

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the 34th **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 Friday the 26th day of September, 2014 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 2014, the profit and Loss Statement for the year ended on that date and the reports of the auditors and directors thereon.
2. To appoint Independent Directors Sri. Mahadev Rathi, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Independent Directors Sri. Lalit Narayan Sarada, 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. INCREASING IN BORROWING POWERS OF THE BOARD UPTO AN AMOUNT NOT EXCEEDING RS. 70 CRORES

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution:

“RESOLVED that pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 and in supersession of all earlier resolutions passed in this regard by the Company in general meetings, the approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company for borrowing from time to time all such sums of money for the purpose of the business of the Bank notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from the temporary loans obtained or to be obtained from the bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital and free reserves, that is to say, reserves not set apart for any specific purpose, provided that the maximum amount of moneys so borrowed by the Board of Directors and outstanding shall not at any time exceed the sum of Rs. 70 crores (Rupees Seventy Crores Only).”

6. CONFIRMATION OF APPOINTMENT OF ADDITIONAL DIRECTOR

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

“RESOLVED THAT Mr. Chava Suresh Babu,(DIN NO 02161692) who has appointed by the Board of Directors as an Additional Director of the Company with effect from 13/11/2013 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 him as candidate for the office of the Director of the company , be and is hereby appointed as an Non Executive Director who is liable to retire by rotation.”

NOTES ON AGENDA:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE “MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY FORM, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. An Explanatory Statement pursuant to section 102 (1) of the Companies Act, 2013 relating to the Special Businesses under item No.5 and 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 Tuesday the 16th September, 2014 to Friday, 26th September, 2014 (both days inclusive) in terms of provisions of section 91 of the Companies Act, 2013.

4. All the physical shareholders of the Company are requested to dematerialize their shares.
- 5 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.
- 6 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.
- 7 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 seven days prior to the meeting, so that the required information can be made available at the meeting.
- 8 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.
- 9 The members who hold shares in dematerialized form are requested to bring their client ID and DP ID numbers for easy identification of attendance at the meeting.
- 10 Members have registered their email addresses for receipt of documents in electronic mode under the Green Initiative of Ministry of Corporate Affairs are being sent notice of AGM by email and others have been sent to post.
- 11 The names and address of the stock exchanges where-at the company's Share are listed, are given below:
 - a) Bombay Stock Exchange Limited,
Phiroze JeeJeebhoi Tower, Dalal Street, Mumbai-400001
- 12 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 PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:

ITEM NO-5

For borrowing the fund, the company shall have to provide security to the lender,. It is therefore also proposed to authorised BOD u/s 180(1) A of the Companies Act 2013, to create securities by way of mortgage / charge/ hypothecation otherwise on the moveable / immovable properties and assets / the whole or substantially the whole of the undertaking (s) or any other assets of the company, both present and future, in favour of financial institution , banks , lenders etc, to the extent of Rs.70 crore since creating the foreside securities, in certain cases regarded as disposal of the whole or substantially the whole of undertaking of the company under above circumstances , it is necessary to obtain approval of the shareholders by passing a special resolution before borrowing and creating securities the proposal to authorise the BOD to borrow the money and create the securities would attract the provision of section 180 (1)C and 180(1a) of the companies act, 2013, respectively inter alia requiring approval of the shareholders by way of special resolution to the passed by way of postal ballots as per the requirements of the section 192A of the companies act, 1956.

Therefore approval of the members of the company is being sought by way of vote in the forthcoming annual general meeting of the company.

None of the Directors are concern or interested in this resolution

ITEM NO-6

The Board of Director of the company (the Board) at its meeting held on 13th November 2013 has appointed Mr. Suresh Babu Chava as Additional director of the Company till next Annual General Meeting .

Therefore approval of the members of the company is being sought by way of vote in the forthcoming Annual General Meeting of the Company.

None of the Directors of the Company are concerned or interested in the proposed resolution, except to the extent of their holding of equity shares in the Company.

FOR & ON BEHALF OF BOARD OF DIRECTORS

PLACE: CUTTACK
DATE: 13^h August, 2014

ANIL KUMAR GILRA
WHOLETIME DIRECTOR

DIRECTORS' REPORT

Your Directors have pleasure in presenting their 34th Annual Report and Audited Accounts for the financial year ended 31st March 2014.

(Rs. in Lakhs)

| <u>FINANCIAL RESULTS:</u> | 2013-2014 | 2012-2013 |
|--|-----------|-----------|
| Turnover during the year | 3422.54 | 2232.48 |
| Profits/(Loss) before Depreciation & Tax | 56.53 | 42.91 |
| Less: Depreciation | 31.22 | 34.10 |
| Profits/(Loss) before Tax | 25.31 | 8.81 |
| Provision for Tax | | |
| : Current Tax | -- | (1.68) |
| : Deferred Tax | 1.64 | (10.94) |
| Profit/(Loss) after tax | 26.95 | (3.81) |
| Add/(Less) past Year Adjustment | -- | 0.84 |
| Profit/(Loss) brought forward | (417.41) | (414.44) |
| Balance carried forward | (390.46) | (417.41) |

OPERATIONS:

The sales turnover of the Company for the year was Rs.3422.54 lakhs as compared to previous year Rs.2232.48 lakhs. Production for the year was 11898.068 M.T as compared to previous year 8102.358 MT.

The Sales turnover of the company has been increased by 53.31% as compared to previous year and production of the Company has been increased by 46.85% as compared to previous year. The profit margin has been affected due to increase in cost of Power & Fuel and Consumables.

DIVIDEND:

The Company has incurred marginally Profit during the financial year and no dividend has been declared.

PUBLIC DEPOSITS:

During the year the company has not accepted any Fixed Deposits within the meaning of Section 58A 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 & 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.

COMPANIES (PARTICULARS OF EMPLOYEES OF GOVERNMENT COMPANIES & OTHER COMPANIES), AMENDMENT RULE, 2011

There are no employees who have received remuneration more than Rs. 60,00,000/- (Rupees Sixty Lacs) p.a. being employed throughout the year or more than Rs. 5,00,000/- (Rupees Five Lacs) p.m. for part of the year as specified under Section 217 (2A) (a) and 217 (2A) (b) of the Companies Act, 1956 read with the (Particulars of Government Companies and Companies) Amendment Rules, 2011.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

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-1 to this report.

CORPORATE GOVERNANCE:

Pursuant to Clause 49 of the Listing Agreement, a report on Corporate Governance and the Company Secretary Certificate in this regard form part of this report and are annexed herewith in Annexure-II.

DIRECTORS

In accordance with the provision of the Companies Act, 1956 Sri. Lalit Narayan Sarda and Sri. Mahadev Rathi retires by rotation at this meeting, and being eligible, offer themselves for reappointment.

Sri Ratan Kumar Gilra, has resigned due to his health problem and in the Board meeting held on 13.11.2013, his resignation has been accepted. Your Directors wish to place on record the deep sense of attitude and appreciation of the contributions made by Sri. Ratan Kumar Gilra during his tenure as Chairman of the Company.

DIRECTOR'S RESPONSIBILITY STATEMENT:

The Board of Directors of your Company state:

- i. THAT in the preparation of the annual accounts, the applicable accounting standards had been followed except AS-15 (Revised) is not in conformity.
- ii. THAT the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable & prudent so as to give a true & fair view of the state of affairs of the Company at the end of the financial year and of the Profit of the Company for that period.

- iii. THAT the Directors has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. THAT the Directors have prepared the annual accounts on a going concern basis.

ACCOUNTING STANDARD – 15 (Revised)

The Statutory Auditors, M/s. B R R & Associates, in the Audit Report has pointed out that the Company has made provision in the Books of Account for retirement benefits of employees (i.e. Gratuity and Leave Cash encashment) but the same are not in conformity with Accounting Standard – 15 (Revised).

The Board of Directors has reviewed the matter and decided to take steps in Complying the provision of Accounting Standard – 15 (Revised).

COST AUDITORS

In terms of the provisions of Section 233B of the Companies Act, 1956, the Board of Directors of your Company have on recommendation of the Audit Committee, appointed M/s. RAY, NAYAK & ASSOCIATES, Cost Accountants, Bhubaneswar as Cost Auditors, to conduct the cost audit of your Company for the financial year ending 31st March, 2015. The Cost Audit Report for the financial year ended 31st March, 2013 has been filed with Ministry of Corporate Affairs.

AUDITORS:

The Auditors of the Company M/s. B R R & Associates, retire at this ensuing Annual General Meeting and being eligible, offer themselves for reappointment as auditors of the Company. Your Directors recommend the same for your consideration.

APPRECIATION:

Your Directors express their sincere thanks and place on record their deep appreciation for the patronage extended by the shareholders, valued customers, Bankers, Government authorities and the investors for their continued support and confidence in the Company.

FOR & ON BEHALF OF BOARD OF DIRECTORS

PLACE: CUTTACK
DATE: 13th August, 2014

ANIL KUMAR GILRA
WHOLETIME DIRECTOR

ANNEXURES – 1 TO DIRECTORS’ REPORT

Information under Section 217/(i) (c) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988 and forming part of the Directors’ Report for the year ended 31st March, 2014.

A. CONSERVATION OF ENERGY:

Energy Conservation Measures : The company is taking step for conservation of energy and to ensure that the company uses the most suitable modern technology.

(Amount in Rupees)

| TOTAL ENERGY CONSUMPTION | | |
|---|------------------|------------------|
| I. POWER & FUEL CONSUMPTION | 2013-2014 | 2012-2013 |
| 1. ELECTRICITY | | |
| Purchased Units | 8916407 | 6625980 |
| Total Amount | 51358505 | 38688320 |
| Rate/Unit | 5.76 | 5.84 |
| 2. COAL | | |
| Unit (M.T) | 11506.220 | 5851.025 |
| Amount | 31987307 | 14513646 |
| Cost/M.T. | 2780.00 | 2480.53 |
| II. CONSUMPTION PER UNIT OF PRODUCTION | | |
| Electricity (Unit/MT) | 749.40 | 817.784 |
| Coal (MT/MT) | 0.967 | 0.722 |

B. FOREIGN EXCHANGE EARNINGS & OUTGO : -- --

ANNEXURE II TO DIRECTORS' REPORT

REPORT ON CORPORATE GOVERNANCE

(Pursuant to Clause 49 of Listing Agreement)

1) Company's philosophy on code of Governance.

The Company's philosophy on Corporate Governance envisages attainment of the highest levels of transparency, empowerment, accountability, motivation in all operations and all interactions with its shareholders, investors, lenders, employees and customers.

The Company believes that all its operations and actions must serve the underlying goal of enhancing overall shareholder value, over a sustained period of time.

2) Board of Directors

A) The Composition of the Board of Directors as at 31st March 2014 is as follows:

| S No | Name of Director | Category | Number of other* | |
|------|----------------------|------------------------------------|------------------|----------------------|
| | | | Director ship | Committee membership |
| 1 | Anil Kumar Gilra | Promoter-Executive Director | 2 | -- |
| 2 | Shiv Shankar Taparia | Executive Director | - | -- |
| 3 | Mahadev Rathi | Independent Non-Executive Director | -- | -- |
| 4 | Lalit Narayan Sarda | Independent Non-Executive Director | -- | -- |
| 5 | Chava Suresh Babu | Non Executive Director | - | |

- Number includes only Public limited companies.

The Board comprised of Six Directors during the period from 01.04.2013 to 31.03.2014. Out of the above Directors Sri. Ratan Kumar Gilra has given his resignation due to his health problem and his resignation has been accepted in the Board Meeting held on 13.11.2013. Sri. Chava Suresh Babu has been appointed as an Additional Director in the Board meeting held on 13.11.2013.

B) Composition of the Board of Directors:

The Board comprises of one Non Executive Director, two Executive Directors and two Independent Directors.

None Director is a member of more than ten Committees or Chairman of more than five Committees across all Companies in which they are Directors.

C) Meeting held in the financial year 2013-2014 and attendance of Directors.

The Board meets at least once in a quarter in order to consider amongst other business, the quarterly performance of the Company and its financial results. The gap between any two meetings does not exceed 4 months.

The Company held Seven Board Meetings in the year 2013-2014 that is on 26.04.2013, 30.05.2013, 14.08.2013, 25.09.2013, 13.11.2013, 17.12.2013 & 08.02.2014. The attendance of each Director at these meeting was as follows:

| Sl.No | Name of the Director | No. of Board Meeting attended | Attendance at the last AGM |
|-------|----------------------|-------------------------------|----------------------------|
| 1 | Ratan Kumar Gilra | 5 | Present |
| 2 | Anil Kumar Gilra | 7 | Present |
| 3 | Mahadev Rathi | 7 | Present |
| 4 | Shiv Shankar Taparia | 7 | - |
| 5 | Lalit Narayan Sarda | 7 | - |
| 6 | Chava Suresh Babu | 1 | - |

3) Audit Committee

Composition of Audit Committee and attendance of each Director during meetings held in financial year 2013-2014:

| Sl. No. | Name of members of the Audit Committee | No. of meeting attended |
|---------|--|-------------------------|
| 1 | Ratan Kumar Gilra | 4 |
| 2 | Mahadev Rathi | 5 |
| 3 | Lalit Narayan Sarda | 5 |
| 4 | Shiv Shankar Taparia | 1 |

Sri. Ratan Kumar Gilra has resigned and his resignation has been accepted in the Board meeting held on 13.11.13. On his resignation the audit committee has been reconstituted in the said Board meeting comprising Mr. Shiv Shankar Taparia, Mr. Lalit Narayan Sarda and Mr. Mahadev Rathi. Mr. Mahadev Rathi acts as Chairman of the Audit Committee.

Brief description of the terms of reference to the Audit committee.

- i) Overview of Company's Financial Reporting process and disclosure of its Financial Information to ensure that Financial Statement reflects true and fair position and that sufficient and credible information is disclosed.
- ii) Recommending the appointment, re-appointment of statutory Auditors.
- iii) Reviewing with the management of the adequacy of Internal Control System.
- iv) Reviewing the adequacy of Internal Audit functions.
- v) To review the unaudited quarterly/half yearly and annual financial statements before submission to the Board, focusing on
 - Any changes in accounting policies and practices.
 - Major accounting entries based on exercise of judgment by management.
 - Qualifications in draft Audit Report
 - Disclosure of related party transaction.
 - The Going Concern assumption.
 - Compliance with Accounting Standards.
 - Matters required to be included as per section 217(2AA) of the Companies Act,1956.
 - Compliance with Stock Exchange and Legal Requirements concerning financial statements.
- vi) Reviewing the Company's financial and risk management policies.

4) Remuneration Committee.

Composition of Remuneration Committee:

| Sl. No. | Name of members of the Remuneration Committee | Member/Chair man |
|---------|---|------------------|
| 1 | Anil Kumar Gilra | Member |
| 2 | Mahadev Rathi | Member |
| 2 | Shiv Shankar Taparia | Chairman |

Sri. Ratan Kumar Gilra has resigned and his resignation has been accepted in the Board meeting held on 13.11.13

There was no Remuneration Committee meeting held during the year 2013-2014 as there was no review of package of Directors.

**Remuneration/Commission paid to Directors during the financial year 2013-2014
(In Rupees)**

| Name of Director | Sitting fees | | | | Salary & Perquisites | Total |
|------------------|---------------|-----------------|------------------------|----------------------------------|----------------------|-----------|
| | Board Meeting | Audit Committee | Remuneration Committee | Shareholders Grievance Committee | | |
| Anil Kumar Gilra | -- | -- | -- | -- | 300000.00 | 300000.00 |

5) Share Transfer/Investors Grievance Committee:

The Share Transfer/Investors Grievance Committee Comprises of the following members:

| Sl.No. | Name of members of the Grievance Committee | Member/Chairman |
|--------|--|-----------------|
| 1 | Mahadev Rathi | Chairman |
| 2 | Lalit Narayan Sarda | Member |
| 3 | Anil Kumar Gilra | Member |

In view of compulsory trading of shares in Demat form and consequent lowering of volume of physical transfers there were very few complaints which were sufficiently addressed to at the level of the Compliance Officer and M/s. Bigshare Services Pvt. Ltd. the Registrar & Transfer Agent of the Company for shares both in physical and demat modes.

Name, Designation and Address of the Compliance Officer

Mr. Anil Kumar Gilra

Whole-time Director

Cosboard Industries Limited

New Industrial Estate, Phase II

Jagatpur: 754021, Cuttack.

Tel: 0671-2491966 Fax: 0671-2491295

e-mail: cosboardind@yahoo.co.in

6) Code of Conduct for Board members and Senior Management.

The Board of Directors has laid down the code of conduct for all the Board members and members of the Senior Management of the Company. All the Board members and Senior Management personnel have affirmed compliance with the code of conduct.

7) General Board Meetings:

a. Location & time where last 3 AGMs were held:

| For the year | Date | Venue of the AGM | Time |
|-----------------------------------|------------|---|------------|
| 2012-13 (33 rd AGM) | 25.09.2013 | COSBOARD INDS. LTD. NEW INDL. ESTATE. PHASE II, JAGATPUR: | 11.30 a.m. |
| 2011-12 (32 nd AGM) | 29.09.2012 | COSBOARD INDS. LTD. NEW INDL. ESTATE. PHASE II, JAGATPUR: | 11.30 a.m. |
| 2010-11 (31 st AGM) | 28.09.2011 | COSBOARD INDS. LTD. NEW INDL. ESTATE. PHASE II, JAGATPUR: | 11.30 a..m |
| | | | |

b. Whether any special resolution passed in the previous 3 AGMs : Yes

c. Whether any special resolution during last year:

Passed through postal ballot : No
Details of voting pattern : N.A.
Person who conducted the postal ballot exercise : N.A.

d. Whether any special resolution is proposed to be conducted through postal ballot : No

e. Procedure for postal ballot: Your Company will comply with the requirements of postal ballot as and when such matter arises requiring approval of the Shareholders by such process under the Companies (Passing of Postal Ballot) Rules, 2001.

8) Disclosure

a) Disclosure on materially significant related party transactions that may have potential conflict with the interest of the Company at large. None of the transactions with any of the related parties were in conflict with interests of the Company. Transactions with the related parties are disclosed in Note No 33 of the Financial Statements for the year.

- b) Details of non-compliance by the Company, penalties, structures imposed on the Company by the Stock Exchanges, SEBI or any statutory authorities on any matter related to capital markets during the last 3 years : None
- c) The financial statements for the year 2013-2014 have been prepared in accordance with the applicable accounting standards prescribed by The Institute of Chartered Accountants of India and there is one deviation.
- d) Public, Rights and other issues : Nil
- e) The Board has noted and reviewed the Compliance Reports of all laws applicable to the Company, which were placed before each of its meeting held during the year.
- f) Though there is no formal Whistle Blower Policy, the Company takes cognizance of complaints made and suggestions given by the employees and others. Even anonymous complaints are looked into and whenever necessary, suitable corrective steps are taken. No employee of the Company has been denied access to the Audit Committee of the Board of Directors of the Company.
- g) The Company has periodic review and reporting to the Board of Directors of risk assessment by senior executives with a view to minimize risk.
- h) Secretarial Audit
A Qualified Practicing Company Secretary carried out Secretarial Audit during the year on quarterly basis to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The Secretarial Audit Report confirms that the Total Paid up Capital is in agreement with the total No. of shares in physical form and the total No. of Dematerialized shares held with NSDL and CDSL.

9) Means of Communication

The Quarterly and half yearly results of the Company are forthwith communicated to the stakeholders with which the Company has listing agreements as soon as the results are approved and taken on record by the Board of Directors of the Company and the same was published in Newspapers and also included in our web site (www.cosboard.com) alongwith Shareholding pattern on quarterly basis. No presentation was made to the institutional investors or analysts during the year.

10 General Shareholder information

i) 34th ANNUAL GENERAL MEETING

Date : 26th September 2014
Time : 11.30 A.M.
Venue : Cosboard Industries Limited,
New Industrial Estate, Phase II, Jagatpur,
Cuttack: 754021

ii) Financial year : 2013-2014 Following are its highlights:

| Event | Date when approved by the Board |
|--|---------------------------------|
| First Quarter Results-ended 30.06.2013 | 14 th August, 2013 |
| Half yearly Results - ended 30.09.2013 | 13 th November 2013 |
| Third Quarter Results-ended 31.12.2013 | 08 th February 2014 |
| Final Audited Results-ended 31.03.2014 | 30 th May, 2014 |

- iii) Book Closure date - 16th September 2014 to 26th September 2014 (both days inclusive)
- iv) Dividend payment date - Not applicable
- v) Directors retiring of rotation : Mr. Anil Kumar Gilra
Mr. Lalit Narayan Sarda
Mr. Mahadev Rathi
Mr. Chava Suresh Babu

vi) Listing on Stock Exchanges:

The Company's Equity Shares are listed on the Bombay Stock Exchange, Mumbai. Listing fees for the period 2013-2014 have been paid to the Stock Exchange.

vii) Stock Code:

- The Stock Exchange, Mumbai : 530859
- ISIN No. allowed by NSDL and CDSL for shares in demat Mode : INE496D01016

viii) Market Price Data

| month | Bombay Stock Exchange | |
|--------|-----------------------|-----------|
| | High Price | Low Price |
| Apr 13 | 12.00 | 9.85 |
| May 13 | 16.15 | 12.18 |
| Jun 13 | -- | -- |
| Jul 13 | 15.25 | 15.25 |
| Aug 13 | -- | -- |
| Sep 13 | -- | -- |
| Oct 13 | 15.50 | 15.50 |
| Nov 13 | 15.00 | 14.90 |
| Dec 13 | -- | -- |
| Jan 14 | 14.20 | 11.60 |
| Feb 14 | 11.03 | 11.03 |
| Mar 14 | 11.03 | 9.96 |

ix) Share Transfer System

M/s. Bigshare Services (P) Ltd., Mumbai, a SEBI registered Registrar is the Registrar of the Company both in physical and dematerialized segment.

Since the Company's shares can be traded only in demat mode, shareholders would be required to send their physical shares certificates, Demat Request Forms (DRF) etc. directly to the Share Transfer Agent, M/s. Bigshare Services (P) Ltd., Mumbai, Shareholders would also have to ensure that their respective Depository participant do not delay in sending the DRF and physical share certificates to the aforesaid Share Transfer Agents so that no demand requests from any shareholder remains pending with the Share Transfer Agent beyond a period of 30 days.

x) Distribution of Shareholding & Shareholding pattern:
(a) Distribution of Shareholding as on 31.03.2014

| Range | | No. of share holder | % of total | Amount of Shares (in Rs.) | % of total |
|--------|----------|---------------------|------------|---------------------------|------------|
| From | To | | | | |
| 1 | 5000 | 3862 | 86.46 | 4901840 | 11.42 |
| 5001 | 10000 | 259 | 5.80 | 2303600 | 5.36 |
| 10001 | 20000 | 122 | 2.73 | 2051230 | 4.78 |
| 20001 | 30000 | 79 | 1.77 | 1968600 | 4.58 |
| 30001 | 40000 | 31 | 0.69 | 1138300 | 2.65 |
| 40001 | 50000 | 22 | 0.49 | 1044750 | 2.43 |
| 50001 | 100000 | 49 | 1.10 | 3494750 | 8.14 |
| 100001 | 99999999 | 43 | 0.96 | 26034930 | 60.64 |
| TOTAL | | 4467 | 100.0 | 42938000 | 100.00 |

(b) Shareholding Pattern as on 31st March 2014

| | No. of Shares | % of total | % Dematerialised |
|--|---------------|------------|------------------|
| Indian Promoters | 1988905 | 46.33 | 40.56 |
| Mutual Funds | 17000 | 0.40 | -- |
| Bank | -- | -- | -- |
| Private Corporate Bodies | 245893 | 5.73 | 5.30 |
| Indian Public | 1752713 | 40.78 | 29.65 |
| Non Resident Indians | 273837 | 6.39 | 0.80 |
| Clearing Member | 15452 | 0.37 | 0.36 |
| Office of the Custodian Special Court | -- | -- | -- |
| Total | 4293800 | 100 | 76.67 |

xi) Dematerialization of shares:

As on 31st March 2014, 76.67% of the Company's total shares representing 3292185 shares were held in dematerialized form and the balance 23.33% representing 1001615 shares were held in physical mode.

xii) Outstanding GDRs/ADRs/Warrants or any Convertible

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.

xiii) Plant Locations:

New Industrial Estate, Phase II, Jagatpur: 754021, Cuttack, Orissa.

xiv) Address for correspondence:
Registered Office:
New Industrial Estate, Phase II, Jagatpur: 754021, Cuttack, Orissa.

xv) Registrar & Share Transfer Agent:
Bigshare Services (P) Ltd.
E-2/3 Ansa Industrial Estate,
Sakivihar Road, Sakinaka
Andheri (E), MUMBAI: 400072

11 Adoption of non-mandatory requirements under Listing Agreement:

- (i) The Board:-
The Company pays the expenses of the Non Executive Chairman's Office incurred in the performance of his duties. The Company has not fixed the tenure of the Independent Directors on the Board.
- (ii) Remuneration Committee:-
The details pertaining to Remuneration Committee have been provided in point No. 4 of this Report.
- (iii) Shareholders Rights:-
The Company's quarterly and half-yearly results are sent to the Stock Exchange, Website, and published in Newspapers, but no individual communications are sent to the shareholders.
- (iv) Audit Qualifications:-
There is one audit qualification in the Auditor's Report on the accounts for the year 2013-2014 and the same has been explained and clarified in the Directors' Report.

Declaration

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, it is hereby declared that all the Board Members and Senior Management Personnel of the Company have affirmed the compliance of Code of Conduct for the year ended 31st March, 2014.

FOR & ON BEHALF OF BOARD OF DIRECTORS

PLACE: CUTTACK
DATE: 13th August, 2014

ANIL KUMAR GILRA
WHOLETIME DIRECTOR

COMPANYS' SECRETARY CERTIFICATE on Corporate Governance

To the Members of
Cosboard Industries Limited
New Industrial Estate, Phase-II
Jagatpur, Cuttack: 754021

We have examined the compliance of the conditions of Corporate Governance by Cosboard Industries Limited, for the financial year ended 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement entered into by the said Company with Stock Exchange.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations to us, and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For S.KHAN & ASSOCIATES.
COMPANY SECRETARIES

(SHAKIL KHAN)
Proprietor
Membership No. FCS-3167

Place : Cuttack
Date : 13th August, 2014

B R R & Associates

Chartered Accountants

H No.1-387/17, Flat No.101, Jayasree Sadan
Gandhi Nagar, Hyderabad: 500080

Cell No.9963108932
email: bairneniravi@gmail.com

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF COSBOARD INDUSTRIES LIMITED.

Report on the Financial Statements:

We have audited the accompanying financial statements of COSBOARD INDUSTRIES LIMITED “the Company”, which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the Financial Statements.

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ('the Act') read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give us true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014; and
- b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 and as amended by the Companies (Auditor's Report) (Amendment) Order 2004, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
in our opinion, the provision for retirement benefits has not been made by the Company in Conformity with AS-15 (Revised) and in the absence of detailed information, the impact of the same on the Statement of Profit and Loss and Balance Sheet cannot be ascertained (Refer to Note No.29)

3. Subject to 2 above in our opinion and to the best of our information and according to explanation given to us.
- a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 these books;
 - c) The Balance Sheet and Statement of Profit and Loss dealt with by this report are in agreement with the books of accounts;
 - d) In our opinion, the Balance Sheet and Statement of Profit and Loss comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013; and
 - e) On the basis of written representations received from the Directors as on March 31, 2014 and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For B R R & ASSOCIATES
Chartered Accountants
FRN: 013012S

R. Ravinder Rao
Partner
M No.221298

Place: Hyderabad
Date: 30th May, 2014

ANNEXURE REFERRED TO IN THE PARAGRAPH 3 OF THE AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF COSBOARD INDUSTRIES LIMITED, ON THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2014.

1. (a) The Company has maintained proper records to show full particulars, including quantitative details and situation, of its fixed assets. We have been informed that all the assets have not been physically verified by the Management during the year but there is a regular programme of verification, which in our opinion is reasonable having regard to the size of the Company and the nature of its assets.

(b) Fixed assets not disposed off during the year and therefore do not affect the going concern assumption.
2. (a) The inventory of the Company has been physically verified by the Management during the year.

(b) In our opinion, the procedures of physical verification of stocks followed by the Management are reasonable and adequate in relation to the size of the Company and nature of its business.

(c) The company has maintained proper records of inventory and the discrepancies between the physical stocks and the book stocks noticed on physical verification are not material.
3. The Company during the year has not given loan to parties, covered in the register maintained under Sec. 301 of the Companies Act, 1956.
4. Even though there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, company needs establish some additional controls procedures with regard to the purchases of inventories, fixed assets and sales of goods.
5. (a). According to the information and explanations given to us, we are of the opinion that transactions that need to be entered into a register in pursuance of Section 301 of the Companies Act, 1956 have not been entered.

(b). In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding the value of Rupees Five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
6. The Company has not accepted any deposits under the provisions of Section 58A and 58AA of the Act and the rules framed hereunder.

7. In our opinion, the present internal audit system of the Company is **not** commensurate with its size and nature of its business and the same needs to be strengthened.
8. As per information given to us, the Central Government has prescribed maintenance of cost Record U/s 209(1) (d) of the Companies Act. 1956, and are of the opinion that prima facie, the prescribed accounts and records have been maintained. However we have not made a detailed examination of such records.
9. (a) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it, were in arrears as at 31st March 2014, for a period of more than six months from the date they become payable, except the following:

| Nature of dues | Amount (Rs. In lakhs) |
|--------------------------|--------------------------|
| Employees provident Fund | 33.82 |

- (b) As per the information given to us, there are no dues outstanding of Sales Tax, Income Tax, Wealth Tax, Excise duty and Cess on account of any dispute other than those mentioned below:

| <u>Name of statute</u> | <u>Nature of dues</u> | <u>Amount (in lacs)</u> | <u>Forum where dispute is pending</u> |
|------------------------|-----------------------|-----------------------------|---|
| Central Excise Act | Excise Duty | 38.93 | High Court, Odisha |
| CESCO | Electricity demand | 190.37 | National Consumer Forum, New Delhi. |
| CESCO | Electricity demand | 22.70 | High Court, Odisha, Cuttack |
| CESCO | Electricity Duty | 78.74 | High Court, Odisha, Cuttack |

10. The Company has accumulated losses at the end of the financial year and are more than 50% of its net worth. However, the Company has not incurred cash loss during the financial year.

11. The Company has not defaulted in repayment of dues to the Banks.
12. The Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
13. Considering the nature of activities carried out by the company during the year, the provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to it.
14. The Company has not dealt or traded in shares, securities, debentures or other investments during the year.
15. In our opinion and according to the information and explanations given to us, the company has not obtained any term loan during the year and applied for the purpose for which borrowed.
16. According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from Banks or financial institutions.
17. According to the information and explanation given to us, the Company has not made any preferential allotment of shares during the year.
18. According to the information and explanation given to us, the Company has not issued debentures during the year.
19. The Company has not raised any money by public issue during the year.
20. As per the information and explanation given to us and on the basis of examination of records, no material fraud on or by the Company was noticed or reported during the year.

For B R R & ASSOCIATES
Chartered Accountants
FRN: 013012S

R. Ravinder Rao
Partner
M No.221298

Place: Hyderabad
Date: 30th May, 2014

COSBOARD INDUSTRIES LIMITED
NEW INDUSTRIAL ESTATE, PHASE II, JAGATPUR: 754021, CUTTACK
BALANCE SHEET AS ON 31ST MARCH, 2014

| | Notes | 31st March 2014 (in Rs.) | 31st March 2013 (in Rs.) |
|--------------------------------|-------|-----------------------------|-----------------------------|
| EQUITY AND LIABILITIES | | | |
| SHAREHOLDER'S FUNDS | | | |
| Share Capital | 1 | 42938000 | 42938000 |
| Reserves and Surplus | 2 | (22591774) | (25113188) |
| | | <u>20346226</u> | <u>17824812</u> |
| NON CURRENT LIABILITIES | | | |
| Long Term Borrowings | 3 | 146847517 | 31781712 |
| Other Long Term Liabilities | 4 | 71109561 | 13434453 |
| Long Term Provisions | 5 | 7461006 | 6818720 |
| | | <u>225418084</u> | <u>52034885</u> |
| CURRENT LIABILITIES | | | |
| Short Term Borrowings | 6 | 56677935 | 41445462 |
| Trade Payables | 7 | 62161957 | 77216362 |
| Other Current Liabilities | 8 | 28910577 | 52702599 |
| Short Term Provision | 5 | 432583 | 595379 |
| | | <u>148183052</u> | <u>171959802</u> |
| TOTAL | | <u>393947362</u> | <u>241819499</u> |
| ASSETS | | | |
| NON CURRENT ASSETS | | | |
| Fixed Assets | | | |
| Tangible Assets | 9 | 34161443 | 37235689 |
| Capital work-in-progress | 9 | 153130521 | 10583759 |
| Non current Investments | 10 | 75000 | 75000 |
| Deffered Tax Assets(Net) | 11 | 21283044 | 21119108 |
| Long Term loans and Advances | 12 | 4310377 | 4157877 |
| CURRENT ASSETS | | | |
| Inventories | 13 | 29057088 | 35330485 |
| Trade Receivables | 14 | 122750099 | 119216642 |
| Other current Assets | 15 | 7482862 | 7479281 |
| Cash and Cash Equivalents | 16 | 9541996 | 757865 |
| Short Term Loans and Advances | 12 | 12154932 | 5863793 |
| TOTAL | | <u>393947362</u> | <u>241819499</u> |

Significant Accounting Policies : Notes on Financial Statements 1 to 35

See accompanying Notes forming an integral part of the Financial Statements
 In terms of our annexed report of even date

For B R R & ASSOCIATES
 Chartered Accountants
 FRN: 013012S

FOR AND ON BEHALF OF THE BOARD

(Ravinder Rao Bairneni)
 Partner
 Membership No.221298

Shiv Shankar Taparia
 Managing Director

Anil Kumar Gilra
 Director

Place : Cuttack
 Date : 30th May, 2014

Chava Suresh Babu
 Director

COSBOARD INDUSTRIES LIMITED
NEW INDUSTRIAL ESTATE, PHASE II, JAGATPUR: 754021, CUTTACK

STATEMENT OF PROFIT & LOSS FOR TWELVE MONTHS ENDED ON 31ST MARCH, 2014

| | 31st March, 2014 | | 31st March, 2013 |
|--|-------------------------|-----------|-------------------------|
| | Notes | (in Rs.) | (in Rs.) |
| INCOME | | | |
| Revenue from Operations | 17 | 342254127 | 223248148 |
| Other income | 18 | 600075 | 692120 |
| TOTAL REVENUE | | 342854202 | 223940268 |
| EXPENSES | | | |
| Cost of Materials consumed | 19 | 203739364 | 145361900 |
| Changes in Inventories of Finished goods | 20 | 10461724 | (10073869) |
| Employees Benefits Expenses | 21 | 16217690 | 15570142 |
| Finance Cost | 22 | 2721669 | 66376 |
| Depreciation & Amortisation Expenses | 9 | 3121764 | 3410059 |
| Other expenses | 23 | 104061256 | 68724540 |
| TOTAL EXPENSES | | 340323467 | 223059148 |
| | | | |
| PROFIT/(LOSS) BEFORE TAX | | 2530735 | 881120 |
| Tax Expense: | | | |
| Current Tax | | 0 | (167900) |
| Deferred Tax | | 163936 | (1094733) |
| NET PROFIT/(LOSS) AFTER TAX | | 2694671 | (381513) |
| Earnings per share (Rs.)Basic and Diluted (Face Value of Rs.10/-each) | | 0.63 | (0.09) |

Significant Accounting Policies

Notes on Financial statements **1 to 35**

See accompanying Notes forming an integral part of the Financial Statements

In terms of our annexed report of even date

For B R R & ASSOCIATES

Chartered Accountants

FRN: 013012S

FOR AND ON BEHALF OF THE BOARD

(Ravinder Rao Bairneni)

Partner

Membership No.221298

Shiv Shankar Taparia

Managing Director

Anil Kumar Gilra

Director

Place : Cuttack

Date : 30th May, 2014

Chava Suresh Babu

Director

COSBOARD INDUSTRIES LIMITED
NEW INDUSTRIAL ESTATE, PHASE II, JAGATPUR: 754021, CUTTACK
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

| A. | CASH FLOW FROM OPERATING ACTIVITIES | 2013-2014 | 2012-2013 |
|----|--|---------------|--------------|
| | | (In Rs.) | (In Rs.) |
| | Net Profit/(Loss) Before Tax | 2,530,735 | 881,120 |
| | Adjustment for : | | |
| | Depreciation | 3,121,764 | 3,410,059 |
| | Interest | 2,721,669 | 66,376 |
| | Interest income | (153,772) | (99,765) |
| | Sundry Balance Written back | -- | (287,977) |
| | DRI time share written off | -- | 27,000 |
| | Sundry Balance Written off | 156,838 | -- |
| | OPERATING PROFIT BEFORE INTEREST CHARGE | 8,377,234 | 3,996,813 |
| | Adjustment for : | | |
| | Trade & other Receivables | (9,980,677) | (32,952,250) |
| | Inventories | 6,273,397 | (2,326,142) |
| | Trade Payables & Other Liabilities | (54,113,962) | 25,017,111 |
| | CASH GENERATED FROM OPERATION | (49,444,008) | (6,264,468) |
| | Interest Paid | 2,095,116 | 66,376 |
| | Income Tax Paid | - | 92,690 |
| | NET CASH FROM OPERATING ACTIVITIES | (51,539,124) | (6,423,534) |
| B. | CASH FLOW FROM INVESTING ACTIVITIES | | |
| | Purchase of Fixed Assets | (142,767,812) | (9,414,057) |
| | Interest received | 150,191 | 95,008 |
| | NET CASH USED IN INVESTING ACTIVITIES | (142,617,621) | (9,319,049) |
| C | CASH FLOW FROM FINANCING ACTIVITIES | | |
| | Proceeds from other Borrowings | 228,861,690 | 17,399,415 |
| | Repayment of Long Term borrowings | (25,920,814) | (1,790,832) |
| | NET CASH USED IN FINANCING ACTIVITIES | 202,940,876 | 15,608,583 |
| | Net Increase/Decrease in cash equivalent (A+B+C) | 8,784,131 | (134,000) |
| | Cash & Cash Equivalent Opening Balance | 757,865 | 891,865 |
| | Cash & Cash Equivalent Closing Balance | 9,541,996 | 757,865 |

In terms of our annexed report of even date

For B R R & ASSOCIATES

Chartered Accountants

FRN: 013012S

FOR AND ON BEHALF OF THE BOARD

(Ravinder Rao Bairneni)

Partner

Membership No.221298

Shiv Shankar Taparia

Managing Director

Anil Kumar Gilra

Director

Place : Cuttack

Date : 30th May, 2014

Chava Suresh Babu

Director

COSBOARD INDUSTRIES LIMITED

SIGNIFICANT ACCOUNTING POLICIES

I. Basis of preparation of financial statements

The financial statements have been prepared in conformity with Generally Accepted Accounting Principles to comply in all material respects with the notified Accounting Standards ('AS') under Companies Accounting Standard Rules, 2006, (as amended), the relevant provisions of the Companies Act, 1956 ('the Act'). The Financial Statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

a) Change in Accounting Policy

Presentation and disclosure of financial statements

II. Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles in India (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities and commitments on the date of financial statements and the result of operations during the year. Differences between actual results and estimates are recognized in the year in which the results are known or materialized. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

III. Fixed Assets /Depreciation

Fixed assets are stated at cost or at revalued amounts less accumulated depreciation. Cost of fixed assets includes all incidental expenses and interest costs on borrowings, attributable to the acquisition of the assets, upto the date of commissioning of the assets. Depreciation for the year is computed on the straight line method, as per the rates prescribed in Schedule XIV to the Companies Act, 1956. Additional charge of depreciation on amount added on revaluation is adjusted against revaluation reserve.

Fixed assets are reviewed for impairment on each Balance Sheet date, in accordance with AS 28 "Impairment of Assets".

IV. Revenue Recognition

Revenue from sale of products is recognized when the products are dispatched against orders from customers.

Sales are stated inclusive of excise duty but net of VAT, CST and Entry Tax.

V. Investments

Investments held by the Company which are long term in nature are stated at cost.

VI. Inventories

Items of inventories are measured at lower of cost and net realizable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to the respective present location and condition. Cost of raw material, stores and spares, packing materials and coal have been valued at cost comprising of purchase price, taxes, duties (other than those which are subsequently recoverable by the Company).

COSBOARD INDUSTRIES LIMITED

VII Foreign Currency transaction

Transaction in Foreign Currency are recorded at exchange rate prevailing on the date of transaction,

VIII Retirement Benefits and Employee Benefits Scheme

The Company has various schemes of retirement benefit such as Provident Fund, Gratuity and Leave encashment benefit.

Further, provision for Gratuity and Leave encashment has been provided in the Books of Account as below:

i) Leave Encashment

The Employees will get one day earned leave after working of 20 days.

ii) Gratuity

The Employees will get gratuity after completion of 5 years and the basis of calculation is 15 days salary out of 26 working days of each completed year of service of last salary drawn.

IX Taxation

a) Current Taxes:

Provision for current taxes is determined on the basis of taxable income and tax credits as per provision of the Income Tax Act, 1961.

b) Deferred Taxes

Provision for deferred tax is made at the current rates of taxation, on all timing differences to the extent that it is probable that a liability or asset will crystallize.

X Borrowing Cost

Borrowing Cost directly attributable to the acquisition or construction of Fixed Assets are capitalized as part of the cost of the Assets upto the date the asset is put to use. Other borrowing costs are charged to revenue in the year in which it is incurred.

XI Contingent Liabilities

All liabilities have been provided for in the accounts except liabilities of contingent nature, which has been disclosed in the notes on Financial Statements.

NOTES ON FINANCIAL STATEMENTS AS ON 31ST MARCH, 2014

| | 31st March 14 | | 31st March 13 | |
|---|----------------------|------------|----------------------|------------|
| | (in Rs.) | | (in Rs.) | |
| 1 : SHARE CAPITAL | | | | |
| Authorised | | | | |
| 5000000 Equity Shares of Rs. 10/- each | 50000000 | | 50000000 | |
| Issued, Subscribed and Paid up capital 4293800 (4293800) Equity Shares of Rs.10/- each fully paid | 42938000 | | 42938000 | |
| a) Reconciliation of the number of shares outstanding at the beginning and at the end of the year | | | | |
| | 31st March 14 | | 31st March, 13 | |
| | No. of Shares | (in Rs.) | No. of Shares | (in Rs.) |
| At the beginning of the year | 4293800 | 42938000 | 4293800 | 42938000 |
| Add: Issued during the year | -- | -- | -- | -- |
| Outstanding at the end of the year | 4293800 | 42938000 | 4293800 | 42938000 |
| b) Details of Shareholders holding more than 5% equity shares in the company. | | | | |
| | 31st March 14 | | 31st March, 13 | |
| Equity Shares of Rs. 10/- each | No. of Equity shares | % holding | No. of Equity shares | % holding |
| Ratan Kumar Gilra | 824930 | 19.21 | 824930 | 19.21 |
| c) Terms/rights attached to equity shares. | | | | |
| <p>The Company has issued Equity shares having a face value of Rs. 10/- . Each holder of Equity Shares is entitled to one Vote per share. The Dividend proposed by the Board of Directores, if any, is subject to the approval of shareholders in Annual General Meeting. In the event of liquidation of the company the holder of the Equity shares will be entitled to receive remaining assets of the company after settlement of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the equity shareholders.</p> | | | | |
| | 31st March 14 | | 31st March, 13 | |
| 2 : RESERVES AND SURPLUS | | (in Rs.) | | (in Rs.) |
| a) State Investment Subsidy | | 3539602 | | 3539602 |
| b) Share Premium | | 11942800 | | 11942800 |
| c) Revaluation Reserve: | | | | |
| Opening Balance | 1145149 | | 1318680 | |
| Less: Withdrawn | <u>173531</u> | 971618 | <u>173531</u> | 1145149 |
| d) Deficit in statement of Profit & Loss : | | | | |
| As per last Balance Sheet | | (41740739) | | (41443705) |
| Less: Profit/(Loss) transferred from Statement of Profit & Loss | | 2694671 | | (381513) |
| Add: Past year adjustment | | 274 | | 84479 |
| Closing Balance | | (39045794) | | (41740739) |
| Total | | (22591774) | | (25113188) |

COSBOARD INDUSTRIES LIMITED

| 3 : LONG TERM BORROWINGS | Long Term | | Short term | |
|--|---------------|----------------|---------------|----------------|
| | 31st March 14 | 31st March. 13 | 31st March 14 | 31st March. 13 |
| | (in Rs.) | (in Rs.) | (in Rs.) | (in Rs.) |
| a) Term Loan | | | | |
| i Secured - from IPICOL | -- | -- | 0 | 24050000 |
| ii Secured - from The Cosmos Co-op. Bank Ltd. Hyderabad. | 66546002 | -- | -- | -- |
| b) Unsecured- from Companies & Directors | 80301515 | 31781712 | -- | -- |
| Total | 146847517 | 31781712 | -- | 24050000 |

Note:

1. Secured by mortgage of Land & Building, Plant & Machinery both present and future for Term Loan..
2. There is no default in terms of repayment.

4 OTHER LONG TERM BORROWINGS

| | Long Term | | Short term | |
|----------------------------------|---------------|----------------|---------------|----------------|
| | 31st March 14 | 31st March. 13 | 31st March 14 | 31st March. 13 |
| UNSECURED (INTEREST FREE) | (in Rs.) | (in Rs.) | (in Rs.) | (in Rs.) |
| Deferred Sales Tax | 0 | 1217097 | 1215678 | 1300000 |
| Other payables | 71109561 | 12217356 | 0 | 0 |
| TOTAL | 71109561 | 13434453 | 1215678 | 1300000 |

| 5 : PROVISIONS | Long Term | | Short term | |
|-----------------------|---------------|----------------|---------------|----------------|
| | 31st March 14 | 31st March. 13 | 31st March 14 | 31st March. 13 |
| | (in Rs.) | (in Rs.) | (in Rs.) | (in Rs.) |
| Incometax | -- | -- | 0 | 167900 |
| Gratuity | 7461006 | 6818720 | -- | -- |
| Earned Leave | -- | -- | 432583 | 427479 |
| TOTAL | 7461006 | 6818720 | 432583 | 595379 |

| 6 : SHORT TERM BORROWINGS | 31st March 14 | | 31st March. 13 | |
|--|---------------|----------|----------------|----------|
| | (in Rs.) | | (in Rs.) | |
| Secured | | | | |
| Cash Credit - From Cosmos Co-op. Bank Limited. | | 56177935 | | 0 |
| Loan repayable on demand | | | | |
| Advance from parties | | 500000 | | 41445462 |
| | | 56677935 | | 41445462 |

NOTE:

1. Secured by hypothecation of Raw material (Waste Paper), Colour, Chemical & Consumables Stores & Spares and Reevables for Cash Credit.

| 7 : TRADE PAYABLES | 31st March 14 | | 31st March,13 | |
|---------------------------|---------------|----------|---------------|----------|
| | (in Rs.) | | (in Rs.) | |
| Unsecured | | | | |
| Trade Payable | | 62161957 | | 77216362 |

COSBOARD INDUSTRIES LIMITED

| | 31st March 14 | 31st March,13 |
|--|----------------------|----------------------|
| 8 : OTHER CURRENT LIABILITIES | (in Rs.) | (in Rs.) |
| A) Current Maturities of Long Term Debts (Refer Note No. 4) | 1215678 | 25350000 |
| B) Liability for expenses | 20439343 | 19768201 |
| C) Sundry Debtors Credit Balance | 4755556 | 684398 |
| D) Security Deposit from Dealers | 2500000 | 6900000 |
| Grand Total | 28910577 | 52702599 |

COSBOARD INDUSTRIES LIMITED

| 9 : FIXED ASSETS | | GROSS BLOCK | | | | DEPRECIATION | | | NET BLOCK | |
|-----------------------------|--|-------------------|--------------------------------|---------------------------------|-------------------|-------------------|------------------------------|---------------------------------|-------------------|-------------------|
| | | As on 01.04.13 | Addition During the year | Sale/Trf. during the year | As on 31.03.14 | As on 01.04.13 | Adj. dur- ing the year | Dep. dur- ing the year | As on 31.03.14 | As on 31.03.13 |
| A. TANGIBLE ASSETS | | | | | | | | | | |
| Land & Site Dev. | 6843129 | 0 | 0 | 6843129 | 0 | 0 | 0 | 6843129 | 6843129 | |
| Building | 41696298 | 0 | 0 | 41696298 | 21203777 | 0 | 1318187 | 19174334 | 20492521 | |
| Plant & Machinery | 147451907 | 0 | 0 | 147451907 | 138330379 | 0 | 1860918 | 7260610 | 9121528 | |
| Vehicle | 795573 | 0 | 0 | 795573 | 678870 | 0 | 32567 | 84137 | 116704 | |
| Furniture & Fixture | 585521 | 0 | 0 | 585521 | 585521 | 0 | 0 | 0 | 0 | |
| Office Equipments | 1799591 | 221050 | 0 | 2020641 | 1159500 | 0 | 81017 | 780124 | 640091 | |
| Fixed Assets (Cal.) | 90189 | 0 | 0 | 90189 | 68473 | 0 | 2606 | 19110 | 21716 | |
| DRI Time Share | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| TOTAL (A) | 199262208 | 221050 | 0 | 199483258 | 162026519 | 0 | 3295296 | 34161443 | 37235689 | |
| B. INTANGIBLE ASSETS | | | | | | | | | | |
| TOTAL (B) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| TOTAL (A + B) | 199262208 | 221050 | 0 | 199483258 | 162026519 | 0 | 3295296 | 34161443 | 37235689 | |
| Previous year figure | 199289208 | 0 | 27000.00 | 199262208 | 158442929 | 0 | 3583590 | 37235689 | 40846279 | |
| C. Work in Progress | 10583759 | 142546762 | 0 | 153130521 | 0 | 0 | 0 | 153130521 | 10583759 | |
| NOTE: | i. Cost Includes Rs.18505895.26 being increase in Assets due to revaluation carried on Dt.31.03.93. ii. Depreciation includes of Rs.173531.03 for the year on increased value of Assets due to revaluation. | | | | | | | | | |

COSBOARD INDUSTRIES LIMITED

| 10 : NON CURRENT INVESTMENTS | 31st March 14 | 31st March,13 |
|--|----------------------|----------------------|
| | (in Rs.) | (in Rs.) |
| National Saving Certificate (Pledged with Government) | 75000 | 75000 |
| Total | 75000 | 75000 |

11 : DEFERRED TAX ASSETS (NET)

The Company has recognized deferred tax arising on account of timing differences, being the difference between the taxable income and accounting income, that originates in one period and is capable of reversal in one or more subsequent period(s) in compliance with Accounting Standard (AS 22) - Accounting for Taxes on income.

The major components of deferred tax (liabilities/assets) arising on account of timing differences as on 30th June, 2013 are as follows:

| | 31st March 14 | 31st March,13 |
|---|----------------------|----------------------|
| | (in Rs.) | (in Rs.) |
| Deferred Tax Liability: | | |
| Depreciation | 3253002 | 3416938 |
| Deferred Tax Assets: | | |
| Carried forward Depreciation | 24536046 | 24536046 |
| Deferred Tax Assets (Net) | 21283044 | 21119108 |
| Less: Opening Balance as on 01.04.13 | 21119108 | 22213841 |
| Balance charged to Profit & Loss Statement | 163936 | (1094733) |

| 12 : LOANS AND ADVANCES | Long Term | | Short Term | |
|---|----------------------|----------------------|----------------------|-----------------------|
| | 31st March 14 | 31st March,13 | 31st March 14 | 31st March. 13 |
| | (in Rs.) | (in Rs.) | (in Rs.) | (in Rs.) |
| A) Unsecured & Secured goods | | | | |
| a) Capital Advances | -- | -- | 9614490 | 3402734 |
| b) Sundry Deposits | 4310377 | 4157877 | -- | -- |
| c) Balance with Income Tax | -- | -- | 99910 | 8260 |
| d) Sundry Creditor Debit Balance | -- | -- | 1102871 | 565107 |
| B) Loans & Advances to related parties | -- | -- | -- | -- |
| C) Other Loans & Advances | | | | |
| a) Advance against expenses | -- | -- | 377133 | 1441815 |
| b) Balance with Excise & Service Tax | -- | -- | 554256 | 164825 |
| c) Advances to employees | -- | -- | 42700 | 42700 |
| d) Prepaid expenses | -- | -- | 363572 | 238352 |
| Total | 4310377 | 4157877 | 12154932 | 5863793 |

COSBOARD INDUSTRIES LIMITED

| | 31st March 14 | 31st March. 13 |
|---|-----------------|-----------------|
| 13 : INVENTORIES | (in Rs.) | (in Rs.) |
| Finished Goods | 12069305 | 22531029 |
| Raw Materials | 10853311 | 9013330 |
| Stores & Spares | 3346979 | 1977892 |
| Chemical & Dyes | 1279668 | 1421514 |
| Packing | 282825 | 146720 |
| Coal | 1225000 | 240000 |
| Total | 29057088 | 35330485 |
| Note: At lower of cost and net realizable value | | |

| 14 : TRADE RECEIVABLES | 31st March 14 | 31st March,13 |
|--|---------------|---------------|
| | (in Rs.) | (in Rs.) |
| Unsecured | | |
| a) Overdue for more than six months Considered good | 13987835 | 52573165 |
| b) Less than Six months Considered good | 108762264 | 66643477 |
| | 122750099 | 119216642 |

| 15 : OTHER CURRENT ASSETS | 31st March 14 | 31st March. 13 |
|----------------------------------|---------------|----------------|
| | (in Rs.) | (in Rs.) |
| Other Current Assets | 7482862 | 7479281 |
| | 7482862 | 7479281 |

15.1 Note: Other Current Assets includes Claim receivable of Fire Claim of Rs. 74.28 lacs against loss cost due to fire that occurred on 28.08.2004 and the same was decreed in favour of the company by Orissa State Consumer Forum. But the insurer I. e. The New India Assurance Company Ltd. have preferred an appeal to National Consumer Forum and the same is pending till date.

| 16: CASH & CASH EQUIVALENTS | 31st March 14 | 31st March. 13 |
|--|----------------|----------------|
| | (in Rs.) | (in Rs.) |
| A. Cash and Bank Balance: | | |
| a) Cash on hand | 627811 | 300837 |
| b) Balances with Banks: On Current Accounts | 3464185 | 457028 |
| B. Other Bank balances | -- | -- |
| C. Fixed Deposit with Banks | 5450000 | -- |
| Total | 9541996 | 757865 |

COSBOARD INDUSTRIES LIMITED

| 17 : REVENUE FROM OPERATIONS | | 31st March 14 | 31st March. 13 |
|-------------------------------------|--|----------------------|-----------------------|
| | | (in Rs.) | (in Rs.) |
| Sale of products | | 350166268 | 228901995 |
| Less: Excise Duty | | 7912141 | 5653847 |
| | | 342254127 | 223248148 |

| 18 : OTHER INCOME | | 31st March 14 | 31st March. 13 |
|--------------------------|--|----------------------|-----------------------|
| | | (in Rs.) | (in Rs.) |
| Interest | | 153772 | 99765 |
| Rent | | 300000 | 300000 |
| Liabilities written back | | 65995 | 287977 |
| Miscellaneous | | 9363 | 4378 |
| Insurance | | 70945 | |
| Total | | 600075 | 692120 |

| 19 : COST OF MATERIALS CONSUMED | | 31st March 14 | 31st March. 13 |
|--|--|----------------------|-----------------------|
| | | (in Rs.) | (in Rs.) |
| Raw materials consumed | | | |
| Opening Stock | | 10434844 | 18160828 |
| Add:Purchases | | 205437498 | 137635916 |
| | | 215872342 | 155796744 |
| Less: Closing Stock | | 12132978 | 10434844 |
| | | 203739364 | 145361900 |
| Details of materials consumed | | | |
| Waste Paper | | 194391272 | 138236960 |
| Dyes & Chemicals | | 9348092 | 7124940 |
| | | 203739364 | 145361900 |

| 20 : CHANGES IN INVENTORIES OF FINISHED GOODS | | 31st March 14 | 31st March. 13 |
|--|--|----------------------|-----------------------|
| | | (in Rs.) | (in Rs.) |
| Finished stock at the beginning of the year | | 22531029 | 12457160 |
| Finished stock at the end of the year | | 12069305 | 22531029 |
| Changes in inventories of finished goods | | 10461724 | -10073869 |

COSBOARD INDUSTRIES LIMITED

| 21 : EMPLOYEE BENEFITS EXPENSES | | 31st March 14 | 31st March,13 | |
|---|---------|----------------------|-----------------------|-------|
| | | (in Rs.) | (in Rs.) | |
| Wages & Salary | | 14355114 | 14053552 | |
| Contribution to Provident Fund , ESIC & LIC | | 1759820 | 1427895 | |
| Staff Welfare Expenses | | 102756 | 88695 | |
| | | 16217690 | 15570142 | |
| 22 : FINANCE COST | | 31st March 14 | 31st March,13 | |
| Interest Expenses : | | | | |
| Borrowing | 2851679 | | 0 | |
| Others | 425474 | 3277153 | 66376 | |
| Less: Finance cost capitalised | | 555484 | 0 | 66376 |
| | | 2721669 | | 66376 |
| 23 | | 31st March 14 | 31st March. 13 | |
| Manufacturing Expenses | | (in Rs.) | (in Rs.) | |
| Power and Fuel | | 83345812 | 53201966 | |
| Repairs & Maintenance : | | | | |
| Plant & Machinery | | 7886359 | 8437807 | |
| Building | | -- | -- | |
| Others | | 70620 | 59400 | |
| Packing Expenses | | 2959868 | 2352109 | |
| Total A | | 94262659 | 64051282 | |
| Administrative, Selling and Other Expenses | | | | |
| Rate, Taxes & Fees | | 1140747 | 452020 | |
| Travelling & Conveyance | | 432667 | 598598 | |
| Postage, Telegram & Telephone | | 125664 | 84538 | |
| Newspaper & Periodicals | | 1144 | -- | |
| Printing & Stationery | | 75744 | 55520 | |
| Vehicle Maintenance | | 10343 | 18346 | |
| Directors Remuneration | | 300000 | 300000 | |
| Legal & Professional fees | | 102856 | 173857 | |
| Advertisement | | 33600 | 89400 | |
| General Expenses | | 92123 | 61186 | |
| Club Expenses | | 18737 | 40530 | |
| Bank charges | | 1268669 | 46504 | |
| DRI Time share W/Off | | 0 | 27000 | |
| Penalties | | 0 | 2500 | |
| Auditors' Remuneration | | 40000 | 40000 | |
| Insurance | | 0 | 55541 | |
| Security Watch & Ward | | 1107364 | 705129 | |
| Hire charges | | 345000 | 320000 | |
| Bad debts & Sundry Balance written off | | 156838 | -- | |
| Commission | | 223013 | 168835 | |
| Discount | | 346014 | 167059 | |
| Freight & Transportation charges | | 3978074 | 1266695 | |
| Total B | | 9798597 | 4673258 | |
| Total A + B | | 104061256 | 68724540 | |

COSBOARD INDUSTRIES LIMITED

| 24 Directors' Remuneration | | 31st March,14 | 31st March,13 |
|-----------------------------------|--|----------------------|----------------------|
| | | (in Rs.) | (in Rs.) |
| a. Salary | | 2.40 | 2.40 |
| b. Provident Fund | | 0.29 | 0.24 |
| c. Allowances | | <u>0.60</u> | <u>0.60</u> |
| | | <u>3.29</u> | <u>3.24</u> |

| 25 Cenvat Credit | |
|-------------------------|---|
| | CENVAT credit on purchase of Chemical, Consumables & Capital goods availed by the Company has been adjusted against the purchase price of the respective items. |

| 26 Contingent Liabilities | | 31st March,14 | 31st March,13 |
|---|--|----------------------|----------------------|
| | | (Rs.in lacs) | (Rs.in lacs) |
| i. Excise Duty (The Case is pending before Hon'ble High Court of Orissa.) | | 38.93 | 38.93 |
| ii. C E S C O (The Case is pending before National Consumer Forum, New Delhi) | | 190.37 | 190.37 |
| iii. C E S C O (The Case is pending before Hon'ble High Court of Orissa) | | 22.70 | 22.70 |
| iv. C E S C O-Electricity Duty (Electricity duty is not payable as per BIFR Sanctioned Scheme and the case is pending before the Hon'ble High Court of Orissa) | | 78.74 | 45.76 |

COSBOARD INDUSTRIES LIMITED

| 27 | | 31st March,14 | 31st March,13 |
|-----------------|--|----------------------|----------------------|
| | | (in Rs.) | (in Rs.) |
| Statutory Audit | | 32000 | 32000 |
| Tax Audit | | 8000 | 8000 |
| Other Services | | 28000 | 29000 |
| Service Tax | | 8406 | 8036 |
| | | 76406 | 77036 |

| 28 | |
|-----------------------------|---|
| | Based on and to the extent of information obtained from suppliers regarding their status as Micro, Small or medium enterprises under the Micro, Small and Medium Enterprises Development Act, 2006, there are amounts due to them to the extent identified as at the end of the year but no provision of interest has been made in Books of Accounts. |
| M/s. Kay Bee Salts (P) Ltd. | : Rs. 1.53 lakhs |

| 29 | |
|-----------|---|
| | Wages & Salaries includes provision for Gratuity of Rs.840626.00 as on 31.03.14 and Earned Leave of Rs.202607.00. The provision has been made in the Statement of Profit and Loss in Note 21. |

| 30 | |
|-----------|--|
| | The Company is manufacturing various products, which are similar in nature of paper and Paper Board. All the products are manufactured after recycle of paper. Therefore, according to management this is a single segment company as envisaged in the Accounting Standard 17 (AS17) on Segment Reporting issued by the Institute of Chartered Accountants of India (ICAI). As such, the segment reporting are not applicable. |

| 31 | |
|-----------|--|
| | The Company has not made Provision for Current Tax under MAT as the carry forward Loss/ depreciation as per Income Tax Act is more than Book Profit. |

COSBOARD INDUSTRIES LIMITED

| 32 | |
|-----------|--|
| | A) Deferred Tax has been accounted in accordance with the requirements of standard on “Taxes on Income” (AS 22). |
| | B) The major components of the Deferred Tax Assets/Liabilities, based on tax effect of the timing differences, as at 31 st March 2014 are as under: |
| | Deferred Tax Liability: |
| | Depreciation 3253002 |
| | Deferred Tax Assets : |
| | Carried forward Depreciation 24536046 |
| | Deferred Tax Asset (Net) 21283044 |
| | Less: Opening Balance as on 01.04.13: 21119108 |
| | Balance charged to Profit & Loss 163936 |

| 33 | |
|-----------|--|
| A | Name of the related parties and relationship |
| i | Enterprises over which Key Management Personnel exercise significant interest: <ul style="list-style-type: none"> i) Yash Commercial Corporation ii) Yash Transport Corporation iii) Harishankar Paper Products Pvt. Ltd. iv) Abhishek Enterprises v) Tirupati Kagads Pvt. Ltd. |
| ii | Key Managerial Personnel <ul style="list-style-type: none"> i) Shiv Shankar Taparia Managing Director ii) Anil Kumar Gilra Whole time Director |

COSBOARD INDUSTRIES LIMITED

| B Transactions with related parties referred to in- (A) | | | | |
|--|---|-----------------------------|---|--|
| Name of the related party | Nature of transaction | Opening Bal. as on 01.04.13 | Transaction during the yr. (Rs.in lacs) | Closing Bal. as on 31.03.14 (Rs.in lacs) |
| Yash Transport Corpn.Cuttack | | Cr. 1.96 | | |
| | freight payment | | 0 1.96 | NIL |
| Yash Commercial Corpn. Cuttack | Security Deposit | Cr. 48.65 | 48.65 | NIL |
| | Unsecured Loan | 0 | 50.00 | Cr. 50.00 |
| | Sale of goods | | 59.58 | |
| | Purchase of Waste Paper | Cr. 66.33 | -- | |
| | Payment/Adj. | 0 | 168.46 | Cr. 4.75 |
| Harishankar Paper Products (P) Ltd. Hyderabad | Unsecured Loan | Cr. 227.02 | 50 | Cr. 277.02 |
| | Sale of goods | 0 | 105.44 | |
| | Purchase of waste paper | Cr. 263.65 | 0 | |
| | Amt.reced during the year including advance | 282.31 | 436.81 | Cr. 3.71 |
| Abhishek Enterprises, Hyderabad | Sale of goods | Dr. 0.34 | 12.27 | |
| | Amt.reced during the year including advance | | 20.66 | Cr. 8.05 |
| Tiirupati Kagads Pvt. Ltd. | Unsecured Loan | --- | 290.00 | Cr. 290.00 |
| | Sale of goods | --- | 9.45 | |
| | Amt.reced during the year including advance | Cr. 95.79 | 203.30 | Dr. 0.36 |
| Sri. Ratan Kumar Gilra | Unsecured Loan | Cr. 22.13 | -- | Cr. 22.13 |
| | Traveling expns. | Cr. 1.18 | -- | |
| | Payment | | 1.18 | Nil |
| Sri. Anil Kumar Gilra | Unsecured Loan | Cr. 62.25 | 1.62 | Cr. 63.87 |
| | Salary Perquisites | Cr. 1.02 | 3.29 | |
| | Payment | | 3.10 | Cr. 1.21 |
| | Hire Charges | Cr. 1.13 | 3.45 | |
| | Payment | | 4.22 | Cr. 0.36 |

COSBOARD INDUSTRIES LIMITED

34

Pursuant to compliance of AS 20 on earning per share, the relevant information is provided here below:

| | <u>2013-14</u> | <u>2012-13</u> |
|---------------------------------------|----------------|----------------|
| | In Rs. | In Rs. |
| 1. Profit/Loss for the year after tax | 2694671 | 381513 |
| 2. No. of Equity shares | 4293800 | 4293800 |
| Earnings per share (1 / 2) | 0.63 | -0.09 |

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Previous year figures have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure.

For B R R & ASSOCIATES

Chartered Accountants

FRN: 013012S

(Ravinder Rao Bairneni)

Partner

Membership No.221298

Place : Cuttack

Date : 30th May, 2014

FOR AND ON BEHALF OF THE BOARD

Shiv Shankar Taparia

Managing Director

Chava Suresh Babu

D i r e c t o r

Anil Kumar Gilra

D i r e c t o r