

CORAL INDIA FINANCE AND HOUSING LIMITED



Annual Report 2009 2010





BOARD OF DIRECTORS : Mr. Navinchandra B. Doshi - Chairman & Managing Director
Mr. Sachin N. Doshi - Director
Dr. Sharad Mehta - Director
Ms. Ami M. Shah - Director

BANKERS : HDFC Bank Ltd.;
Express Tower Branch,
Nariman Point,
Mumbai - 400 021

State Bank of India,
Nariman Point Branch.
Mumbai - 400 021

REGISTERED OFFICE : Dalamal House, 4th Floor,
Jamnalal Bajaj Marg,
Nariman Point,
MUMBAI- 400 021

Registrar and Transfer Agent : Link Intime India Pvt. Ltd.
(Unit – Coral India Finance and Housing Ltd.)
C-13, Pannalal Silk Mill Compound,
L.B.S. Marg, Bhandup (West)
MUMBAI- 400 078.



NOTICE

NOTICE is hereby given that the Sixteenth Annual General Meeting of the Company will be held on Monday , the 27th September, 2010 at 3.30 p.m. at the registered office of the Company at Dalamal House, 4th Floor, J.B. Marg, Nariman Point, Mumbai - 400 021 to transact the following business:

ORDINARY BUSINESS.

1. To receive and adopt the Auditors' Report, Directors' Report and Audited Profit and Loss Account for the period ended March 31, 2010.
2. To appoint Mr. Navin Doshi, Director of the company, who retires by rotation and being eligible offers himself for appointment.

SPECIAL BUSINESS

3. **Appointment of Mr. Sachin Doshi as Director of the company**

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

"RESOLVED THAT Mr. Sachin Doshi who vacates office as an additional director on the date of this Annual General Meeting and who is eligible for appointment be and is hereby appointed as a Director of the Company."

4. **Appointment of M/s. V. N. Mehta & Associates as the Statutory Auditors of the company**

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

"RESOLVED THAT subject to the provisions of Section 224 (5) and other applicable provisions, if any, of the Companies Act, 1956, **M/s. V. N. Mehta & Associates**, Chartered Accountants, having their office at A-201, Gopal Bhuvan CHS, Above Pallavi Restaurant, Junction of M. V. Road & Azad Road, Andheri-East, Mumbai- 400 069 be and are hereby appointed as the Auditors of the Company to hold office from the conclusion of ensuing Annual General Meeting to the conclusion of the next Annual General Meeting of the Company at a remuneration as may be decided by the Board with the mutual consent of the auditors.

5. **Delisting from Stock Exchanges.**

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

"RESOLVED THAT subject to the provisions of the Companies Act, 1956, Securities Contracts (Regulation) Act, 1956 and rules made there under, the Listing Agreements, Securities Exchange Board of India (Delisting of Securities) Guidelines, 2009 and all other applicable laws, rules, regulations and guidelines and subject to such approvals, permissions and sanctions, as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the authorities while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors, the consent of the Company be and is hereby accorded to the Board of Directors to delist equity shares of the Company from the National Stock Exchange, Ahmedabad Stock Exchange, Calcutta Stock Exchange & Madras Stock Exchange."

REGISTERED OFFICE :

Dalamal House, 4th Floor,
Jamnalal Bajaj Marg, Nariman Point,
Mumbai - 400 021.

By Order of the Board

NAVINCHANDRA B. DOSHI
Chairman

Place : Mumbai
Date : 13th August, 2010



NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL ONLY TO VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY (ENCLOSED) IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING, DULY COMPLETED.
2. The Register of Members and Share Transfer Books of the Company shall remain closed from 18th September 2010 to 27th September 2010 (both days inclusive).
3. The explanatory statement pursuant to section 173 of the Companies Act, 1956 is annexed to this notice.
4. Members/Proxies should bring attendance slip sent herewith, duly filled in, for attending the meeting. The members are informed that in case of joint holders attending the meeting, only such joint holder who's name is higher in the order of names, will be entitled to vote.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2)
OF THE COMPANIES ACT, 1956**

Item No. 3 : Appointment of Director

Pursuant to section 260 and other applicable provisions of the Companies Act, 1956 Mr. Sachin Doshi was appointed as an additional director of the Company on 29.10.2009 whose term of office is expiring on the ensuing AGM.

Since he is willing and eligible for the reappointment as the director of the Company the above resolution is put forward for your approval.

Except Sachin Doshi himself, no other Directors are interested in the above resolution.

Item No. 4 : Appointment of Auditors M/s. V. N. Mehta & Associates, Chartered Accountants in place of M/s. Sutaria and Associates Chartered Accountants

The present Auditors of the Company M/s. Sutaria and Associates Chartered Accountants has shown their unwillingness to work as an auditor of the company for financial year 2010-2011. Hence pursuant to section 224(5) M/s. V. N. Mehta & Associates, Chartered Accountants be appointed as the statutory auditors of the company from the conclusion of this annual general meeting until the conclusion of the next annual general meeting. He has also shown his willingness and eligibility to be the Auditor of the Company with the remuneration which will be mutually decided by the Auditors and the Board of Directors of the Company.

Item No. 5. Delisting of Equity Share from Stock Exchanges.

The equity shares of the Company are listed traded on the Stock Exchange, Bombay Stock Exchange , National Stock Exchange, Ahmedabad Stock Exchange, Madras Stock Exchange & Calcutta Stock Exchange Association Limited . It is also among the scrips specified by Securities Exchange Board of India (SEBI) for compulsory settlement in dematerialized form. The annual trading of the equity shares of the Company on has been negligible besides being infrequent. With the wide and extensive networking of BSE, the extension of BSE terminals to other cities and on-line trading facility provided by broking companies, investors are able to trade in the equity shares of the Company across the country, even if these are not listed on the local stock exchanges. The Securities Exchange Board of India (Delisting of Securities) Guidelines, 2009 allow companies to seek voluntary delisting of their securities from all the Stock Exchanges after giving an exit opportunity to the shareholders. However, when voluntary delisting is sought only from some of the exchanges, no exit opportunity is required to be given to the shareholders, so long as the securities continue to be listed on a stock exchange having nationwide trading terminals. However, the approval of the Board of Directors and the Members of the Company is required for delisting of equity shares from any stock exchange. In view of the above, the Board of Directors of the Company has approved the proposal for delisting of equity shares of the Company from National Stock Exchange, Ahmedabad Stock Exchange, Madras Stock Exchange & Calcutta Stock Exchange Association Limited subject to the approval of Members and other approvals as may be required.

The proposed delisting, if and when it takes place, will not adversely affect any investors, including the Members located in the region where National Stock Exchange, Ahmedabad Stock Exchange, Madras Stock Exchange & Calcutta Stock Exchange Association Limited is situated, as the Company's equity shares would continue to be listed and traded on BSE. Hence, no exit opportunity is required to be given as per Delisting Guidelines issued by SEBI. The delisting will take effect after all approvals, permissions and sanctions are received. The exact date on and from which the delisting will take effect will be notified.

The proposed delisting is in the interest of the Company and the Board of Directors recommend the Resolution for acceptance by the Members.

No director is in any way concerned or interested in the Resolution at item No. 5 of the Notice.



DIRECTORS' REPORT :

Dear Members,

Your directors are pleased to present their Sixteenth Annual Report and Audited Statement of Accounts for the year ended 31st March, 2010.

1. FINANCIAL PERFORMANCE

	Rupees in Lacs	
	2009-10	2008-09
Income	431.29	245.64
Expenditure	130.30	110.99
Earning before Tax	300.99	134.65
Provision for Tax	5.00	13.00
Provision for Deferred Tax	(2.12)	2.39
Provision for Fringe Benefit Tax	—	1.50
Earnings after Tax	253.12	117.76
Add: Income Tax Adjustments of earlier years	—	—
Balance Brought forward	1364.29	1246.52
Balance carried forward to Balance Sheet	1617.41	1364.29

2. MANAGEMENT DISCUSSION AND ANALYSIS

- (a) **Industry Structure and Development:** With overall economic scenario looking positive, the company is trying to maximize its performance for earning a better value for its shareholders.
- (b) **Segment-wise operational performance:** Your Company has three segments viz. Finance, Naturopathy and Construction. During the year under review, income from the fund & naturopathy activities is Rs. 12,850,075/- compared to Rs. 16,557,363/- in the previous year and Construction activity Rs. 28,707,992/- compared to Rs. 6,298,591/- in the previous year.
- (c) **Outlook:** The macro and micro economic over view seems positive.
- (d) **Opportunities and Threats :** The slowdown in global economy could have an impact in the Indian market.
- (e) **Internal control systems and their adequacy:** The internal audit department reviews key business process and controls. The business risk and its control procedures are reviewed periodically.
- (f) **Human Resources:** Human Resource is the most valuable asset of the company. With a rapid changing in the environment, the management put the whole efforts for the betterment of the employees to face the challenges with the training and development at frequent intervals.

3. DIVIDEND

In view to strengthen the equity base, your Directors' did not propose any Dividend.

4. DIRECTORS

In accordance with provisions of the Companies Act 1956 and the Company's Articles of the Association, Mr. Navin Doshi who retire by rotation and being eligible offers himself for re-appointment.



5. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2A) of the Companies (Amendment) Act, 2000 the Directors confirm that:

- a) in the preparation of the annual accounts, applicable accounting standards have been followed.
- b) In the estimates are made so as to give true and fair view of the statement of affairs of the Company at the end of the financial year.
- c) That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) That the Directors had prepared the annual accounts on a going concern basis.

6. PARTICULARS OF EMPLOYEES

Information as per section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended is NIL.

7. FIXED DEPOSITS

Your Company has not accepted any deposits from the Public during the year under review.

8. AUDITORS

The existing Auditors M/s. Sutaria Associates, Chartered Accountants, have expressed their unwillingness to continue as the Statutory Auditors of the company for the year 2010-2011.

M/s. V N Mehta & Associates, Chartered Accountants, who have furnished to the Company the required certificate under Section 224(1 B) of the Companies Act, 1956 and therefore eligible for appointment as Auditors of the Company from the conclusion of the ensuing Annual General Meeting upto the conclusion of next Annual General Meeting.

9. APPRECIATION

Your Director wish to place a record for their sincere appreciation and thanks for the excellent co-operation and support received from the companies Bankers, Business Associates, Suppliers, Consultant, Customers, Contractors and Shareholders at large, and look forward the same in a greater level in the ensuing years.

10. CORPORATE GOVERNANCE

The report on Corporate Governance and the Auditors' certificate on compliance with the conditions of corporate governance under Clause 49 of the Listing Agreement is annexed to this report.

For and on behalf of the board of Directors

NAVINCHANDRA B. DOSHI
CHAIRMAN

Place : Mumbai
Date : 13th August, 2010



REPORT ON CORPORATE GOVERNANCE

A. MANDATORY REQUIREMENTS

1. Company's Philosophy on code of Governance:

The Company's philosophy on corporate governance envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operations, and in all interactions with its stake holders, including the shareholders, employees, the government and other bodies. The business of the Company are conducted not benefit any particular interest group but for the benefit of all shareholders.

2. Board of Directors

A) The Board consists of four members comprising:

- Mr. Navin B. Doshi - Chairman - Executive Director
- Mr. Sachin Doshi - Director – Non Executive Director
- Dr. Sharad R. Mehta - Non Executive and Independent Director
- Ms. Ami M. Shah - Non Executive and Independent Director
- Mr. S.Rammamurthy resigned with effect from 30th October, 2009.

Five Board Meeting were held during the year 2009-10 - On 30th April, 2009, 30th July 2009, 24th August 2009, 29th October 2009 and 30th January 2010.

Annual General Meeting for year ended 31st March, 2009 was held on 25th September, 2009.

Board Meeting attended by Directors:

Director	30.04.2009	30.07.2009	24.08.2009	29.10.2009	30.01.2010
Dr. Sharad Mehta	N	Y	N	N	Y
Ms. Ami Shah	N	N	N	Y	Y
*Mr. Sachin Doshi	N	N	N	Y	Y
Mr. Navin Doshi	Y	Y	Y	Y	Y
*Mr. Rammurthy	Y	Y	Y	N	N

*He was only for part of year.

3. Audit Committee

The Audit Committee comprise of:

1. Mr. Sachin Doshi - Director - Non Executive Director
2. Dr. Sharad R. Mehta - Member - Non Executive and Independent Director
3. Ms. Ami M. Shah - Member - Non Executive and Independent Director

The terms of reference specified by the Board to the Audit Committee are as contained under Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956. These include overseeing of the Company's financial reporting process and disclosure of financial information, review of annual and quarterly financial statements with management before submission to the Board of Directors, review of the adequacy of internal control systems with management, external and internal auditors and review of the Company's financial risk and management policies. The Committee also recommends to the Board the appointment of external Auditors. During the financial year the Audit Committee met on five occasions on 30/4/2009, 30/7/2009, 24/08/2009, 29/10/2009 and 30/1/2010. The meetings were and all Committee members attended all Audit Committee meetings.

4. Remuneration Committee

The Chairman and non-executive Directors do not draw any remuneration from the Company except sitting fees for attending the meetings of the Board and Committees thereof. The Company pays sitting fees to all Directors other than Managing Director and Whole Director at the rate Rs. 1,000/- for each Board meeting and Rs. 500/ for each Committee Meeting.



5. Transfer Shareholders'/Investors' Grievance Committee

The Committee comprises of Dr. Sharad Mehta and Mr. Sachin Doshi. All shares have been transferred and returned in 21 days from the date of receipt, so long as the documents have been clear in all respects. The Share Committee generally meets once a fortnight.

6. General Body Meeting

The Last Three Annual General Body Meetings of the Company were held as under:

Year	Location	Date	Time	No. of Special Resolution Passed
2006-07	Dalamal House, 4 th Floor, J. B. Marg, Mumbai 400 021	26.09.2007	3.30 p.m.	1
2007-08	As above	25.09.2008	3.30 p.m.	Nil
2008-09	As above	25.09.2009	3.30 p.m.	Nil

7. Means of Communication

The Company has published its quarterly results in Economic Times and Maharashtra Times (Marathi).

8. General Shareholder Information

a) Annual General Meeting:

- Date and Time : 27th September, 2010
at 3.30 p.m.
- Venue : Dalamal House
4th Floor, J. B. Marg,
Nariman Point,
Mumbai 400 021.

b) Financial Calendar : 1st April, 2010 – 31st March, 2011

c) Results for the Quarter ending :

- i) June 30th, 2010 : August 13th, 2010
- ii) September 30th, 2010 : November 15th, 2010
- iii) December 31st, 2010 : February 15th, 2011
- iv) March 31st, 2011 : May 15th, 2011

d) Book Closure : 18th September 2010 to 27th September 2010
(both days inclusive)

e) Equity Shares are Listed on Stock Exchanges at : Mumbai, National, Chennai, Ahmedabad and Kolkata

f) Demat ISIN Numbers in NSDL & CDSL : Equity Shares INE 558D01013

g) Registrar and Transfer Agents : Link Intime Private Limited
C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (West)
Mumbai – 400 078.



h) Stock Market Data : Bombay Stock Exchange (BSE)

Month	Year	High Price (Rs.)	Low Price (Rs.)
April	2009	11.57	9.00
May	2009	16.53	10.00
June	2009	21.00	16.50
July	2009	17.15	14.50
August	2009	16.90	12.70
September	2009	18.05	14.00
October	2009	20.25	17.25
November	2009	22.30	19.05
December	2009	20.75	17.35
January	2010	20.85	17.80
February	2010	19.40	15.45
March	2010	18.90	15.30

i) **Dematerialization of Shares** : Trading in Equity Shares of the Company is permitted only in dematerialized form with effect from 1st January 2002 as per notification issued by the Securities and Exchange Board of India (SEBI). Approximately 73.19% of outstanding share have been dematerialized upto 31st March 2010.

j) **According to categories of Shareholders as at 31st March, 2010.**

Promoters, Directors & Relatives	=	No. of Shares	%
		4461367	44.72
International Investors (NRI/FII's)	=	1056789	10.59
Body Corporate	=	1384700	13.89
Others	=	3072944	30.80

k) **Distribution of Shareholding :**

Distribution of Shareholding as on 31 st March, 2010	No. of Shareholders	No. of Shares	% of Shareholders
Upto 500	750	188713	1.89
501 – 1000	302	265572	2.66
1001 – 2000	123	198722	1.99
2001 – 3000	100	261703	2.62
3001 – 4000	23	85171	0.85
4001 – 5000	28	136658	1.37
5001 – 10000	57	433785	4.35
10001 and above	39	8405476	84.27
Total	1422	9975800	100

By Order of the Board

NAVINCHANDRA B. DOSHI
Chairman & Managing Director

Place : Mumbai
Date : 13th August, 2010



Certificate of Chairman and Managing Director on Financial Statements Under Clause 49 of the Listing Agreement

I, Navin B. Doshi, Chairman and Managing Director of Coral India Finance and Housing Limited certify that :

- a) I have reviewed financial statements and the cash flow statement for the Financial Year ended 31st March, 2010 and that to the best of our knowledge and belief :
- i. these statement do not contain any materially untrue statement or omit any material fact of contain statements that might be misleading.
 - ii. these statements together present a true and fair view of the Company's affairs are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the period which are fraudulent, illegal or violate of the Company's code of conduct.
- c) I am responsible for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, which we are aware and the steps we have taken or propose to take to rectify these deficiencies. I have indicated to the auditors and the Audit Committee that :
- i. there have been no significant changes in internal control over financial reporting during the year;
 - ii. there have been no significant changes in accounting policies during the year; and
 - iii. there have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

NAVINCHANDRA B. DOSHI
Chairman & Managing Director

Place : Mumbai
Date : 13th August, 2010



Declaration of Managing Director on Compliance With Code of Conduct Under Clause 49 of the Listing Agreement

This is to confirm that the company has adopted a Code of Conduct for Directors and Senior Management Personnel. I confirm that the company has in respect of the Financial Year ended 31st March, 2010 received from each Member of the Board and Senior Management Personnel, a declaration of compliance with the Code of Conduct as applicable to each one of them.

NAVINCHANDRA B. DOSHI
Chairman & Managing Director

Place : Mumbai
Date : 13th August, 2010

Details of Directors seeking Appointment/Reappointment in Annual General Meeting fixed on 27th September, 2010.

- | | | |
|--|---|---|
| 1. Name of the Director | : | Mr. Sachin N. Doshi |
| 2. Date of Birth | : | 23.08.1975 |
| 3. Date of Appointment | : | 29.10.2009 |
| 4. Qualifications | : | B.Com |
| 5. Directorship Held in other Companies | : | DWD Pharmaceutical Ltd.
Adore Pharmaceutical Pvt. Ltd.
Noetic Finance Pvt. Ltd. |
| 6. Chairman/Member of the Committee of the Board of Directors of company Member. | : | Board of Director & Audit Committee |
| 7. Chairman/Member of the Committee of the Board of Directors of other Companies in which He/she is a Director | : | Nil. |
| 1. Name of the Director | : | Mr. Navinchandra B. Doshi |
| 2. Date of Birth | : | 01.11.1943 |
| 3. Date of Appointment | : | 31.05.2002 |
| 4. Qualifications | : | Matriculate |
| 5. Directorship Held in other Companies | : | Coral Laboratories Ltd.
Bezel Pharma Pvt. Ltd. |
| 6. Chairman/Member of the Committee of the Board of Directors of company Member. | : | Board of Director |
| 7. Chairman/Member of the Committee of the Board of Directors of other Companies in which He/she is a Director | : | Nil. |



AUDITORS CERTIFICATE

The Members of Coral India Finance and Housing Limited

We have examined the compliance conditions of Corporate Governance by **Coral India Finance and Housing Limited**, for the year ended 31st March, 2010 as stipulated in Clause 49 of the Listing Agreement of the said Company with the 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 compliance of the conditions of 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 given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievance is pending for a period exceeding one month against the Company as per records maintained by the Share Registrars and reviewed by the Shareholder's/Investors' Grievance Committee.

We further state that such compliance is neither an assurance as to the further viability of the Company nor the efficiency or effectiveness the affairs of the Company.

For SUTARIA ASSOCIATES
Chartered Accountants

(CA PARESH H. SUTARIA)
Partner
Membership No: 36749

Place : Mumbai
Date : 13th August, 2010



AUDITOR'S REPORT

TO,
THE SHAREHOLDERS OF
CORAL INDIA FINANCE AND HOUSING LIMITED
MUMBAI

We have audited the attached Balance Sheet of **M/S. CORAL INDIA FINANCE AND HOUSING LIMITED as on 31st March, 2010**, and also the Profit & Loss Account and also cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by Companies (Auditors Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a Statement on the matters specified in Paragraph 4 and 5 of the said order.

Further to our comments in Annexure referred to above, we report that: -

- i) 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;
- ii) In our opinion, proper books of accounts as required by Law have been kept by the company, so far as appears from our examination of those books;
- iii) The Balance Sheet and Profit & Loss and cash flow statement dealt with by this report are in agreement with the Books of Account;
- iv) In our opinion, the Balance Sheet and Profit and Loss Account and cash flow statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
- v) On the basis of written representations received from the directors, as on 31st March, 2010, and taken on record by the Board of Directors, we report that none of the directors of the Company is disqualified as on 31st March, 2010, from being appointed as director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- vi) In our opinion and to the best of our information and according to the explanations given to us, and subject to the Notes on Accounts forming part of the Balance Sheet, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a 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 on 31st March, 2010;
 - b) In the case of Profit & Loss account, of the profit for the year ended on that date.
 - c) In the case of cash flow statement, of the cash flow for the year ended on that date.

For SUTARIA ASSOCIATES
CHARTERED ACCOUNTANTS
FRN : 110728W

(CA PARESH H.SUTARIA)
PARTNER
Membership No: 36749

PLACE : MUMBAI
DATE : 13th August, 2010



RE: CORAL INDIA FINANCE AND HOUSING LIMITED
ANNEXURE REFERRED TO IN PARAGRAPH (3) OF EVEN DATE

As required by the Companies (Auditors Report) Order, 2004 and according to the information and explanations given to us during the course of the audit & on the basis of such checks as were considered appropriate we report that:

- (i) (a) The Company had maintained proper records showing full particulars including quantitative details and situation of fixed assets;
- (b) As explained to us, the assets have been physically verified by the management in accordance with a phased programme of verification, considering the size and the nature of its business. The frequency of verification is reasonable and no material discrepancies have been noticed on such physical verification.
- (ii) (a) The inventories have been physically verified by the management during the year at reasonable intervals, while the inventory of construction work-in-progress as at the balance sheet date was physically surveyed and certified by an engineer. except materials lying with third parties, where confirmations are obtained;
- (b) The procedure of physical verification of the inventories followed by the management is reasonable and adequate in the relation to the size of the Company and mature of its business;
- (c) The Company has maintained proper records of inventories and discrepancies noticed on physical verification of inventories as compared to books records were not material.
- (iii) (a) The Company has granted any loans, Secured or Unsecured to three parties covered in the register maintained under section 301 of the Act and the maximum amount outstanding during the year are **Rs. 3.48 crore** & balance amount outstanding at the year end is **Rs. 0.13 crore**.
- (b) The rate of interest and other terms and conditions of loan given by the company, secured or unsecured are not prima facie prejudicial to the interest of company.
- (c) The receipts of the principal amount and interest are also regular.
- (d) There is no stipulation for repayments so the there is no overdue amount hence, the steps for recovery of principal and interest does not arise.
- (e) The Company has taken loan from one party covered in the Register, maintained under Section 301 of the Companies Act, 1956 and the maximum amount outstanding during the year are **Rs. 0.45 Crore** & balance amount outstanding at the year end is **Nil**.
- (f) The rate of interest and other terms and conditions in respect of loans taken by the Company, are in our opinion, *prima facie* not prejudicial to the interest of the Company.
- (g) In respect of loans taken by the Company, payments of principal amount and interest are regular as per terms.
- (iv) In our opinion, and according to explanation given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business, for the purchase of inventories, fixed assets and for the sale of goods. There is no continuing failure to correct the major weakness in the internal control system.
- (v) (a) In our opinion and explanation given to us, the transactions made in pursuance of contracts or arrangements, that need to be entered into the registered maintained under Section 301 of the Companies Act, 1956 have been recorded in the register;



- (b) In our opinion, and according to explanation given to us all the transactions have been made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) In our opinion and explanation given to us, during the year under review the company has not accepted any deposits from the public. The Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal has passed however the management has certified that they have complied with the provisions of section 58A & 58AA or any other relevant provisions of the Act and there is no order during the year.
- (vii) The company does not have a formal Internal Audit department as such, however the control procedures enables reasonable internal checking of its financial and other records which is commensurate with the size of the business.**
- (viii) We have been informed that Central Government has not prescribed maintenance of Cost records under Section 209(1) (d) of the Companies Act, 1956.
- (ix) (a) According to the record of the Company, the Company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Funds, Employees State Insurance, Income Tax, Sales Tax, Wealth-Tax, Service Tax, Customs Duty, Excise Duty, Cess and other statutory dues with appropriate authorities. According to the information and explanation given to us, there are no undisputed amounts payable in respect of such statutory dues which have remained outstanding as at 31st March, 2010 for the period more than six month from the date they became payable.
- (b) Accordingly information given to us, there is no Disputed Income tax, Sales tax, Wealth tax, Service tax, Customs Duty and Excise Duty except as listed below:-

Name of Statute	Nature of Dues	Amount (Rs.)	Period	Forum where dispute is pending
Income Tax Act, 1961	Disallowances of Exp	10.36 Lacs	2002-2003	Commissioner (Appeals)
Income Tax Act, 1961	Disallowances of Exp	13.06 Lacs	2003-2004	Commissioner (Appeals)
Income Tax Act, 1961	Disallowances of Exp	12.30 Lacs	2004-2005	Commissioner (Appeals)

- (x) In our opinion, the accumulated losses of the company are not more than fifty percent of its net worth. The Company has not incurred cash losses in the immediately preceding financial year.
- (xi) Based on our audit procedure and the information and the explanation given by the management, we are of the opinion that the Company has not defaulted in repayment of its dues to financial institution and banks.
- (xii) Based on examination of records and the information and the explanation given by the management the Company has not granted any loans or advance on the basis of security by way of pledge of shares, debenture or other securities.
- (xiii) The provisions of any Special Statute applicable to Chit Fund, Nidhi or Mutual Benefit Fund/Societies are not applicable to the Company.
- (xiv) The Company is dealing or trading in shares, securities, debenture or other investments. The company has maintained proper records of the transactions and timely entries made therein. The shares, securities and other investments are held in the name of company.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks and financial institutions.



-
- (xvi) According to the information and explanations given to us, the Company has not taken any term loan during the year.
- (xvii) According to the information and explanations given to us, and on an overall examination of the balance sheet of the company. No funds raised on short-term basis have been used for long term investment.
- (xviii) According to the information and explanations given to us, the Company has not made any preferential allotment of share to parties and companies covered in the register maintained under Section 301 of the year.
- (xix) According to the information and explanations given to us, during the period covered by our audit report, no debenture has been issued.
- (xx) The Company has not raised any money by way of public issues during the year.
- (xxi) On the basis of our examination and according to the information and explanations given to us, no fraud, on or by the company, has been noticed or reported during the year.

For SUTARIA ASSOCIATES
CHARTERED ACCOUNTANTS
FRN : 110728W

(CA PARESH H.SUTARIA)
PARTNER
Membership No: 36749

PLACE : MUMBAI
DATE : 13th August, 2010



BALANCE SHEET AS AT 31ST MARCH, 2010

	Schedule	Current Year Rupees	Current Year Rupees	Previous Year Rupees
I. SOURCES OF FUNDS				
1	Shareholders' Fund			
a)	Share Capital	A	104,173,500	104,173,500
b)	Reserves and Surplus	B	<u>161,741,405</u>	<u>136,428,990</u>
	Loan		265,914,905	240,602,490
	Unsecured Loan	C	<u>5,000,000</u>	-
TOTAL FUNDS EMPLOYED			<u>270,914,905</u>	<u>240,602,490</u>
II. APPLICATION OF FUNDS				
1	Fixed Assets			
a)	Gross Block	D	45,970,694	45,946,694
b)	Less: Depreciation		<u>15,812,546</u>	<u>14,204,422</u>
c)	Net Block		30,158,148	31,742,272
	Capital work in Progress		83,988,045	63,948,835
2	Investments	E	20,311,573	30,906,027
3	Current Assets, Loans And Advances			
a)	Stock In Trade	F	226,286,199	109,371,645
b)	Cash and Bank Balances	G	598,079	962,106
c)	Loans and Advances	H	58,609,235	71,185,203
d)	Sundry Debtors		-	<u>1,623,412</u>
			<u>285,493,514</u>	<u>183,142,366</u>
	Less : Current Liabilities and Provisions	I	<u>149,036,375</u>	<u>69,137,010</u>
	Net Current Assets		136,457,139	114,005,356
TOTAL ASSETS (NET)			<u>270,914,905</u>	<u>240,602,490</u>
SIGNIFICANT ACCOUNTING POLICIES		O		
NOTES ON ACCOUNTS		P	-	-
Per our report attached of even date				

For **SUTARIA ASSOCIATES**

Chartered Accountants

FRN:110728W

CA PARESH H. SUTARIA

Partner

Mem No.: 36749

MUMBAI

Dated : 13th August, 2010

FOR AND ON BEHALF OF THE BOARD

MR. NAVINCHANDRA B DOSHI - Chairman & Managing Director

MR. SACHIN B. DOSHI - Director

MUMBAI, 13th August, 2010

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010



	Schedule	Current Year Rupees	Current Year Rupees	Previous Year Rupees
I. INCOME :				
Income From Operations	J	12,850,075		16,557,363
Income From Constructions	K	28,707,992		6,298,591
Income from Investments	L	1,571,766		1,708,025
			43,129,833	24,563,979
II. EXPENDITURE :				
Direct Expenses	M	3,506,069		3,898,750
Administrative and General Expenses	N	7,777,221		5,459,316
Interest Paid		138,904		-
Depreciation		1,608,124		1,740,710
TOTAL EXPENDITURE			13,030,317	11,098,776
III. PROFIT BEFORE TAXATION (I-II)			30,099,515	13,465,203
IV. PROVISION FOR TAXATION			5,000,000	1,300,000
V. PROVISION FOR DEFERRED TAX			(212,901)	238,656
VI. PROVISION FOR FRINGE BENEFIT TAX			-	150,000
VII. PROFIT AFTER TAXATION			25,312,415	11,776,547
VIII BALANCE BROUGHT FORWARD			136,428,990	124,652,443
IX. INCOME TAX ADJUSTMENT OF EARLIER YEAR'S				
X. PROFIT AVAILABLE FOR APPROPRIATION			161,741,405	136,428,990
XI. BALANCE CARRIED TO BALANCE SHEET			161,741,405	136,428,990
SIGNIFICANT ACCOUNTING POLICIES	O			
NOTES ON ACCOUNTS	P			
Per our report attached of even date				

For **SUTARIA ASSOCIATES**
Chartered Accountants
FRN:110728W

CA PARESH H. SUTARIA
Partner
Mem No.: 36749
MUMBAI
Dated : 13th August, 2010

FOR AND ON BEHALF OF THE BOARD

MR. NAVINCHANDRA B DOSHI - Chairman & Managing Director
MR. SACHIN B. DOSHI - Director

MUMBAI, 13th August, 2010



SCHEDULES FORMING THE PART OF THE ACCOUNTS

	Current Year Rupees	Previous Year Rupees
SCHEDULE - A		
SHARE CAPITAL		
Authorised :		
15,000,000 Equity Shares of Rs.10/- each (Previous Year 15,000,000 Equity Shares of Rs.10/- each)	150,000,000	150,000,000
Issued, Subscribed, and paid-Up : (99,75,800 equity shares of Rs. 10/- each fully paid up)	99,758,000	99,758,000
Add :Shares Forfeited (8,83,100 Equity Shares Forfeited vide ResIn No. 2 dated 27/02/99, paid up value of Rs. 4,415,500/-)	4,415,500	4,415,500
<i>AS PER BALANCE SHEET</i>	104,173,500	104,173,500
SCHEDULE - B		
RESERVES & SURPLUS		
Profit and Loss Account <i>PER BALANCE SHEET</i>	161,741,405	136,428,990
	161,741,405	136,428,990
SCHEDULE - C		
Secured Loan	-	-
Unsecured Loan	5,000,000	-
	5,000,000	-

SCHEDULE - D

FIXED ASSETS

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As at 1st April, 2009	Additions/ (Deductions)	As at 31st March, 2010	As at 1st April, 2009	During the year	(Deductions)	As at 31st March, 2010	As at 31st March, 2010	As at 31st March, 2009
Land	3,244,445	-	3,244,445	-	-	-	-	3,244,445	3,244,445
Building	37,096,145	-	37,096,145	9,734,805	1,368,067	-	11,102,872	25,993,273	27,361,340
Fax Machine	16,000	-	16,000	13,221	387	-	13,608	2,392	2,779
Furnitures (Nauropathy)	2,304,739	-	2,304,739	2,012,834	75,574	-	2,088,408	216,331	291,905
Electrical Fittings (Nauropathy)	620,644	-	620,644	387,358	32,450	-	419,808	200,836	233,286
Television (Nauropathy)	239,725	-	239,725	209,563	7,809	-	217,372	22,353	30,162
Airconditioner resort) (Nauropathy)	616,499	24,000	640,499	398,195	33,659	-	431,854	208,645	218,304
Boiler (Nauropathy)	85,740	-	85,740	53,294	4,513	-	57,807	27,933	32,446
Computer	67,300	-	67,300	53,385	5,566	-	58,951	8,349	13,915
Vechile	1,628,347	-	1,628,347	1,323,968	78,804	-	1,402,772	225,575	304,379
Water Purifier (Nauropathy)	27,110	-	27,110	17,799	1,295	-	19,094	8,016	9,311
Total	45,946,694	24,000	45,970,694	14,204,422	1,608,124	-	15,812,546	30,158,148	31,742,272
Previous Year	45,938,294	8,400	45,946,694	12,463,712	1,740,710	-	14,204,422	31,742,272	



SCHEDULES FORMING THE PART OF THE ACCOUNTS

		Current Year Rupees	Previous Year Rupees
SCHEDULE - E			
INVESTMENTS			
QUOTED EQUITY SHARES			
NAME OF THE COMPANY	NOS.		
Aftek Ltd (Market Value Rs. 83000/-)	5000	548,368	548,368
Andhra Bank Ltd		-	919,016
Ansal Housing Ltd		-	688,109
Albert David Ltd., (Market Value Rs.36252/-)	304	35,109	2,768,432
Bongaon Refineriy Ltd		-	171,742
Crest Animation Ltd (Market Value Rs.219500/-)	2500	476,866	476,866
Corporation Bank Ltd		-	882,704
Cephams Specialities Limited (Market Value Rs.58,910/-)	27400	306,515	306,515
Coral Laboratories Limited (Market Value Rs. 39050858/-)	708727	9,612,584	9,612,584
D-Link India Ltd (Market Value Rs.72750/-)	2500	300,922	300,922
GTL Infrastruce Ltd	3000	313,572	313,572
GTL India Ltd	-	940,874	
Global Board Ltd (Market Value Rs.205/-)	100	54,442	54,442
Hotel Leelaventure Ltd		-	512,504
Indian Hotels Ltd (Market Value Rs.1230600/-)	12000	1,732,462	1,732,462
JCT Ltd (Market Value Rs.31400/-)	10000	153,545	153,545
Kesea Sera Ent. Ltd (Market Value Rs.33000/-)	3000	129,303	129,303
Kamanwala Housing & Constructions Ltd (Market Value Rs. 307500/-)	6000	323,386	323,386
L M Ltd (Market Value Rs.137700/-)	15000	537,873	537,873



SCHEDULES FORMING THE PART OF THE ACCOUNTS

		Current Year Rupees	Previous Year Rupees
Liberty Shoes Ltd (Market Value Rs. 100700/-)	1000	160,892	160,892
Mangalam Cement Ltd (Market Value Rs. 862250/-)	5000	966,965	966,965
MIDDday Multimedia Ltd (Market Value Rs.141750/-)	5000	400,620	400,620
Pentamedia Graph Ltd (Market Value Rs.7123/-)	2750	222,993	222,993
Ratnamani Metals & tubes Ltd		-	707,875
Shree steel wires ltd (Market Value Rs.9852/-)	1495	19,356	19,356
Spanco Telesystems & Solutions Ltd (Market Value Rs.77650/-)	1000	210,249	210,249
Shree Digvijay Cement Ltd (Market Value Rs.163000/-)	10000	399,704	399,704
Tata Iron & Steel Ltd (Market Value Rs.41,64,102/-)	6582	3,535,943	3,734,914
Tamilnadu Petro Products Ltd		-	698,370
Vicroy Hotel Ltd-			1,827,392
Welspun Ltd (Market Value Rs.137250/-)	1500	180,477	180,477
(Total Market Value Rs 4,69,25,352/-)		20,308,573	30,903,027
<i>UnQuoted:</i>			
<i>Coral Classic Office Complex Soc Ltd</i>		3,000	3,000
PER BALANCE SHEET		20,311,573	30,906,027



SCHEDULES FORMING THE PART OF THE ACCOUNTS

	Current Year Rupees	Previous Year Rupees
SCHEDULE - F		
STOCK IN TRADE		
Stock in Trade - Deolali	1,826,384	4,192,270
Project -in - Progress Account	224,459,815	10,5179,375
<i>PER BALANCE SHEET</i>	226,286,199	109,371,645
SCHEDULE - G		
CASH AND BANK BALANCE		
Cash on hand	311,165	171,911
Balance with schedule banks in Current Account	286,913	790,195
<i>PER BALANCE SHEET</i>	598,079	962,106
SCHEDULE - H		
LOANS AND ADVANCES		
Loans	26,701,122	44,179,957
Advances recoverable in cash or kind or for value to be received	22,692,070	17,941,603
Security Deposit	9,216,043	9,063,643
<i>PER BALANCE SHEET</i>	58,609,235	71,185,203
SCHEDULE - I		
CURRENT LIABILITIES & PROVISIONS		
a) Current Liabilities		
Sundry Creditors (Due to SSI Units - Rs. 63,595/-)	15,922,913	6,378,083
Other Liabilities	2,894,933	4,347,692
Advance for flats	115,566,341	48,619,647
	134,384,187	59,345,422
b) Provisions		
Provision for taxation	14,652,188	9,791,588
<i>PER BALANCE SHEET</i>	149,036,375	69,137,010



SCHEDULES FORMING THE PART OF THE ACCOUNTS

	Current Year Rupees	Previous Year Rupees
SCHEDULE - J		
INCOME FROM OPERATIONS		
Interest and Bill discounting charges (TDS Rs.12,85,094/-P.Y.Rs.22,52,403/)	2,595,195	5,926,068
Rent Income Recd	10,254,880	10,631,295
PER PROFIT AND LOSS ACCOUNT	12,850,075	16,557,363
SCHEDULE - K		
A. CONSTRUCTION INCOME - DEOLALI		
Opening Stock in Trade	4,192,270	3,980,899
Add: Additions during the year		1000000
Total	4,192,270	4,980,899
Less: Sales During Year	4,500,000	1,425,000
Less: Closing Stock in Trade	1,826,384	4,192,270
TOTAL (A)	2,134,114	636,371
B. CONSTRUCTION INCOME - THANE		
Closing WIP (Work Certified)	224,459,814	105,179,375
Less: Construction Cost		
Opening WIP	105,179,375	63,107,625
Addition During the Year	92,706,561	36,409,530
Estimated Profit Recognised (B)	26,573,878	5,662,220
Net Income from Construction (A+B)	28,707,992	6,298,591
SCHEDULE - L		
OTHER INCOME		
Dividend Income	1,521,766	972,619
Profit in Mark to Markup on Index	-	161,846
Other income	50,000	573,560
PER PROFIT AND LOSS ACCOUNT	1,571,766	1,708,025
SCHEDULE - M		
DIRECT EXPENSES		
Nauropathy Expenses	3,506,069	3,898,750
	3,506,069	3,898,750



SCHEDULES FORMING THE PART OF THE ACCOUNTS

	Current Year Rupees	Previous Year Rupees
SCHEDULE - N		
ADMINISTRATIVE AND GENERAL EXPENSES		
Salaries Staff welfare & Allowances	221,932	188,259
Directors' Remuneration	991,090	1,300,440
Directors' Meeting Fees	21,000	29,600
Legal & Professional Charges	216,906	92,687
Rent, Rates & Taxes	2,969,484	2,225,360
Travelling & Conveyance	105,366	61,151
Insurance Charges	68,472	61,735
Postage & Telephone	139,074	77,671
Printing & Stationery	64,391	61,377
Sundry Expenses	78,733	104,476
Advertisement Expenses	111,141	126,607
Bank Charges	3,261	21,985
Listing Fees	16,695	49,552
Auditor's Remuneration	61,798	61,798
Loss in Sale of Investment	2,707,878	996,618
PER PROFIT AND LOSS ACCOUNT	7,777,221	5,459,316



CORAL INDIA FINANCE AND HOUSING LIMITED
SCHEDULES TO THE BALANCE SHEET AS AT 31ST MARCH, 2010
SCHEDULE O - SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Accounting

The Financial statements are prepared under the historical cost convention, on the accrual basis of accounting in accordance with applicable mandatory accounting standards issued by the Institute of Chartered Accountants of India and relevant presentational requirements of the Companies Act, 1956.

B. Use of Estimates

Preparation of Financial Statement in conformity with Generally Accepted Accounting Principles requires Company Management to make estimates and assumptions that affect reported balance of Assets & Liabilities and disclosures relating to Contingent Assets & Liabilities as on the date of Financials and reported amounts of income & expenses during the period. Examples of such estimate include profits expected to be earned on projects carried on by the Company, Contract Costs expected to be incurred to completion of project, provision for Doubtful Debts, Income Taxes, etc. Actual results could differ from these estimates. Differences, if any, between the actual result and estimates are recognized in the period in which the result are known or materialized

C. Fixed Assets

Fixed Assets are shown at cost including directly attributable cost for bringing the assets to its working conditions for the intended use less depreciation.

D. Depreciation

Depreciation has been provided on Written down Value basis in accordance with the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956, as amended by the notification GSR 756 (E) dated 16/12/1993 issued by the Department of Company Affairs. Depreciation is calculated at amended rates from 1st April 1993 onwards.

E. Inventories

Stock in trade refers to unsold residential units. These are valued at Construction cost including cost of land and other development cost attributable to the said Project. Construction Work-in-progress, including stock of materials is carried at cost. Cost includes materials, direct expenses and overheads.

F. Investments

Investments are shown in Balance Sheet 'at cost'. In the opinion of the management, the decline in the value of investment in shares is on account of market forces and is not of permanent nature and therefore not provided in the books of accounts.

G. Accounting for Construction Activities

- i) Revenue in respect of Construction activities with respect to Thane Project recognized based on Percentage Completion Method in accordance with Accounting Standard 7 issued by the Institute of Chartered Accountants of India. The revenue is recognized on the basis of stage of completion as certified by the Architect.
- ii) As regards to Construction activities, the Company has accounted the income in respect of sold units on execution of the agreements. The unsold unit has been shown as closing stock in trade, which is valued at cost.

H. Income Recognition

- i) In respect of Fund based activities, interest is accrued in respect of loans/advances where the accounts are regular.
- ii) Share Investment profit is accounted on sale of shares.
- iii) Dividend income is recognized as and when right to receive payment is established.
- iv) Rental income / lease rentals are recognized on accrual basis in accordance with the terms of agreement.
- v) As Regards Construction activities, Income is recognized as mentioned in H (i).



I. Cash Flow Statement

Cash Flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The Cash Flow from regular revenue generating, financing and investing activities of the Company is segregated.

J. Events occurring after the date of Balance Sheet

Material events occurring after the date of Balance Sheet are taken into cognizance.

K. Earning Per Share

Basic Earning per Share is computed by dividing net income by the weighted average number of common stock outstanding during the period.

The number of shares used in computing diluted earning per share comprises the weighted average shares considered for deriving basic Earning per Share, and also the weighted average number of equity shares that could have been issued on the conversion of all the dilutive potential Equity Shares. The diluted potential equity shares are adjusted for the proceeds receivable, had the shares been actually issued at fair value (i.e. the average market value of the outstanding shares). Diluted potential Equity Shares are deemed converted as of the beginning of the period unless issued at a later date.

L. Impairment of Assets

At the end of each year, the company determines whether a provision should be made for impairment loss on Fixed Assets by considering the indications that an impairment loss may have occurred in accordance with Accounting Standard-28 "Impairment of Assets" issued by the Institute of Chartered Accountants of India, where the recoverable amount of any fixed asset is lower than its carrying amount, a provision for impairment loss on Fixed Assets is made for the difference.

SCHEDULE P : NOTES ON ACCOUNTS

1. The information pursuant to Part II of Schedule VI to the Companies Act, 1956 relating to materials consumed is not possible since the Company is engaged in the business of construction activities, Investment and finance activities.

2. Contingencies

Claims against the company not acknowledged as debts are NIL.

3. Loans and advances are subject to confirmation from respective parties. In case where repayment of loans is not forthcoming, the Company has taken action in the matter and as per the management, no part of principal amount is considered doubtful.

4. Directors' Remuneration

	2009-10 Rs.	2008-09 Rs.
Salary	9,91,090	12,70,440
Sitting Fees	21,000	30,000
Total	10,12,090	13,00,440

5. Payments to Auditors

	2009-10 Rs.	2008-09 Rs.
Audit fees	33,708	33,708
Taxation Matters	28,090	28,090
Total	61,798	61,798



6. Taxation

a) Provision of Current Income Tax is made on Taxes Payable Method after considering the effect of deduction under section 80IB of the Income Tax Act, 1961.

b) **Deferred Taxation:**

The Company has computed the deferred tax Assets/Liability on the following basis.

During the year the company has accounted for deferred tax in accordance with the Accounting Standard-22 "Accounting for taxes on Income" by the Council of the Institute of Chartered Accountants of India. Deferred tax asset (net) for the current year amounting **Rs. 2,12,901** has been recognized in the Profit & Loss Account under "Provision for Taxation". The deferred tax liabilities comprises of tax effect of timing differences mainly on account of depreciation.

Deferred tax is recognized, subject to the consideration of prudence, on time differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

7. FORMATION ABOUT CONSOLIDATED BUSINESS SEGMENT

Included in each category of business are:

1. Finance 2. Construction 3. Naturopathy Centre.

SEGMENT REVENUE	Rupees in Lacs
FINANCE	25.95
CONSTRUCTION	287.08
NATUROPATHY	102.55
TOTAL	415.58
SEGMENT RESULTS	
FINANCE	(29.31)
CONSTRUCTION	287.08
NATUROPATHY	52.25
TOTAL	310.02
ADD/LESS:UNALLOCABLE	(9.02)
INCOME NET OF EXP	
PROFIT BEFORE TAX	301.00
CAPITAL EMPLOYED	
FINANCE	326.93
CONSTRUCTION	2059.72
NATUROPATHY	305.87
TOTAL	2692.52



8. RELATED PARTY DISCLOSURE

A) Related parties with whom transactions have been taken place during the year;

M/s. Vora Trading Co.	- Associate Concern
M/s. DWD Pharmaceuticals Ltd.	- Associated Company
M/s. Adore Pharmaceuticals Ltd.	- Associated Company
M/s. Coral Laboratories Ltd.	- Associated Company
Mr. Navin B Doshi	- Director of Company
Mrs. Meeta S Sheth	- Daughter of Director
Mr. S. Ramamurthy	- Director of Company
Mr. Sachin N. Doshi	- Director of Company
Ms. Ami M. Shah	- Director of Company
Dr. Sharad R. Mehta	- Director of Company
Mrs. Kundan N. Doshi	- Wife of Director
Mr. Chetna N. Doshi	- Son of Director

8. B) Transactions with related parties (Rupees in Lacs)

M/s. DWD Pharmaceuticals Ltd.	Rent Received	21.60
M/s. DWD Pharmaceuticals Ltd.	Interest Received	10.69
M/s. Adore Pharmaceuticals Ltd.	Interest Received	1.94
M/s Coral Laboratories Ltd.	Interest Received	10.77
Mr. Navin B Doshi	Remuneration Paid	6.00
Mr. S. Ramamurthy	Remuneration Paid	3.91
Mrs. Meeta S Sheth	Rent Paid	15.24
M/s. Vora Trading Co.	Rent Paid	6.00
Mr. Chetan Doshi	Advance received against flat	88.00
Mrs. Kundan Doshi	Advance received against flat	80.00
Mr. Sachin Doshi	Advance received against flat	93.00
Mr. Sachin N. Doshi	Director Sitting Fees	0.05
Dr. Sharad R. Mehta	Director Sitting Fees	0.08
Ms. Ami M. Shah	Director Sitting Fees	0.08

Figures of the previous year are regrouped and rearranged wherever necessary.

In the opinion of the Board, the current assets and loans and advances are approximately of the value stated, if realized in the ordinary course of business.

The figures have been rounded off to the nearest rupee.

For **SUTARIA ASSOCIATES**

Chartered Accountants

FRN:110728W

CA PARESH H. SUTARIA

Partner

Mem No.: 36749

MUMBAI

Dated : 13th August, 2010

FOR AND ON BEHALF OF THE BOARD

MR. NAVINCHANDRA B DOSHI - Chairman & Managing Director

MR. SACHIN B. DOSHI - Director

MUMBAI, 13th August, 2010



AUDITORS CERTIFICATE

The Board of Directors,
Coral India Finance and Housing Limited,
Dalamal House, 4th Floor,
Nariman Point,
Mumbai- 400021

We have examined the attached Cash Flow Statement of **Coral India Finance and Housing Limited** for the year-ended 31.3.2010. The Statement has been prepared by the Company in accordance with the requirements of Listing Agreement Clause 32 with Stock Exchange and is based on and in agreement with the corresponding Profit & Loss Account and Balance Sheet of the Company covered by our report of to the Members of the Company.

For SUTARIA ASSOCIATES
CHARTERED ACCOUNTANTS
FRN : 110728W

(CA PARESH H.SUTARIA)
PARTNER
Membership No: 36749

PLACE : MUMBAI
DATE : 13th August, 2010

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010



	Current Year Rupees	Previous Year Rupees
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and extraordinary items	301.00	134.65
Add : Depreciation	16.08	17.41
Loss on sale of investment	27.08	9.97
Profit on sale of Fixed Assets	-	-
Interest Paid	1.39	
Less: Interest/Dividend Received	(41.17)	(68.99)
	3.38	(41.61)
Operating Profit before Working Capital	304.38	93.04
(Increase)/Decrease in Inventories	(1169.15)	(422.83)
(Increase)/Decrease in Trade & Other Receivable	15.11	0.6
Increase/(Decrease) Current Liabilities & Provision	752.52	161.35
	(401.52)	(260.88)
Cash generated from Operations	(97.14)	(167.84)
Tax paid	(49.3)	(51.17)
Application Money	-	(48.8)
Cash flow before, Extraordinary items	(146.44)	(267.81)
Net Cash Flow From Operating Activities	(146.44)	(267.81)
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(200.63)	(253.67)
Sale of Fixed Assets	-	-
Purchase of Investment	-	(0.03)
Sale of Investment	78.86	85.98
Loan Returned/(Given) (net)	174.79	380.99
Interest Received	25.95	59.26
Dividend Received	15.22	9.73
Net Cash used for Investing Activities	94.19	282.26
C CASH FLOW FROM FINANCING ACTIVITIES		
Intercompany & Other Deposits	50.00	-
Interest Paid	(1.39)	
Net Cash from Financing Activities	48.61	-
Net Increase in Cash and Cash Equivalents (A+B+C)	(3.64)	14.45
Cash and Cash Equivalents (OPENING BALANCE)	9.62	5.01
Cash and Cash Equivalents (CLOSING BALANCE)	5.98	9.44
	3.64	(14.45)

For **SUTARIA ASSOCIATES**

Chartered Accountants

FRN:110728W

CA PARESH H. SUTARIA

Partner

Mem No.: 36749

MUMBAI

Dated : 13th August, 2010

FOR AND ON BEHALF OF THE BOARD

MR. NAVINCHANDRA B DOSHI - Chairman & Managing Director

MR. SACHIN B. DOSHI - Director

MUMBAI, 13th August, 2010



SCHEDULES FORMING THE PART OF THE ACCOUNTS

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I.	<u>Company's Registration Details</u>	
	Registration No.	: 84306
	State Code	: 11
	Balance Sheet	: 31st March, 2010
II.	<u>Capital raised during the year</u> <u>(Amount in Rs. Thousands)</u>	
	Public Issue	: NIL
	Right Issue	: NIL
	Bonus Issue	: NIL
	Private Placement	: NIL
III.	<u>Position of Mobilisation and Deployment of Funds</u> <u>(Amount in Rs. Thousands)</u>	
	Total Liabilities	: 419951
	Total Assets	: 419951
	<u>Sources of Funds</u>	
	Paid up Capital	: 104174
	Reserves and Surplus	: 161741
	Secured Loans	: -
	Unsecured Loans	: 5000
	<u>Application of Funds</u>	
	Net Fixed Assets	: 114146
	Investments	: 20312
	Net Current Assets	: 136457
	Miscellaneous expenditure	: -
IV.	<u>Performance of Company</u> <u>(Amount in Rs. Thousands)</u>	
	Turnover	: 43130
	Total Expenditure	: 13030
	Profit/(Loss) before tax	: 30100
	Profit/(Loss) after tax	: 25312
	Earning Per Share In Rs.	: 2.54
	Dividend Rate %	: NIL
V.	<u>Generic names of Three Principal Products/Services of a Company</u> <u>(As per Monetary Terms)</u>	
	Product Description	: Financing and Construction Activities

For **SUTARIA ASSOCIATES**

Chartered Accountants

FRN: 110728W

CA PARESH H. SUTARIA

Partner

Mem No.: 36749

MUMBAI

Dated : 13th August, 2010

FOR AND ON BEHALF OF THE BOARD

MR. NAVINCHANDRA B. DOSHI - Chairman & Managing Director

MR. SACHIN B. DOSHI - Director

MUMBAI, 13th August, 2010



CORAL INDIA FINANCE AND HOUSING LIMITED

Dalamal House, 4th Floor, Jamnalal Bajaj Marg, Nariman Point, MUMBAI - 400 021.

FORM OF PROXY

L. F. No.
No. of Shares held

I/We _____ of _____
in the District of _____ being a member/members of CORAL INDIA FINANCE
AND HOUSING LIMITED hereby appoint _____ of _____
the District of _____ in the district of _____ as my/our proxy to attend
and vote for me/us and on my/our behalf at the 16th Annual General Meeting of the Company to be held at
Dalamal House, 4th Floor, Jamnalal Bajaj Marg, Nariman Point, Mumbai 400 021, on Monday, 27th September
2010 at 3.30 p.m. and at any adjournment thereof.

Signed this _____ day of _____ 2010.

Affix
Re. 1
Revenue
Stamp

Signature of the Shareholder(s)

Note : The proxy form duly completed must reach the Registered Office of the Company not less than forty-eight hours before the time for holding the Meeting.

CORAL INDIA FINANCE AND HOUSING LIMITED

Dalamal House, 4th Floor, Jamnalal Bajaj Marg, Nariman Point, MUMBAI - 400 021.

ATTENDANCE SLIP

(TO BE HANDED OVER AT THE ENTRANCE OF THE MEETING HALL)

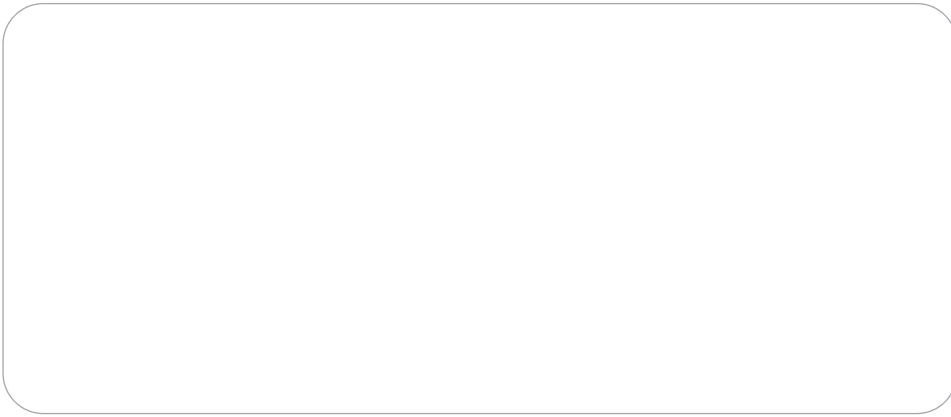
NAME OF THE ATTENDING MEMBER/PROXY (IN BLOCK LETTERS)	L.F. NO.

I hereby record my presence at the Sixteenth Annual General Meeting of the Company at Dalamal House, 4th Floor, Jamnalal Bajaj Marg, Nariman Point, Mumbai 400 021, on Monday, 27th September 2010 at 3.30 p.m.

If Shareholder, please sign here	If Proxy, please sign here
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- Notes : i) Shareholders/Proxy are requested to bring the attendance slip with them duly completed when they come to the meeting and hand them over at the gate after affixing their signature on them. No duplicate Attendance Slips will be issued at the venue of the meeting.
ii) Joint Shareholders may obtain additional Attendance Slip on request.
iii) Kindly bring your copy of the Annual Report with you.

BOOK-POST



If undelivered, please return to :

LINK INTIME INDIA PVT. LTD.

Unit : **Coral India Finance & Housing Ltd.**

C/13, Pannalal Silk Mills Compound,

L.B.S. Marg, Bhandup (W),

Mumbai 400 078.