

17th Annual Report
2008-2009

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CORAL NEWSPRINTS LTD.

CORAL NEWSPRINTS LTD.



BOARD OF DIRECTORS

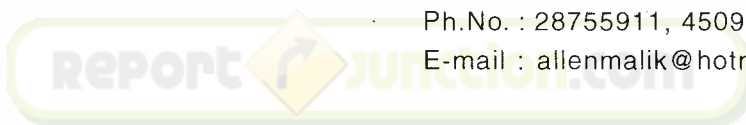
Shri Chetan P.S. Chauhan	-	Chairman
Shri Pushpendra P.S. Chauhan	-	Whole-time-Director
Shri Yogesh Alawadi	-	Whole-time-Director
Shri Ram Avtar Bansal	-	Director
Shri Mahesh Kumar Sodhani	-	Addl. Director
Shri Atul Kumar Jain	-	Addl. Director

FACTORY :

4 K.M. Stone,
Delhi Road
Gajraula - 244 235
Distt. J.P. Nagar
Phone : (05924) 253313

AUDITORS :

L.N. Malik & Co.
Chartered Accountants
Ganga Plaza, 18/13, WEA
Pusa Lane, Karol Bagh
New Delhi - 110 005
Ph.No. : 28755911, 45091677
E-mail : allenmalik@hotmail.com



REGISTERED OFFICE :

A-138, First Floor
Vikas Marg, Shakarpur
Delhi - 110 092
Phone : 22010998
Fax : 22429586
E-mail : cnpl_5000@rediffmail.com

BANKERS :

- Punjab National Bank**
Preet Vihar, Delhi - 110 092
- Standard Chartered Bank**
H. L. Wing, Pocket-4
Plot No.-2, Sector-11 (MLQ)
Dwarka, New Delhi-110 075
- Vijaya Bank**
No.-18, Rajdhani Enclave
New Delhi-110 092
- ICICI Bank**
Preet Vihar
Delhi-110 092

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NOTICE

Notice is hereby given that the 17th Annual General Meeting (AGM) of the Members of Coral Newsprints Ltd., will be held on Saturday the 26th September, 2009 at 10.30 A.M. at Community Centre, AGCR Enclave, Delhi - 110 092 to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Accounts as at 31st March, 2009 alongwith report of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri P.P.S. Chauhan, who retires by rotation, and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Shri Mahesh Sodhani, who retires by rotation, and being eligible, offers himself for re-appointment.
4. To consider and, if thought fit, to pass, with or without modification, the following resolution, as an Ordinary Resolution.

"RESOLVED that M/s. L. N. Malik & Co., Chartered Accountants be and are hereby appointed as Statutory Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Body Meeting upon such remuneration and other out of pocket expenses incurred incidental to their functions, as may be agreed to between the Board of Directors/ Audit Committee of the Company and the respective Auditors"

Regd. Office :
A-138, First Floor, Vikas Marg,
Shakarpur, Delhi-110092
Place : Delhi
Date : 01.09.2009

For Coral Newsprints Limited

P.P.S. Chauhan
(Director-WTD)

NOTES

1. A Member entitled to 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 22nd to 25th September, 2009 (both days inclusive).

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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. Members holding shares in different portfolios in Physical mode are requested to apply to the Company or its Registrar & Transfer Agent for consolidation and send relevant Share Certificate for consolidation.
6. Annual listing fee for the year 2009-2010 has been paid to Bombay Stock Exchange, wherein shares of the Company are listed.
7. No gifts/cash payment will be made to Shareholders/Proxies for attending the meeting.
8. A brief resume of Directors of the Company, seeking appointment/ re-appointment at this annual general meeting, and their expertise in specific functional areas, is given as part of the explanatory statement.
9. Documents are available for inspection by the members at the Registered Office of the Company at any time during the working hours till the date of the meeting.

Regd. Office :

For Coral Newsprints Limited

A-138, First Floor, Vikas Marg,

Shakarpur, Delhi-110092

Place : Delhi

Date : 01.09.2009

P.P.S. Chauhan
(Director-WTD)



CORAL NEWSPRINTS LTD.

DIRECTORS' REPORT

To The Members,
Coral Newspapers Limited

Your Directors take pleasure in placing before you the 17th Annual Report on the working results of the Company together with the Audited Statement of Accounts for the year ended 31st March, 2009.

1. FINANCIAL REVIEW

(Rs. in lakhs)

	2008-2009	2007-2008
Turnover Net of Excise	941.22	722.51
Increase/ (Decrease) in Stock	(10.89)	12.57
Profit before Interest, Depreciation and Tax (PBITDA)	78.21	55.49
Less Interest / Finance Charges	1.57	1.08
Less Depreciation	43.11	42.10
Provision for Taxation	Nil	Nil
Profit after Tax (PAT)	33.53	12.32
Key Rates : (EBIDTA)	8.31%	7.68%
Earning per Share (EPS)	0.66	0.24

The Profit after Tax for current Financial Year is Rs. 33.53 lacs as against Rs. 12.32 lacs last year, an increase of 63 % on the basis of last year.

2. FUTURE PLANS & OPERATIONS

Management of the Company have already taken steps to intend to modernise its plant at Gajraula, Distt. J.P. Nagar, (U.P.) by end of next financial year adopting new technology such as hot dispersion & addition of slotted screen in pulp mill. Company also intends to upgrade the quality of newprint for better penetration for the possibilities of Export & in the local market. With additional equipments company intends to increase production capacity for the next financial year.

3. DIRECTORS

Shri P.P.S. Chauhan, Whole-time Director and Shri Mahesh Sodhani, Addl. Directors of your Company retire from the board by rotation at the 17th Annual General Meeting and being eligible offer themselves for re-appointment.

Shri P.P.S. Chauhan is re-appointed because of his vast experience in marketing and running of the plant. Shri Mahesh Sodhani is re-appointed because of his experience in finance and company affairs.



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4. AUDITORS

M/s. L.N. Malik & Company, Statutory Auditors of your Company retire at this Annual General Meeting and are eligible for re-appointment. Members are requested to re-appoint Auditors until the conclusion of next Annual General Meeting and authorize directors to fix their remuneration. Certificate from the Auditors has been received to the effect that their re-appointment, if made, would be within the limits prescribed under section 224(1B) of the Companies Act, 1956.

The notes on accounts and observations of the Auditors in their report on the accounting system of the Company are self explanatory and therefore, in the opinion of Directors, do not call for any further explanation.

5. DIRECTORS RESPONSIBILITY STATEMENT

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

- i. In the preparation of the annual accounts, the applicable accounting standards have been followed with proper explanation relating to Material department.
- 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, 2009 and of the Profit 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.

6. DIVIDEND

Though for the year under review Company did earn cash profit, however, due to previous year losses, Directors of the Company did not declare any dividend for the Shareholders of the Company. Directors of the Company are hopeful that next year company will be able to declare dividend.

7. 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.

8. BIFR

The Company has been declared sick by BIFR by way back in 2000. Board of Industrial & Financial Reconstruction (BIFR) have appointed Punjab National Bank as operating agency. The Company has submitted Revised rehabilitation scheme in the month of July, 2008.

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So far No Bail able financial package is approved by BIFR. For the financial year ending 31.03.2009 Company's secured loan from financial institutions are outstanding. OTS amount of UPFC to the tune of Rs. 181 lacs has since been paid, however, after clearing OTS amount, UPFC has now demanded DADP interest to the tune of Rs. 59 lacs & Management is making rigorous efforts for waiver of interest. OTS with PICUP is settled in principal to the tune of Rs. 235 Lacs, however official confirmation from PICUP yet to be received. Next date of hearing with Hon'ble BIFR is 1st of December, 2009. Two Addl. Directors namely Shri Atul Kumar Jain & Shri Mahesh Kumar Sodhani because of their experience in finance & marketing have been appointed with permission of BIFR.

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. CORPORATE GOVERNANCE

Your Company has taken adequate steps to ensure legal compliance with the requirements of corporate governance as prescribed under the Listing Agreement with the Stock Exchange (BSE).

11. ARBITRATION

Company is having dispute with Jalan Group since May, 2004 and matter is pending with quasi judicial bodies, Arbitrator is appointed by Honorable High Court of Delhi.

12. WHOLE TIME COMPANY SECRETARY

During the year under review, company has duly appointed a Whole time Company Secretary, as required under section 383-A of the Companies Act, 1956.

13. MANAGEMENT DISCUSSION & ANALYSIS REPORT

The Management Discussion & Analysis Report as required under clause 49 of the listing Agreement with the Stock Exchanges forms part of this report.

14. CORPORATE GOVERNANCE REPORT

The Company is committed to maintain highest standards of Corporate Governance. The Directors adhere to the requirements set out by the Securities & Exchange Board of India's Corporate Governance practices and have implemented all the stipulations prescribed. The Company has implemented several best Corporate Governance practices as prevalent in India.

15. APPRECIATION

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, First Floor, Vikas Marg,
Shakarpur, Delhi-110092

For and on behalf of the Board of Directors

(P. P.S. CHAUHAN)
DIRECTOR (WTD)

Place : Delhi
Date : 01.09.2009

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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. These efforts include improved utilization of energy saving machines and technology.

b. ADDITIONAL INVESTMENTS AND PROPOSALS BEING IMPLEMENTED FOR REDUCTION OF CONSUMPTION OF ENERGY.

Additional investments along similar lines will be made, as and when required for the reduction of consumption of energy.

c. IMPACT OF THE MEASURES AT (A) AND (B) ABOVE.

Efficiency has been achieved in consumption of power. The impact of above measures on the cost production of goods is not precisely ascertainable.

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	3186850	3437480
Total Amt. (Rs.)	1,46,86,193	1,39,30,813
Rate/Unit (Rs.)	4.60	4.05
b) Own Generation		
Unit	22782	996048
Unit per Ltr. of Diesel	3.60	3.60
Cost/Unit (Rs.)	7.95	7.91
Total Cost (Rs.)	1,81,118/-	78,85,366/-
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)	5,222.021	4,566.14
Total Cost (Rs.)	62,78,553/-	41,44,746/-
Average Rates (Rs.)	1,202/-	908/-
3. Bagasse		
Quantity (Tonnes)	Nil	Nil
Total Cost (Rs.)	Nil	Nil
Average Rate (Rs.)	Nil	Nil
4. Wood		
Quantity (Tonnes)	Nil	Nil
Total Cost (Rs.)	Nil	Nil
Average Rate (Rs.)	Nil	Nil
5. Other/Internal Generation	Nil	Nil
b) Consumption per unit of Production		
Cream Wove Paper	Current Year	Previous Year
Unit	Nil	Nil
Electricity & Diesel	Nil	Nil
Furnace Oil	Nil	Nil
Paddy Husk (M.T.)	Nil	Nil
Baggase (M.T.)	Nil	Nil
Others	Nil	Nil

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

(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 Nil
2. benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc. : Nil 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 : Nil Nil
 - b) Year of import : N.A. N.A.
 - c) Has technology been fully absorbed : N.A. N.A.
 - d) If not fully absorbed, areas where this has not taken place, reasons thereof and future plans of action. : N.A. N.A.

C. Foreign exchange earnings and outgo**Import of Waste Paper**

Quantity	44.300 Tons	302 Tons
Amount in US \$	11199.59	\$ 50356/-
Amount in Indian Rs. (Including Freight)	6,29,115/-	20,64,270/-