



COSBOARD
INDUSTRIES
LIMITED

TWENTIETH ANNUAL REPORT
1999 - 2000

BOARD OF DIRECTORS :**Ratan Kumar Gilra***Chairman & Managing Director***Harl Shankar Gilra****Gurucharan Singh Gill****Anil Kumar Gilra****Manoj Kumar Gilra***Whole Time Director***AUDITORS :****L. N. More & Co.***Chartered Accountants*

Cuttack

BANKERS :**State Bank of India****REGISTRARS & SHARE TRANSFER AGENTS****Big Share Services Pvt. Ltd.**

E - 2, Ansa Industrial Estate,

Sakivihar Road, Sakinaka,

Andheri (E)

MUMBAI - 400072

REGISTERED OFFICE

New Industrial Estate,

Phase-II, Jagatpur

Cuttack - 754021

(ORISSA)

FACTORY :

New Industrial Estate,

Phase-II, Jagatpur

Cuttack - 754021

(ORISSA)

CONTENTS	PAGE
Notice	1
Directors' Report	2
Auditors' Report	5
Balance Sheet	7
Profit & Loss Account	8
Schedules Forming Part of the Accounts	9
Notes to Balance Sheet	17
Cash Flow Statement	18

COSBOARD INDUSTRIES LIMITED**NOTICE OF THE ANNUAL GENERAL MEETING :**

Notice is hereby given that the 20th Annual General Meeting of **COSBOARD INDUSTRIES LIMITED** will be held at Utkal Chamber of Commerce and Industries, Barabati Stadium, Cuttack on Friday the 8th September, 2000 at 10.30 A.M. to transact the following business :

ORDINARY BUSINESS :

01. To Receive, consider and adopt the Audited Statements of Accounts for the year ended on 31st March, 2000 together with the Report of Directors and Auditors thereon.
02. To appoint a Director in place of Shri Anil Kumar Gilra who retires by rotation and being eligible, offers himself for reappointment.
03. To appoint Auditors' to hold office from the conclusion of this Annual General Meeting upto the conclusion of next Annual General Meeting and to fix their remuneration.

By order of the Board

Sd/-

(RATAN KUMAR GILRA)

Managing Director

Place : Cuttack

Date : 30th June, 2000

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The Register of Members and share Transfer Books of the Company will remain closed from 1st September 2000 to 8th September, 2000 (both days inclusive) in connection with the Annual General Meeting.
3. Members / Proxies attending this meeting are requested to bring with them the followings :
 - (i) Copy of the Notice and Annual Report (as no copies thereof would be distributed at the meeting).
 - (ii) The Attendance slip duly completed.
4. The unpaid dividends that are due for transfer to the Central Government are as follows :

<u>Financial year ended</u>	<u>Due for transfer on</u>
31.03.95	29.01.2003
31.03.96	28.05.2004

Members who have not encashed their Dividend Warrants for the above said Financial years are requested to approach the Company for obtaining duplicate Dividend Warrants.

5. Members who have multiple accounts in identical names or joint accounts in the same order are requested to send all the share certificate(s) to the Register and Share Transfer Agents, M/s. BIG SHARE SERVICES (P) LTD. for consolidation of all such shares holdings into one account to facilitate better service.

By order of the Board

Sd/-

(RATAN KUMAR GILRA)

Chairman & Managing Director

Place : Cuttack

Date : 30th June, 2000

COSBOARD INDUSTRIES LIMITED**DIRECTORS' REPORT**

Your Directors have pleasure in presenting their Annual Report and Audited Accounts for the financial year ended 31st March, 2000.

FINANCIAL RESULTS :

	(Rs. in Lakhs)	
	1999 - 2000	1998 - 99
Turnover during the year	757.47	893.44
Profits before Depreciation & Tax	26.76	39.35
Less : Depreciation	37.27	37.77
Profits / (Loss) before Tax	(10.51)	1.58
Provision for Tax	—	0.16
Profit / (Loss) after Tax	(10.51)	1.42
Past Year Adjustment	(0.71)	1.22
Profit brought forward	85.63	85.43
Balance carried forward	74.41	85.63

OPERATIONS :

During the year our plant was in operation for nine months due to Super Cyclone on Dt. 29.10.1999 affected our units badly. We had resumed production in our plant from 17th January 2000. Our production has been increased by 9.91% in comparison to previous year on the basis of actual days of operation. Our sales in quantity and value have been increased as compared to previous first half year and if this tempo had been maintained our sales in value could have been cross over Rs. 10 crore. However our Directors' hope that in coming year our production, sales and profitability will improve.

DIVIDEND :

During the year the Company's net earning was in negative and hence Directors' do not recommend any dividend for the year 1999 - 2000.

YEAR 2000 :

The Company has successfully managed Y2K complaint without any disruption and cost incurred is negligible.

FUTURE OUT LOOK :

The steps have been taken by the company for setting up of writing and printing paper plant and in this regard IPICOL had already sanctioned Term Loan of Rs. 250.00 lakhs and for the Balance Term Loan of Rs. 250.00 lakhs, we have approached to our Banker for early sanction of the same.

COSBOARD INDUSTRIES LIMITED**FINANCE :**

The Board wishes to place on record the appreciation for the support received from its banker, State Bank of India, Commercial Branch, Khapuria, Cuttack.

CONTRIBUTION TO EXCHEQUER :

Your Company's contribution towards the Government revenue during the year under review by way of Sale Tax, Excise Duty and Income Tax was Rs. 54.77 lakhs.

FIXED DEPOSITS :

During the year the Company has not accepted any fixed deposits within the meaning of Sec. 58 A of the Companies Act, 1956.

EXPENDITURE ON R & D :

Research, Development and improvement of products are in-built on going activity within the existing manufacturing operation of the Company. Expenditure on R & D is not separately allocated and identified.

TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION :

The Company does not require any technical know-how as the process of manufacturing is conventional one. The company does not have any separate technical arrangement for running the unit.

PARTICULARS OF EMPLOYEES AND INDUSTRIAL RELATIONS :

None of the employees has been in receipt of remuneration as envisaged in Section 217 (2A) of the Companies Act, 1956.

CONSERVATION OF ENERGY :

As required under Companies (Disclosure of particulars in the Report of Board of Directors) Rule, 1988 the necessary particulars regarding conservation of energy are given in Annexure-I to this report.

DIRECTORS :

In accordance with the provision of the Companies Act, 1956 Sri Anil Kumar Gilra retires by rotation and is eligible for re-appointment.

AUDITORS :

The Auditors of your company M/s. L. N. More & Company, retire at the forthcoming Annual General Meeting and being eligible, offer themselves for reappointment.

APPRECIATION :

Your Company and the Directors wish to extend their sincere thanks to the Governments, The Financial Institutions and Commercial Banks for their continuing co-operation and assistance.

For an on behalf of the Board of Directors

Sd/-

Place : Cuttack

(RATAN KUMAR GILRA)

Date : 30th June, 2000

Chairman & Managing Director