002 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on March 31, 2002 from being