

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the 35th **Annual General Meeting** of **M/s. Cosboard Industries Limited** will be held at Regd. Office of the Company Situated At- New Industrial Estate, Phase- II, Jagatpur- 754021, Cuttack, Odisha on Tuesday the 29th day of September, 2015 at 11.30 A. M. to transact the following business: -

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Audited Balance Sheet as at 31st March 2015, the profit and Loss Statement for the year ended on that date and the reports of the auditors and directors thereon.
2. To appoint a Whole Time Director Sri.Anil Kumar Gilra (DIN No. 0883125), who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a Non Executive Director Sri. Chava Suresh Babu (DIN No.02161692, who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint statutory Auditors of the company and fix his remuneration & in that connection to consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution

“RESOLVED that pursuant to Section 139 and other applicable provisions, if any, of the Companies Act, 2013, M/s. BRR AND ASSOCIATES., Chartered Accountants, Hyderabad (Bearing Registration No.013012S), be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company and that their remuneration be fixed by the Board of Directors of the Company.”

SPECIAL BUSINESS

5. To consider and if thought fit to pass with or without modification(s) as an ordinary resolution:

“RESOLVED THAT Ms. Rekha Bhawsinka (DIN No.06625873) who has appointed by the Board of Directors as an Independent Additional Director of the Company with effect from 13.02.2015 to hold office upto the upcoming Annual General Meeting of the company in terms of section 260 of the Companies Act, 1956 and in respect of whom notice u/s 160 of the Companies Act, 2013 has been received by the company from a member signifying his intention to propose her as candidate for the office of the Director of the company, be and is hereby appointed as an Independent Director who is liable to retire by rotation.”

6. To consider and if thought fit to pass with or without modification(s) as an ordinary resolution:

“RESOLVED THAT M/s. Ray Nayak & Associates, Cost Accountants (F.R.N No.000241) who have been appointed as the Cost Auditors of the company to conduct the audit of the Cost records for the financial year 2015-16 be paid remuneration of Rs.25,000/-.”

NOTES ON AGENDA :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE ON A POLL INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK FORM OF PROXY IS ATTACHED HEREWITH AND IF INTENDED TO BE USED, IT SHOULD BE RETURNED DULY COMPLETED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE COMMENCEMENT OF THE ANNUAL GENERAL MEETING.
2. An Explanatory Statement pursuant to section 102 (1) of the Companies Act, 2013 relating to the Special Businesses under item No.5&6 of the Notice as set out above, are annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Monday the 21st September, 2015 to Tuesday, 29th September, 2015 (both days inclusive) in terms of provisions of section 91 of the Companies Act, 2013.
4. The Shares of the Company are under Demat trading. Members holding shares in physical form are requested to convert their shares into dematerialized form in their own interest and convenience purpose.
5. In accordance with Section 20 of the Companies Act, 2013 service of documents on members by a company is allowed through electronic mode. Accordingly, as a part of Green Initiative, soft copy of the Annual Report 2014-15 is being sent to all the members whose email address(es) are registered with the Company/Depository Participant(s) unless any member has requested for a hard copy of the same. Members, who have not yet registered their email address with the Company/RTA/Depository Participant, are requested to do the same at the earliest.
6. The Notice of 35th Annual General Meeting and the Annual General Meeting and the Annual Report 2014-15 will also be available in the Company's website www.cosboard.com for download by the members. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during business hours.

7. The shareholders/Proxies are requested to produce at the Registration Counter(s) the attendance slip sent alongwith this Report, duly completed and signed, for admission to the meeting hall.

However, in case of non receipt of Notice of AGM, members are requested to write to the Company at its Registered Office for issuing the duplicate of the same or download the same from Company's website www.cosboard.com.

8. Non-Resident Indian Shareholders are requested to inform Share Transfer Agent immediately:

- i) The change in the residential status on return to India for Permanent Settlement.
- ii) The particulars of NRE Account with Company in India, if not furnished earlier.
- iii) Email id :

9. a) Members are requested to notify immediately any change of address:

- i) to their Depository participants (DPs) in respect of their electronic share accounts; and
- ii) to the Company/Share Transfer Agent in respect of their physical share folio, if any.

- b) In case the mailing address on this Annual Report is without the Pincode, Members are requested to kindly inform their PINCODE immediately.

10. Voting through electronic means

- i) In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 (Amended Rules, 2015) and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote at the 35th 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 Securities Limited(CDSL).

- ii) 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 shareholder who do not have access to e-voting or who do not wish to cast the vote electronically may request the Company for physical ballot paper duly filled in may be sent to the **Scrutinizer S. KHAN & Associates, Company Secretary, Bauns Gali, Buxi Bazar, Cuttack: 753001** so as to reach the scrutinizer on or before 5.00 p.m. 28th September, 2015.
- iii) 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.
- iv) The remote e-voting period commences on 26th September 2015 (9.00 am) and ends on 28th September, 2015 (5.00 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 19th September, 2015, 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.
- v) The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

Log on to the e-voting website www.evotingindia.com

Click on "Shareholders" tab.

Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"

Now Enter your User ID

For CDSL: 16 digits beneficiary ID,

For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

Members holding shares in Physical Form should enter Folio Number

Registered with the Company.

Next enter the Image Verification as displayed and Click on Login.

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.

If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>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 (refer serial no. printed on the name and address sticker/Postal Ballot Form/mail) in the PAN field.</p> <p>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 serial number 1 then enter RA00000001 in the PAN field.</p>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <p>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.</p>

After entering these details appropriately, click on "SUBMIT" tab.

Members holding shares in physical form will then reach directly 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.

For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

Click on the EVSN for the relevant <Company Name> on which you choose to vote.

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.

Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

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.

Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.

If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password& enter the details as prompted by the system.

Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.

They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.

After receiving the login details they have to create a user who would be able to link the account(s) 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. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.

The voting period begins on 26.09.2015 at 9.00 am and ends on 28.09.2015 at 5.00 pm. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 19.09.2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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.

11. A member desirous of getting any information on the accounts or operations of the company is required to forward his/her queries to the company at least ten days prior to the meeting, so that the required information can be made available at the meeting.
12. Members/Proxies are requested to bring their copies of Annual Report to the meeting and the attendance slip duly filled in for attending the meeting.
13. The names and address of the stock exchanges where-at the company's Share are listed, are given below:

Bombay Stock Exchange Limited,
Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai-400001

14. Members are requested to send all communications relating to shares to the company's Share Transfer Agent. (Physical and Electronic) to Big Share Services Pvt. Ltd E-2/3, Ansa. Industrial Estates, Sakivihar Road, Saki Naka, Andheri(E) Mumbai 400072.

EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO-5

Ms. Rekha Bhawsinka who has been appointed as an Additional Director in the Category of non executive Independent Director of the Company under Section 161(1) of the Companies Act 2013 w.e.f. 13th February 2015 holds office upto the date of this Annual General Meeting and she is eligible for appointment as Director.

The Company has received declaration from Ms. Rekha Bhawsinka that she meets the criteria of Independence as prescribed under section 149(6) of the Companies Act, 2013 and also under Clause 49 of the Listing Agreement with the stock exchanges. Further, she has also confirmed that she is not disqualified from being appointed as Director under Section 164 of the said Act and has given her consent to act as a Director of the Company.

The Board of Directors are of the opinion that Ms. Rekha Bhawsinka, is a women of integrity and possesses relevant expertise and experience and is eligible for the position of an independent director of the Company and fulfills the conditions specified by the Companies Act, 2013

and listing Agreement with the Stock Exchanges and that she is independent of the management of the Company.

The Board of directors recommend the ordinary resolution for your approval.

None of the Directors of the Company other than Ms.Rekha Bhawsinka herself, is concerned or interested financially or otherwise in this resolution.

ITEM NO-6

The Board of Directors on the recommendation of the Audit Committee have appointed M/s. Ray Nayak & Associates, Cost Accountants (F.R.N No. 000241), as the Cost Auditors of the Company for the financial year 2015-16. A certificate issued by the above Firm regarding their eligibility for appointment as Cost Auditors will be available for inspection at the Registered Office of the Company.

As per Rule 14 of the Companies (Audit & Auditors) Rules 2014, the Remuneration payable to the Cost Auditors is to be ratified by the Share holders. The Board has decided the remuneration payable to M/s. Ray Nayak & Associates as Cost Auditors as mentioned in the resolution on the recommendation of the Audit Committee. Hence this resolution is put for the consideration of the shareholders.

None of the Directors of the Company and their relatives are concerned or interested, financially or otherwise in this resolution.

The Board of Directors accordingly recommend the resolution set out at Item No.6 of the accompanying Notice for the approval of the members

FOR & ON BEHALF OF BOARD OF DIRECTORS

PLACE: CUTTACK
DATE: 12^h August, 2015

ANIL KUMAR GILRA
WHOLETIME DIRECTOR

DIRECTORS' REPORT

Your Directors have pleasure in presenting their 35th Annual Report and Audited Accounts for the financial year ended 31st March 2015.

(Rs. in Lakhs)

FINANCIAL RESULTS:	2014-2015	2013-2014
Turnover during the year	4151.08	3422.54
Profits/(Loss) before Depreciation & Tax	265.10	56.53
Less: Depreciation	33.04	31.22
Profits/(Loss) before Tax	232.06	25.31
Provision for Tax		
: Current Tax	--	--
: Deferred Tax	(2.49)	1.64
Profit/(Loss) after tax	229.57	26.95
Add/(Less) past Year Adjustment	1.84	--
		--
Less: Depreciation(Assets Written off)	(5.27)	--
Profit/(Loss) brought forward	(390.46)	(417.41)
Balance carried forward	(164.32)	(390.46)

OPERATIONS:

The sales turnover of the Company for the year was Rs.4151.08 lakhs as compared to previous year Rs.3422.54 lakhs. Production for the year was 13372.691 M.T as compared to previous year 11898.068 MT.

The Sales turnover of the company has been increased by 21.29% as compared to previous year and production of the Company has been increased by 12.39% as compared to previous year.

MANAGEMENT DISCUSSION AND ANALYSIS

PERFORMANCE REVIEW:

In the competitive market, the Company was able to achieve Sales and Other Income, in monetary terms for the year to Rs. 41.51 crores as compared to Rs. 34.23 crores in the

previous year and the Income was Rs. 0.10 crores as compared to Rs. 0.06 crores in the previous year. The profitability of the Company has been increased as compared to previous year inspite of slackness of sale of writing,printing&newsprint paper.

INDUSTRY OVERVIEW:

The Indian paper industry is highly fragmented. According to estimates, the total number of mills vary from anywhere between 500 to over 1000. The top five producers account for 15 per cent of the total paper capacity in the country. The industry is highly diverse, technical and capital intensive. Further norms relating to environmental pollution such as chlorine free operations and tighter effluent treatment/discharge parameters etc. have restricted rapid expansion of paper industry's capacity. Paper consumption is an indicator of the economic and literacy status of any country. While India accounts for nearly 15% of the world population, it consumes only 1% of the world paper production. India's per capita consumption of paper at about 7 kgs. is very low as compared to the world average of over 50 kgs. The impact of just 1 kg. Increase in per capita consumption would lead to increase in demand by 1.1 million M.T. of paper. Paper demand is inextricably linked to economic growth, industrial production, advertisement expenditure, expenditure on education etc. while industrial paper demand is driven by industrial output and packaging industry growth etc. printing and writing paper demand is determined by public spending on education, expenditure on publicity and general literacy levels. The growing demand of paper has encouraged a gradual improvement in capacity utilizations. Stringent pollution control norms will act as a deterrent to smaller players from adding capacities as it would require significant investment to upgrade the existing facility to meet these norms. Though currently there is no law in force, the company that the Indian paper industry will be compelled to eliminate the use of chlorine for bleaching in the next few years.

The paper industry in India is dependent on three parameters:

1. The literacy level (which is dependent on government expenditure on education).
2. The GDP growth rates India has witnessed phenomenal development in the field of education – both in quantitative and qualitative terms, since independence. However, the national goals of universal elementary education and total eradication of illiteracy still remain elusive. The Government is committed to achieving these national goals and has been steadily increasing the budgetary allocation for education. The Country has also made significant strides in higher and technical education. With the Indian economy on a growth path and the government increasing emphasis on the education the future of the Indian paper industry looks positive with immense growth potential.
3. The domestic demand of paper has been forecasted to be 10 million M.T. by 2010 and over 14 Million M.T. by the year 2020. At present the demand of the paper is witnessing a healthy growth of 6.6%(app.) as compared to 5 percent (pp.) in the past. The Indian paper industry is highly fragmented with a large number of