



REGD. OFFICE : SF-206, Silver Oak Complex, B.P.C. Road, Vadodara - 390 020.  
CORP. OFFICE : #3B, Patanwala Compound, Opp. Shreyas Cinema, L.B.S. Marg, Ghatkopar (West), Mumbai - 400 086. India.  
Tel. : +91-22-2500 5245, 2500 8208, 2500 5246. • Fax : +91-22-2500 4893. • E-mail : accounts@corallab.com • Website : www.corallab.com  
CIN NO. L24231GJ1997PL C031669

September 01, 2021

To,  
**BSE Limited**  
Corporate Relations Department,  
1<sup>st</sup> Floor, New Trading Ring,  
P.J. Towers, Dalal Street,  
Mumbai- 400 001.

Kind Attn: Head – Listing Department

**REF: Scrip Code – 524506**

**Subject: Notice convening the 39th Annual General Meeting (AGM) and the Annual Report for Financial Year 2020-21.**

Pursuant to the Regulation 34(1) of SEBI {Listing Obligations and Disclosure Requirements} Regulations, 2015, we enclose herewith the following for your information and records:

1. Notice of Thirty-Ninth Annual General Meeting scheduled to be held on Friday, September 24, 2021 at 11:00 a.m. (IST) at the Registered Office of the Company at SF-206, Silver Oak Complex, B.P.C Road, Vadodara, Gujarat- 390020; and
2. Annual Report for Financial Year 2020-21.

The members can also access the Annual Report on the website of the Company:  
[www.corallab.com](http://www.corallab.com).

This is for your information and records.

Yours sincerely,

**For CORAL LABORATORIES LIMITED,**

*Ruchi Anjaria*



**RUCHI ANJARIA**  
**COMPANY SECRETARY & COMPLIANCE OFFICER**

Encl.: as above



# ANNUAL REPORT

2020 - 21



**Coral Laboratories Ltd.**

An ISO 9001 : 2015 Certified Organisation

**WE WORK FOR BETTER TOMORROW**



## CORAL LABORATORIES LIMITED

### ANNUAL REPORT 2020-2021

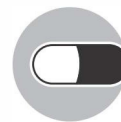
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## CORAL LABORATORIES LIMITED

<b>BOARD OF DIRECTORS &amp; KEY MANAGERIAL PERSONNEL</b>	: Mr. Girish Dhameja	: Whole Time Director
	Mrs. Purvi Chetan Doshi	: Director
	Mrs. Sushma Kadkade	: Director and Chief Financial Officer
	Mrs. Sheela Kamdar	: Independent Director
	Mr. Sanket Mehta	: Independent Director
	Mr. Saurabh Shah	: Independent Director
	Mr. Malay Doshi	: Additional Independent Director (w.e.f. 27th May 2021)
	Ms. Nirali Mehta	: Company Secretary and Compliance Officer (upto 11th June, 2020)
	Ms. Ruchi Anjaria	: Company Secretary and Compliance Officer (w.e.f. 23rd July 2020)

**REGISTERED OFFICE** : SF- 206, Silver Oak Complex, B.PC Road Vadodara, Gujarat-390020  
• Website: www.corallab.com • Email Id: cs@corallab.com

**CORPORATE OFFICE** : 3B, Patanwala Compound, Opp. Shreyas Cinema, L. B. S. Marg, Ghatkopar (W), Mumbai- 400086  
• Contact No.:25005245/46 • Email Id: cs@corallab.com

**PLANTS:**

**1. DAMAN** : Plot No.57/1, (16), Bhenslore, Dunetha, Nani Daman-396210  
**2. UTTRANCHAL** : Plot No.27 & 28, Pharma City, Selaqui, Dehradun, Uttaranchal

**AUDITOR** : **M/s. M. A. PAREKH & ASSOCIATES,**  
543, Kalbadevi Road, Ravindra House, 2nd Floor, Near Metro, Mumbai 400002

**BANKERS** : **HDFC Bank Limited**  
Express Tower Branch, Nariman Point, Mumbai – 400021

**REGISTRAR AND TRANSFER AGENT** : **Link Intime India Private Limited**  
(Unit-Coral Laboratories Limited)  
C-101, 247 Park, L.B.S Marg, Vikhroli (West), Mumbai-400083  
• Contact No: 022 49186000  
• Email- ID: rnt.helpdesk@linkintime.co.in



## NOTICE

Notice is hereby given that the **Thirty Ninth Annual General Meeting** of the members of the Company Coral Laboratories Limited will be held on Friday, September 24, 2021 at 11:00 a.m. at the Registered office of the Company at SF-206, Silver Oak Complex, B.P.C. Road, Vadodara, Gujarat 390020 to transact the following business: -

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended March 31, 2021, together with the Directors' Report and Auditors Report thereon.
2. To appoint a Director in place of Mr. Girish Dhameja (DIN: 07798455), who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

### **3. APPOINTMENT OF STATUTORY AUDITORS:**

To consider and, if thought fit, to pass, the following Resolution as an **Ordinary Resolution:**

“**RESOLVED THAT** pursuant to section 139(8) and other applicable provisions if any, of Companies Act 2013 as amended from time to time (including any statutory modification or amendment thereto or re-enactment thereof for time being in force), M/s. M. A. Parekh & Associates, Chartered Accountants (having Firm Registration No: 121973W) located at “543, Kalbadevi Road, Ravindra House, 2nd Floor, Near Metro, Mumbai 400002 be and is hereby appointed as Statutory Auditors of the Company for a period of four consecutive years i.e. from the conclusion of 39th Annual General Meeting till the conclusion of 42nd Annual General Meeting of the Company and to examine and audit the Accounts of the Company for the financial year commencing from April 1, 2021, on such remuneration as shall be fixed by the Board of Directors of the Company.”

“**RESOLVED FURTHER THAT** M/s. M. A. Parekh & Associates, Chartered Accountants (having Firm Registration No: 121973W) shall be entitled to hold office as the Statutory Auditor of the Company till the conclusion of the 42nd Annual General Meeting and they shall conduct the Statutory Audit for period of four years commencing from April 1, 2021, and, on such terms, and conditions as mutually agreed.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby severally authorized to do all the acts, deeds and things which are necessary to give effect to all the above resolution.”

### **SPECIAL BUSINESS:**

### **4. REGULARISATION OF MR. MALAY DOSHI (DIN:09186000) AS AN INDEPENDENT DIRECTOR OF THE COMPANY:**

To consider and if thought fit to pass with or without modification, the following resolution as **Special Resolution:**

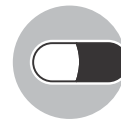
“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014, and other applicable Rules, if any (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and based on recommendations of the Nomination and Remuneration Committee and approval of the Board of Directors, Mr. Malay Doshi (DIN: 09186000), who was appointed by the Board of Directors as an Additional (Independent) Director of the company with effect from 27th May 2021, be and is hereby appointed as an Independent Director, not liable to retire by rotation, for a term of five years commencing from May 27, 2021 to May 26, 2026.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all acts, deeds and things and take all such steps as may be necessary, proper, or expedient to give effect to this resolution.”

### **5. APPROVAL FOR UNDERTAKING MATERIAL RELATED PARTY TRANSACTIONS(S) WITH MR. CHETAN DOSHI PROMOTER 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 188 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, including the Companies (Meetings of Board and its Powers) Rules, 2014, the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended, the Policy on dealing with Related Party Transactions approved by the Company, and the Memorandum and Articles of Association of the Company, the approval of the Members be and is hereby accorded for the Company to enter into agreement and undertake transaction(s) with Mr. Chetan Doshi Promoter of the Company and Relative of Mrs. Purvi



Chetan Doshi, Director of the Company by appointing him as the Export Business Development Head of the Company after recognising his tireless efforts in getting business, export orders for the Company, a related party within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 2(1)(zb) of the Listing Regulations, for an aggregate value not exceeding INR 1.25 Cr per annum and such remuneration shall be given in foreign currency starting from July 01, 2021 on such terms and conditions as may be agreed to by the Board of Directors (hereinafter referred to as the “Board” which term shall be deemed to include any Committee(s), which the Board may have constituted or hereafter constitute in this behalf, to exercise the powers conferred on the Board by this resolution), provided however that the transactions so carried out shall at all times be on arm’s length basis and in the ordinary course of the Company’s business in accordance with the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds and things and to take all such steps as may be necessary for the purpose of giving effect to this resolution.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any of the powers herein conferred to any Committee of Directors or any one or more Directors of the Company.”

**6. RATIFICATION OF REMUNERATION OF COST AUDITOR OF THE COMPANY FOR THE YEAR 2021-2022:**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 148 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) M/s. Jitendrakumar & Associates, Cost & Management Associates (Firm Registration No. 101561), appointed by the Board of Directors of the Company as Cost Auditor to conduct the audit of the cost records of the Company for the financial year 2021-22 be paid a remuneration for the financial year ending March 31 2022, amounting to Rs 1,30,000 plus taxes as applicable.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby severally authorized to do all the acts, deeds and things which are necessary to give effect to all the above resolution.”

**By Order of the Board**

**For Coral Laboratories Limited**

Sd/-

**Girish Dhameja**  
**Whole Time Director**  
**(DIN: 07798455)**

Sd/-

**Sushma Kadkade**  
**Director & CFO**  
**(DIN: 07791735)**

**Place: Mumbai**

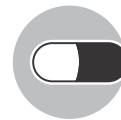
**Date: 13/08/2021**



## NOTES:

1. The Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the special business set out under the notice is annexed hereto with material facts concerning the business. The additional and relevant details, pursuant to Regulations 36(3) and Regulation 36(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of auditors seeking appointment/re-appointment of auditors at this Annual General Meeting (“AGM”) are also annexed. The Directors have also furnished consent/declaration for their appointment/re-appointment as required under the Companies Act, 2013 and the Rules thereunder.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING. PROXIES SUBMITTED ON BEHALF OF THE COMPANIES, SOCIETIES ETC., MUST BE SUPPORTED BY AN APPROPRIATE RESOLUTION/ AUTHORITY, AS APPLICABLE. PURSUANT TO PROVISIONS OF SECTION 105 OF THE COMPANIES ACT, 2013, READ WITH THE APPLICABLE RULES THEREON, A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. IN CASE A PROXY IS PROPOSED TO BE APPOINTED BY A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS, THEN SUCH PROXY SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR MEMBER.
3. Members/Proxies should bring duly filled attendance slips attached herewith for attending the Meeting.
4. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Corporate Members intending to authorize their representatives to participate and vote at the meeting are requested to mail to [cs@corallab.com](mailto:cs@corallab.com). A Certified copy (PDF format) of the Board Resolution authorizing their representative to attend the AGM and vote on their behalf.
6. Annual Report has been distributed to those members holding shares in physical and Demat form whose names appeared on the Company’s Register of Members on closure of business hours of **Friday, August 27, 2021**.
7. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from Saturday, September 18, 2021, to Friday, September 24, 2021 (both days inclusive).
8. In line with the MCA Circulars, the notice of the 39th AGM along with the Annual Report for Financial Year 2020-21 are being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories. Members may please note that this Notice and Annual Report for Financial Year 2020-21 will also be available on the Company’s website [www.corallab.com](http://www.corallab.com) websites of the Stock Exchange i.e., BSE Limited at [www.bseindia.com](http://www.bseindia.com).
9. As per RBI notification, with effect from October 1, 2009, the remittance of money through ECS is replaced by National Electronic Clearing Services (NECS) and banks have been instructed to move to the NECS platform. This is in addition to the existing facility of ECS in other locations. NECS essentially operates on the new and unique bank account number, allotted by banks pursuant to implementation of Core Banking Solutions (CBS) for centralized processing of inward instructions and efficiency in handling bulk transaction.
10. In this regard, shareholders holding shares in electronic form are requested to furnish the new 9-digit Bank Account Number allotted to them by your bank, (after implementation of CBS), along with photocopy of a cheque pertaining to the concerned account, to your Depository Participant (DP). Please send these details to the Company/Registrars if the shares are held in physical form immediately.
11. Members who have not registered their e-mail address are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s) and in respect of shares held in physical form by writing to the Company’s Registrar and Share Transfer, Link Intime India Private Limited, C-101, 247 Park L.B.S Marg, Vikhroli (West), Mumbai-400083.
12. In view of the massive outbreak of the COVID-19 pandemic, Members are requested to wear the mask at the venue during the Annual General Meeting and maintain Social Distancing. Pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020, kindly note that company is exempted from sending physical copies of notice and annual report to





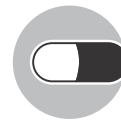
shareholders. However, the shareholders are requested to update their email id with the registrar.

13. In accordance with the Circulars, and to support the “Green Initiative”, members who have not registered their e-mail address may register their e-mail address with their depository participant or send their consent at [cs@corallab.com](mailto:cs@corallab.com) along with their folio no./DP ID client ID and valid e-mail address for registration.
14. Members who hold shares in the dematerialized form and want to change/correct the bank account details should send the same immediately to their concerned Depository Participant and not to the Company. Members are also requested to give the MICR Code of their bank to their Depository Participants. The company will not entertain any direct request from such members for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details.
15. **Members holding shares in physical mode are requested to intimate changes in their address along with proof of address/bank mandate to the Registrar and Share Transfer Agents (RTA). Members who hold shares in the dematerialized form and want to change/correct the bank account details are requested to send the intimation for change of address/bank mandate to their respective Depository Participant and not to the Company. Members are also requested to give the MICR Code of their bank to their Depository Participants.**
16. Members who are holding physical shares in identical order of names or joint holding in the same order of names in more than one folio are requested to send to the Company's Share Transfer Agent the details of such folios together with the share certificates for consolidating their holding in a single folio. The share certificates will be returned to the members after making requisite changes, thereon. Members are requested to use the new share transfer form SH-4.
17. SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018, and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019, unless the securities are held in the dematerialized form with the depositories. Therefore, Shareholders are also requested to take immediate action to Demat their shares to avail easy liquidity since trading of shares of the Company are under compulsory Demat mode as per the regulation of SEBI and also to prevent any loss of physical Share Certificate (if already complied with, please ignore this).
18. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the company. The Nomination Form SH-13 prescribed by the Government can be obtained from the Registrar and Transfer Agent. In respect of shares held in electronic/Demat form, the members may please contact their respective depository participant.
19. The Securities and Exchange Board of India (SEBI) vide circular ref no. MRD/DOP/CIR-05/2007 dated April 27, 2007, made PAN the sole identification number for all participants transacting in the securities market, irrespective of the amount of transaction. In Continuation of the aforesaid circular, it is hereby clarified that for securities market transactions and off market/private transactions involving transfer of shares of listed companies in physical form, it shall be mandatory for the transferee(s) to furnish copy of PAN card to the company /Registrar and Share Transfer Agent for registration of such transfer of shares.
20. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their Demat account(s) dormant for long, periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
21. Pursuant to Regulation 36 of the Listing Regulations and Secretarial Standard on General Meetings issued by The Institute of Company Secretaries of India, details of Director seeking re-appointment at the Annual General Meeting, forms part of the notice and is appended to the notice.
22. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Act will be available for inspection by the members at the AGM. Members seeking to inspect such documents are requested to write to the company by sending e-mail to [cs@corallab.com](mailto:cs@corallab.com) at least 10 days before the meeting i.e latest by Tuesday, September 14, 2021.
23. **Members desirous of obtaining any information concerning accounts and operations of the Company are requested to address their communications to the Company by sending email to [cs@corallab.com](mailto:cs@corallab.com) at least ten days before the date of the meeting i.e latest by Tuesday, September 14, 2021. The same will be suitably replied to by the Company at the AGM.**
24. **Members who would like to express their views/ask questions as a speaker at the Meeting may pre-register themselves by sending a request from their registered email address mentioning their names, DP ID and Client**



**ID/folio number, PAN and mobile number at [cs@corallab.com](mailto:cs@corallab.com) between Tuesday, September 14, 2021 (9:00 a.m. IST) and Friday, September 18, 2021 (5:00 p.m.). Only those Members who have pre-registered themselves as a speaker will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.**

25. **Members are requested to quote their Registered folio number or Demat Account Number & Depository Participant (D.P.) ID number in all correspondence with the Company.**
26. Those Members who have so far not encashed their dividend warrants/demand drafts for final dividend for the year 2013 onwards, may approach the Registrar and Share Transfer Agents, M/s. Link Intime India Private Limited for making their claim without any further delay as the said unpaid dividends will be transferred to the Investor Education and Protection Fund of the Central Government pursuant to the provisions of Companies Act after completion of seven years from the date of its transfer to unpaid dividend account. Further "Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016" the Company has to transfer all shares in respect of which dividend has not been paid or claimed for seven consecutive years in the name of IEPF Suspense Account. The details of unpaid/unclaimed dividend are available on your website: [www.corallab.com](http://www.corallab.com). The dates for transfer of unpaid dividends will be transferred to the Investor Education and Protection Fund of the Central Government is given in the head "Investor Education and Protection Fund" in the Board's report.
27. Shareholders are requested to note that no claim shall lie against the Company in respect of any dividend amount which was unclaimed and unpaid for a period of 7 years and transferred to Investor Education and Protection Fund of the Central Government. However, Shareholders may claim from IEPF Authority both unclaimed dividend amount and the shares transferred to IEPF Suspense Account as per the applicable provisions of Companies Act, 2013 and rules made thereunder.
28. Company will be disclosing to the Stock Exchanges, as per Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the details of results of voting on each of the resolutions proposed in this Notice.
29. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant Companies (Management and Administration Rules), 2014, companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail address with the Company are requested to submit their request with their valid e-mail address to Link Intime India Private Limited. Members holding shares in Demat form are requested to register/update their e-mail address with their Depository Participant(s) directly.
30. The Company has provided the facility to Members to exercise their right to vote by electronic means through remote e-voting and/or by ballot paper during the AGM.
31. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 39th Annual General Meeting (AGM) by electronic means and the business may be transacted through E-Voting Services by National Security Depository Limited (NSDL). Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the EGM/AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the EGM/AGM will be provided by NSDL.
32. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at [www.corallab.com](http://www.corallab.com). The Notice can also be accessed from the websites of the Stock Exchanges i.e., BSE Limited at [www.bseindia.com](http://www.bseindia.com) respectively and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
33. M/s SARK & Associates, Company Secretaries has been appointed as the Scrutinizer by the Board for providing facility to the Members of the Company to scrutinize remote e-Voting process before the AGM as well as for postal Ballot during the AGM in a fair and transparent manner.
34. The Scrutinizer will submit his report to the Chairman or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes casted through remote e-voting), not later than 48 hours from the conclusion of the AGM. The result declared along with the Scrutinizer's Report shall be



communicated to the stock exchanges on which the Company's shares are listed, NSDL, and RTA and will also be displayed on the Company's website at [www.corallab.com](http://www.corallab.com).

**THE INSTRUCTIONS FOR SHAREHOLDERS VOTING ELECTRONICALLY ARE AS UNDER:**

The remote e-voting period begins on Tuesday, September 21, 2021, at 09:00 A.M. and ends on Thursday, September 23, 2021, at 05:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members/ Beneficial Owners as on the record date (cut-off date) i.e., Friday, September 17, 2021, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being Friday, September 17, 2021.

Shareholders who have already voted prior to the meeting date would not be entitled to vote during the meeting.

**How do I vote electronically using NSDL e-Voting system?**


The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

**Step 1: Access to NSDL e-Voting system**

**A) Login method for e-Voting for Individual shareholders holding securities in Demat mode**

In terms of SEBI circular dated December 9, 2020, on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode are allowed to vote through their Demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their Demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in Demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with NSDL.	<ol style="list-style-type: none"> <li>Existing IDeAS user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> <li>If you are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS Portal" or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.</li> <li>Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <div style="text-align: center;">  </div>



Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> <li>Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</li> </ol>
Individual Shareholders (holding securities in Demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period.

**IMPORTANT NOTE:** Members who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in Demat mode for any technical issues related to login through Depository i.e., NSDL and CDSL.**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022-23058738 or 022-23058542-43

**B) Login Method for e-Voting for shareholders other than Individual shareholders holding securities in Demat mode and shareholders holding securities in physical mode.**

**How to Log-in to NSDL e-Voting website?**

- Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
- Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section.
- A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.



4. **Your User- ID Details are given below:**

<b>Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical</b>	<b>Your User ID is:</b>
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID  For example if your DP ID is In300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID  For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company  For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. **Password details for shareholders other than Individual shareholders are given below:**

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
  - (i) If your email ID is registered in your Demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e., a pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
  - (ii) If your email ID is not registered, please follow steps mentioned below in process for those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

- a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your Demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- b) **Physical User Reset Password?**" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- c) If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your Demat account number/folio number, your PAN, your name and your registered address etc.
- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.



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## Step 2: Cast your vote electronically on NSDL e-Voting system.

### How to cast your vote electronically on NSDL e-Voting system?

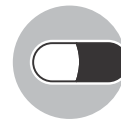
1. After successful login at Step 1, you will be able to see all the companies “EVEN” in which you are holding shares and whose voting cycle
2. Select “EVEN” of company for which you wish to cast your vote during the remote e-Voting period Now you are ready for e-Voting as the Voting page opens.
3. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on “Submit” and also “Confirm” when prompted.
4. Upon confirmation, the message “Vote cast successfully” will be displayed.
5. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
6. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

### General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to [compliance@sarkcs.in](mailto:compliance@sarkcs.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) and [cs@corallab.com](mailto:cs@corallab.com).
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Sarita Mote, Assistant Manager at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)

### Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to [cs@corallab.com](mailto:cs@corallab.com).
2. In case shares are held in Demat mode, please provide DPID-CLID (16-digit DPID + CLID or 16-digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to [cs@corallab.com](mailto:cs@corallab.com). If you are an Individual shareholder holding securities in Demat mode, you are requested to refer to the login method explained at step 1 (A) i.e., **Login method for e-Voting for Individual shareholders holding securities in Demat mode.**
3. Alternatively, shareholder/members may send a request to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020, on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in Demat mode are allowed to vote through their Demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their Demat account in order to access e-Voting facility.



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## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

### Item No. 4

#### REGULARISATION OF MR. MALAY DOSHI (DIN: 09186000) AS AN INDEPENDENT DIRECTOR OF THE COMPANY

The Board of Directors, based on the recommendation of the Nomination and Remuneration Committee (NRC), appointed Mr. Malay Doshi (DIN 09186000) as an Additional Director to hold office as Additional (Independent) Director on the Board of the Company, not liable to retire by rotation, for a term of 5 years i.e., from May 27, 2021 to May 26, 2026.

Pursuant to the provisions of Section 161(1) of the Act, he shall hold office up to the date of this Annual General Meeting (“AGM”) and is eligible to be appointed as Director. The Company has, in terms of Section 160(1) of the Act, received in writing a notice from Member(s), Proposing his candidature for the office of Directors.

The Company has received Declarations from Mr. Malay Doshi to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act, read with the Rules framed thereunder and Regulation 16(1) (b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”). In terms of Regulation 25(8) of SEBI Listing Regulations, he has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties.

In the opinion of the Board, Mr. Malay Doshi fulfil the conditions specifies in the Act, Rules and SEBI Listing Regulations for appointment as an Independent Director and he is independent of the Management of the Company. The terms and conditions of his appointment shall be open for inspection by the members at the Registered Office of the Company during the normal business hours from September 21 and will also be kept open at the venue of the AGM till the conclusion of the AGM.

Mr. Malay Doshi is not disqualified from being appointed as a Director under Section 164 of the Companies Act, 2013. Necessary disclosures pursuant to Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2016 and Secretarial Standard on General Meetings, with regard to the appointment of Mr. Malay Doshi, are provided in **Annexure I** to this Notice.

Except Mr. Malay Doshi, none of the Directors, Key managerial Personnel of the Company/their relatives are in any way, concerned interested, financially or otherwise, in the Special Resolution set out at Item No. 4 of the Notice.

The Board of Directors recommends the Special Resolution set out at the Item No. 4 of the Notice for the approval by the Members.

### Item No. 5

#### APPROVAL FOR UNDERTAKING MATERIAL RELATED PARTY TRANSACTION(S) WITH MR. CHETAN DOSHI PROMOTER OF THE COMPANY

Pursuant to Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) and the Company’s Policy on Related Party Transactions all Material Related Party Transactions shall require the approval of the shareholders as per the Listing Regulations even if such transactions are in the ordinary course of business of the concerned company and at an arm’s length basis.

A transaction with a related party shall be considered material under the Listing Regulations, if the transaction(s) in a contract to be entered into individually or taken together with previous transactions during a financial year, exceeds 10% of the annual consolidated turnover of the company as per the last audited financial statements of the company.

However, a transaction pertaining to payments made to a related party with respect to brand usage or royalty shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed five percent of the annual consolidated turnover of the Company as per the last audited financial statements of the Company.

Mr. Chetan Doshi and Coral Laboratories Limited are related parties of the Company pursuant to Section 2(76) and in accordance with the provisions of Section 188 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder. The Company wishes to enter into arrangement with Mr. Chetan Doshi, Promoter of the Company and relative of Mrs. Purvi Doshi, Director of the Company by appointing him as the Export Business Development Head of the Company after recognising his tireless efforts in getting business, export orders for the Company and



pay him remuneration for an aggregate value not exceeding INR 1.25 Cr per annum and such remuneration shall be given in foreign currency starting from July 01, 2021 on such terms and conditions as may be agreed to by the Board of Directors. The Board of Directors have approved the said transaction in its Board Meeting dated June 28, 2021 and the Company proposes to obtain approval of its members for going forward, carrying out and continuing with the following arrangements and transactions with Mr. Chetan Doshi and Coral Laboratories Limited.

Accordingly, as per Regulation 23 of the Listing Regulations, approval and/or ratification of the Members is sought for the arrangements/ transactions undertaken whether by way of continuation/ extension/ renewal/ modification of earlier arrangements/ transactions to be undertaken by the Company.

**Details of contracts or arrangements or transactions at Arm's Length Basis: -**

- (a) the name of the related party and nature of relationship: - Mr Chetan Doshi and he is Promoter of Company and Relative of Director of Company Mrs. Purvi Doshi.
- (b) the nature, duration of the contract and particulars of the contract or arrangement; Appointment as the Export Business Development Head of the Company; duration: It will be mutually decided by management and employee.
- (c) the material terms of the contract or arrangement including the value, if any; -- As per Agreement
- (d) any advance paid or received for the contract or arrangement, if any, NIL
- (e) the manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract.
- (f) whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors; and
- (g) Any other information relevant or important for the Board to take a decision on the proposed transaction Not Applicable

Except Mrs. Purvi Doshi (DIN: 08451213), none of the Director/Key Managerial Personnel of the Company/their relatives are, in anyway, concerned or otherwise, in the Ordinary Resolution set out at Item no 5 of the notice.

The Board of Directors recommends the Ordinary Resolution set out at the Item No. 5 of the Notice for the approval by the Members.

**Item No. 6**

**RATIFICATION OF REMUNERATION OF COST AUDITOR OF THE COMPANY FOR THE YEAR 2021-2022:**

The Board of Directors of the Company at its meeting held on May 27th, 2021, upon the recommendation of the Audit Committee, approved the appointment of M/s Jitendrakumar & Associates, Cost & Management Associates (Firm Registration No. 101561) as Cost Accountants, to conduct the Audit of the Cost records of the Company on remuneration of Rs. 1,30,000/- excluding all applicable taxes and reimbursement of out-of-pocket expenses) subject to ratification by shareholders in ensuing AGM for the Financial year ending March 31, 2022.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rule, 2014, the remuneration payable to the Cost Auditor is to be ratified by the Members of the Company. Accordingly, the Members are requested to ratify the remuneration payable to the Cost Auditor for the financial year ending March 31, 2022, as set out in the Resolution for the aforesaid services to be rendered by them.

None of the Director or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the said Resolution.

The Board of Directors recommends the Ordinary Resolution set out at the Item no. 6 of the Notice for the approval by the members.

**By Order of the Board Coral Laboratories Limited**

Sd/  
**Girish Dhameja**  
Whole Time Director  
(DIN: 07798455)

Sd/-  
**Sushma Kadkade**  
Director & CFO  
(DIN: 07791735)

Place: Mumbai  
Date: 13/08/2021





### ANNEXURE 1 to Explanatory Statement

Relevant details of Directors seeking appointment/ Re appointment as required by Regulation 26(4) and 36(3) of the Listing Regulations and as required under Secretarial Standards – 2 on General Meetings issued by the Institute of Company Secretaries of India are provided here under :

Name of the Director	Mr. Girish Dhameja	Mr. Malay Doshi
DIN	07798455	09186000
Designation	Whole Time Director	Additional Independent Director
Date of Birth	05/03/1981	28/09/1989
Date of first appointment on the Board,	May 26, 2017	May 27, 2021
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Mr. Girish Dhameja is not related to any Director inter-se.	Mr. Malay Doshi is not related to any Director inter-se
Expertise in specific functional area	Mr. Girish Dhameja (DIN: 07798455) is a commerce post graduate holding Diploma in Financial Accounting and Diploma in Exim Management. His present profile includes handling export enquiry finalization and execution of order, business development, Product expansion and Production follow up, logistics Operations, Tenders Business and Regulatory Coordination.	Mr. Malay Doshi (DIN: 09186000) is a Chartered Accountant by profession. He is into Practice. He has also pursued Bachelor of Law (LLB) from Mumbai University. He is Owner of the Proprietary Firm Malay Doshi & Associates since April 2012. They offer a vast array of services to all client types' right from individuals to large corporate. Over and above Audit and Assurance services, they have been advising Their clients on all matters related to Income Tax, Goods and Service Tax besides handling all procedural matters relating to filing of returns and representation before tax authorities at all levels etc. Over the years Malay Doshi & Associates has evolved into a renowned professional firm that has worked on various assignments ranging from Statutory Audits, Management Audits, Due Diligence Audits, Internal Audits, Income Tax Planning, FEMA Consultancy, VAT Consultancy, Service Tax Consultancy, Goods and Service Tax, Establishment of Overseas ventures, Financial and Investment Consultancy and other related matters.
Qualification	Post Graduate	Chartered Accountant, Bachelor of Law (LLB)
List of Directorship of other Board.	NIL	NIL
List of Membership / Chairmanship of Committees of other Board.	NIL	NIL
Number of shares held in the Company as on March 31, 2021	NIL	NIL
Terms and conditions of appointment or re-appointment	As specified in explanatory statement	Appointment for a term of five consecutive years on the Board of the Company commencing from May 27, 2021 up to May 26, 2026, not liable to retire by rotation.
Details of remuneration sought to be paid and the remuneration last drawn by such person, if applicable	As specified in explanatory statement	NA
Number of Meetings of the Board attended during the year	7 out of 7	0 out of 0

\* Details of remuneration sought to be paid and the remuneration last drawn by such person, if applicable is not applicable to Directors who retires by rotation and being eligible, offers themselves for re-appointment.



## CORAL LABORATORIES LIMITED

### DIRECTOR'S REPORT

To  
The Members of Coral Laboratories Limited

Dear Member(s),

Your directors have pleasure in presenting the 39th Annual Report together with the Audited Financial Statements for the year ended March 31, 2021.

#### FINANCIAL SUMMARY AND HIGHLIGHTS:

Standalone financial highlights of the company based on Indian Accounting Standards (Ind AS) for FY 20-21 (i.e., from 1 April 2020 to 31 March 2021) compared to the previous financial year is as under:

(₹ in Lacs)

Particulars	2020-21	2019-20
Income	10033.73	7647.12
Expenditure	8274.36	6735.42
<b>Earnings before Tax</b>	1759.37	911.70
Provision for Tax	450.00	250.00
Provision for Deferred Tax	(44.22)	(51.33)
Less: Income Tax Adjustments of earlier years	(1.87)	-
<b>Earnings after Tax</b>	1355.46	713.03
Other Comprehensive Income (net of tax)	741.78	(436.77)
<b>Total Comprehensive Income</b>	2097.25	276.26
Add: IND-AS Adjustment	-	-
Add: Balance Brought forward	10789.31	10599.19
Less: Dividend Paid (including Dividend Distribution tax)		(86.14)
Deferred tax liability	-	-
Balance carried forward to Balance Sheet	12886.55	10789.31

#### PERFORMANCE:

Our Company continues to operate only in one segment i.e., pharmaceuticals and there is no change in the nature of business of the Company. During the year under review, the company posted Revenue of Rs. 10033.73 lacs as compared to previous year Rs. 7647.12 lacs. The earnings after tax stood at Rs. 1355.46 lacs as compared to Rs. 713.03 lacs during the previous year.

#### TRANSFER TO RESERVES:

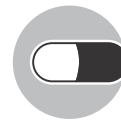
Your Company does not propose to transfer any amount to the general reserve.

#### STATE OF AFFAIRS:

During the year under review, your Company enjoyed cordial relationship with workers and employees at all levels.

#### CHANGE IN NATURE OF BUSINESS, IF ANY:

The Company operated into single segment i.e., Pharmaceuticals. During the year, there was no change in the nature of business of the Company.



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**DIVIDEND:**

The Directors of the Company have decided to conserve the resources and no dividend is being recommended.

**MATERIAL CHANGES AND COMMITMENTS IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENT RELATE AND THE DATE OF THE REPORT:**

No material changes and commitments affecting the financial position of the company have occurred between the end of the financial year of the company to which the financial statement relate and the date of the report.

**HOLDING, SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:**

Your Company does not have any Holding, Subsidiaries, Joint Venture or Associate Companies.

**EXTRACT OF ANNUAL RETURN:**

In accordance with the Companies Act, 2013, the annual return in the prescribed format is available at website link <https://corallab.com/Investors.aspx>

**RELATED PARTY TRANSACTIONS:**

All related party transactions that were entered into during the financial year were in the ordinary course of the business. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large.

Transactions with related parties entered by the Company in the normal course of business are periodically placed before the Audit Committee for its omnibus approval and the particulars of contracts entered during the year as per Form AOC-2 is enclosed as “Annexure [I]”.

The Company has adopted a RPT policy, to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act 2013, the Rules there under and the SEBI (Listing Obligation and Disclosure Requirements), Regulation, 2015. This Policy is available on the website of the Company at [www.corallab.com](http://www.corallab.com).

**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

Details of loans, guarantees and investments covered under Section 186 of the Companies Act, 2013, along with the purpose for which such loan or guarantee was proposed to be utilized by the recipient, form part of the notes to the financial statements provided in this annual report.

**SIGNIFICANT/MATERIAL ORDERS PASSED BY THE REGULATORS:**

There are no significant/material orders passed by the Regulators or Courts or Tribunals impacting the going concern status of your Company and its operations in future.

**SHARE CAPITAL:  
EQUITY SHARE CAPITAL:**

The Authorised Share Capital of the company is Rs. 10,00,00,000/- and the paid-up Equity Share Capital as on March 31, 2021, is at Rs. 3,57,26,000/-. During the year under review, the Company has not altered its Share Capital nor issued shares or convertible securities or shares with differential voting rights nor has granted any stock options or sweat equity or warrants.

**PUBLIC DEPOSIT:**

Your Company has neither accepted nor renewed any deposits covered under Chapter V of the Companies Act, 2013 and other applicable provisions, if any, and the necessary rules made there under during the year ended March 31, 2021.



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#### **DEMATERIALIZATION:**

The Equity shares of the Company can be held in dematerialized form. The Company has signed the tripartite agreement with National Securities Depository Limited and Central Depository Services (India) Limited and Link Intime India Private Limited, Registrar & Transfer Agent for dematerialization of existing holding of the shareholders.

Further as per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 1, 2019, unless the securities are held in the dematerialized form with the depositories. Therefore, Shareholders are requested to take action to dematerialize the Equity Shares of the Company to eliminate all the risks associated with physical shares, promptly.

The International Securities Identification Number allotted to the Company is INE683E01017. The equity shares of the Company are listed at BSE Limited (BSE).

#### **LISTING WITH STOCK EXCHANGES:**

The Equity Shares of the Company continues to be listed at BSE Limited. The scrip code number of the Equity shares of the Company on BSE is 524506. The Company confirms that it has paid up to date listing fees to BSE Limited.

Your Company has also been enlisted in the new SEBI compliant redressal system (SCORES) enabling the investors to register their complaints if any for speedy redressal.

#### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

A detailed report on the Management Discussion and Analysis in terms of Regulation 34 of the Listing Regulations is enclosed as a part of this report.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO:**

The particulars as prescribed under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are attached as “**Annexure [II]**” to this report.

#### **CORPORATE SOCIAL RESPONSIBILITY (CSR):**

Company is committed to good corporate citizenship. As a part of its corporate social responsibility, the Company continues to undertake a range of activities including preventive healthcare. The CSR policy of the Company is placed on the website of the [www.corallab.com](http://www.corallab.com).

During the year under review, the Company was supposed to spent Rs. 28,44,860/- (2% of the average net profits of last three financial years) towards Corporate Social Responsibility (CSR) activities. In compliance with Section 135 of the Act, the Company has undertaken CSR activities, projects, programs, excluding activities undertaken in pursuance of its normal course of business.

During the year under review the Company has spent Rs. Rs. 28,44,860/- of the average qualifying net profits of last three financial years) on CSR activities on projects qualifying as per Section 135 of the Act, duly approved by the CSR Committee of the Board.

The brief outline of the Corporate Social The salient features of the CSR Policy and details of activities as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 are provided in “**Annexure [III]**” of this report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules, 2014. For other details regarding the CSR Committee, please refer to the Corporate Governance Report, which is a part of this report. The CSR policy is available on website of the Company: [www.corallab.com](http://www.corallab.com).



## CORPORATE GOVERNANCE:

A detailed report on the corporate governance systems and practices of the company has been enclosed as a part of this Annual Report.

The Certificate from the M/s. SARK & Associates Company Secretaries confirming the compliance with the conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is included as a part of this report.

## NUMBER OF MEETING OF THE BOARD OF DIRECTORS:

Your Board of Directors has duly met 7 (Seven) times during the financial year 2020-21 i.e., on May 20, 2020, June 19, 2020, July 23, 2020, September 04, 2020, November 12, 2020, January 27, 2021 and February 11, 2021 respectively in respect of which proper notices were given and the proceedings were properly recorded and signed in the Minute Book maintained for the purpose. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. Further details can be seen in the Corporate Governance Report included in Annual Report.

## NUMBER OF MEETINGS OF AUDIT COMMITTEE:

Audit Committee has duly met 6 (Six) times during the financial year 2020-21 i.e., on May 20, 2020, June 19, 2020, July 23, 2020, September 04, 2020, November 12, 2020 and February 11, 2021 respectively in respect of which proper notices were given and the proceedings were properly recorded and signed in the Minute Book maintained for the purpose. Further details can be seen in the Corporate Governance Report included in Annual Report.

## BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):

### (i) Changes in Directors and Key Managerial Personnel (KMP):

During the year, there were changes in Key Managerial Personnel (KMP) in the Financial Year 2020-21:

- Ms. Nirali Mehta resigned as a Company Secretary and Compliance Officer of the Company with effect from close of working hours on June 11, 2020.
- At Board Meeting dated July 23, 2020, Ms. Ruchi Anjaria was appointed as Company Secretary and Compliance Officer of the Company.
- Mr. Girish Dhameja, retires by rotation at this Annual general Meeting and being eligible, seeks re-appointment.

### (ii) Constitution of Board of Directors as on March 31, 2021, is as follows:

Sr. No.	Name of Director	Category
1	Mr. Girish Dhameja	Whole Time Director
2	Mrs. Purvi Doshi	Non-Executive Director
3	Mrs. Sushma Kade	Non-Executive Director & CFO
4	Mrs. Sheela Kamdar	Non-Executive Independent Director
5	Mr. Sanket Mehta	Non-Executive Independent Director
6	Mr. Saurabh Shah	Non-Executive Independent Director

### (iii) KEY MANAGERIAL PERSONNEL (KMP):

The following are the Key Managerial Personnel of the Company:

1. Mr. Girish Dhameja- Whole Time Director
2. Mrs. Sushma Kade- Chief Financial Officer (CFO)
3. Ms. Ruchi Anjaria- Company Secretary & Compliance officer (w.e.f. July 23, 2020)



## **DECLARATION FROM INDEPENDENT DIRECTORS:**

In accordance with provisions of section 149 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015, Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the Section 149 of Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015.

As per MCA Circular dated October 22, 2019 - Companies fifth Amendment in rules –Companies (Appointment and Qualification of Directors) Rules, 2014, the names of the Independent Directors Mrs. Sheela Kamdar, Mr. Saurabh Shah and Mr. Sanket Mehta are registered with the databank maintained by the Indian Institute of Corporate Affairs and qualify online proficiency self- assessment test within 1 year time post registration.

As per MCA Circular dated December 18, 2020- Companies (Appointment and Qualification of Directors) Fifth Amendments Rules, 2020, Independent Directors were given certain relaxations namely:

- The time limit to qualify online proficiency self-assessment test has been increase to “within 2 years” time post registration with data bank maintained by the Indian Institute of Corporate Affairs.
- Exemption to pass and qualify online proficiency self-assessment was given to individuals who has served for a total period of not less than three years as on the date of inclusion of the name in the data bank as director or key managerial personnel, as on the date of inclusion of his name in the databank, in one or more of the following, namely: -
  - (a) listed public company; or
  - (b) unlisted public company having a paid-up share capital of rupees ten crore or more; or
  - (c) body corporate listed on any recognized stock exchange or in a country which is a member State of the Financial Action Task Force on Money Laundering and the regulator of the securities market in such member State is a member of the International Organization of Securities Commissions; or
  - (d) bodies corporate incorporated outside India having a paid-up share capital of US\$ 2 million or more; or
  - (e) statutory corporations set up under an Act of Parliament or any State Legislature carrying on commercial activities.

Considering the exemptions given in the MCA Circular dated December 18, 2020, Sheela Kamdar is exempt to appear and qualify online proficiency self-assessment test, since she is acting as Independent Director in the Company since 2014, i.e., she was on the Board of the Company and served as Director of the Company for more than 3 years as on the date of inclusion of her name in the Data Bank.

Further Mr. Sanket Mehta and Mr. Saurabh Shah were appointed on the Board of the Company in the year 2017 & 2019, as a result the are not exempted from appearing and qualifying online proficiency self-assessment test within 2 years from the date of inclusion of their name in the data bank and they are yet to appear for the online proficiency test before February 2022 to continue as Directors of the Company.

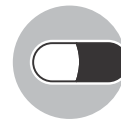
## **BOARD EVALUATION:**

Pursuant to the provisions of the Companies Act, 2013 and as per Regulation 17(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors has carried out an annual evaluation of the performance of its own, Board committees and Independent Directors.

The performance of the Board was evaluated by the Board after seeking inputs from all the Directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The Board and the Nomination and Remuneration Committee (“NRC”) reviewed the performance of the individual Directors based on the criteria such as the contribution of the individual Director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings etc.



In a separate meeting of independent Directors, performance of Non-Independent Directors, performance of the board as a whole and performance of the Chairperson was evaluated, taking into account the views of Executive Directors and Non-Executive Directors. The same was discussed in the board meeting that followed the meeting of the independent Directors, at which the performance of the Board, its committees and individual Directors was also discussed.

The committees are evaluated on certain parameters such as effective discharge of their roles, responsibilities and advice given to the board for discharging its fiduciary responsibilities, including adequate and periodical updates to the board on the committees' functioning.

#### **BOARD COMMITTEES:**

The Board of Directors have the following Committees:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Stakeholders' Relationship Committee
4. Corporate Social Responsibility Committee

The details of the Board Committees along with their composition as well as changes in their composition, number of meetings and attendance at the meetings are provided in the Corporate Governance Report.

#### **NOMINATION, REMUNERATION AND BOARD DIVERSITY POLICY:**

The Board of Directors has adopted a NRC policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company.

The Policy broadly lays down the guiding principles, philosophy and the basis for payment of remuneration to Executive and Non-executive Directors (by way of sitting fees and commission), Key Managerial Personnel, Senior Management and other employees. The policy also provides the criteria for determining qualifications, positive attributes and Independence of Director and criteria for appointment of Key Managerial Personnel /Senior Management and performance evaluation which are considered by the Nomination and Remuneration Committee and the Board of Directors while making selection of the candidates. The above policy has been posted on the website of the Company at [www.corallab.com](http://www.corallab.com) under investor's relations /policies.

#### **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

Your company has an effective internal control and risk – mitigation system, which are constantly assessed and strengthened with new/revised standard operating procedures. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The internal and operational audit is entrusted to M/s. Pinkesh Jain, Chartered Accountant, Internal Auditor for the Financial Year 2020-21. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Company has a robust Management Information System, which is an integral part of the control mechanism.

The Audit Committee of the Board of Directors, Statutory Auditors and the Business Heads are periodically apprised of the internal audit findings and corrective actions taken. To maintain its objectivity and independence, the internal Audit function reports to the Chairperson of the Audit Committee.

#### **RISK MANAGEMENT:**

Pursuant to section 134 (3)(n) of the Companies Act, 2013 & Regulation 21 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is not required to constitute a risk management committee. Hence it is not applicable to the Company for the year under review.



At present the company has not identified any element of risk which may threaten the existence of the company. The Company has adopted Risk Management Policy which has been posted on the website of the Company: [www.corallab.com](http://www.corallab.com).

## **DISCLOSURE RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND PARTICULARS OF EMPLOYEES:**

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Directors/employees of your Company is set out in “Annexure [IV]” to this Report.

## **AUDITORS AND AUDITORS’ REPORT:**

### **(i) Statutory Auditors:**

As the members are aware M. A. Parekh & Associates, Chartered Accountants (having Firm Registration No: 121973W) were appointed as Statutory Auditors of the Company by the shareholders at the 38th Annual General Meeting held on September 17, 2020 till the conclusion of the next Annual General Meeting of the Company.

However in terms of Section 139 of the Companies Act, 2013 (the “Act”) read with the Companies (Audit and Auditors) Rules, 2014, a listed company shall not appoint or re-appoint an audit firm as auditor for more than two terms of five consecutive years and that the period for which the audit firm has held office as auditor prior to the commencement of the Act shall be taken into account for calculating the period of ten consecutive years. However, the said Section further provides a transition period of three years from the date of commencement of the Act i.e., 1st April 2014 to comply with the aforesaid requirements.

Further, the Companies (Audit and Auditors) Rules, 2014 contains manner and procedure of selection and appointment of auditors, which inter alia provides that the Audit Committee shall consider that whether the qualification and experience of the firm are commensurate with the size and requirements of the Company. While considering the appointment, the Audit Committee shall also have regard to any order or pending proceeding relating to professional matters of conduct against the proposed auditors.

The Board of Directors at their meeting held on May 27, 2021, appointed M/s. M. A. Parekh & Associates, Chartered Accountants (having Firm Registration No: 121973W) as Statutory Auditor of the Company for a period of four consecutive years i.e. from the conclusion of 39th Annual General Meeting till the conclusion of 42nd Annual General Meeting of the Company to examine and audit the Accounts of the Company for the financial year commencing from April 1, 2021, on such remuneration as shall be fixed by the Board of Directors of the Company.

Hence, Board of Directors recommends to shareholders of the company in this Annual General meeting to approve the appointment of M/s. M. A. Parekh & Associates, Chartered Accountants (having Firm Registration No: 121973W) as a Statutory Auditor of the Company from the conclusion of 39th Annual General Meeting till the conclusion of 42nd Annual General Meeting of the Company.

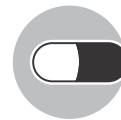
M/s. M. A. Parekh & Associates, Chartered Accountants (having Firm Registration No: 121973W) located at “543, Kalbadevi Road, Ravindra House, 2nd Floor, Near Metro, Mumbai 400002 have conveyed their consent to be appointed as Statutory Auditor of the Company along with a confirmation that their appointment, if made, by the members, would be within the limits prescribed under Companies Act 2013.

The Auditors’ Report for the Financial Year 2020-21 does not contain any qualification, reservation, or adverse remark. The Auditor’s Report is annexed along with financials of the Company.

### **(ii) Secretarial Auditor:**

As the members are aware, pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company had appointed M/s Uma Lodha & Co., Practicing Company Secretaries to conduct the Secretarial Audit of your Company for the financial year 2020-21. However, M/s Uma Lodha & Co., Practicing Company Secretaries has shown her unwillingness to continue as Secretarial Auditors of the Company for Financial Year 2020-2021.





Further, pursuant to the provisions of Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company is required to appoint Secretarial Auditor, who shall be a Company Secretary in practice, to conduct Secretarial Audit of the Company.

Since M/s Uma Lodha & Co., Practicing Company Secretaries has shown her unwillingness to conduct the Secretarial Audit of your Company for the financial year 2020-21, the Board of Directors at their meeting held on May 27, 2021, appointed M/s SARK & Associates, Company Secretaries, Mumbai as Secretarial Auditor for FY 2020-21 and FY 2021-22.

The Secretarial Audit Report is annexed herewith as “**Annexure [V]**” to this Report.

Based on the consent received from M/s SARK & Associates, Company Secretaries, the board has appointed the abovementioned firm as the secretarial auditor of the company for F.Y. 2020-21 and F.Y. 2021-22.

### **COMMENTS OF THE BOARD FOR REMARKS**

The Secretarial Audit Report and/or Secretarial Compliance Report does not contain any qualification, reservation, or adverse remark.

#### **(iii) Cost Auditor:**

In accordance with the provisions of Section 148 of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014, your Company is required to maintain Cost Records of the Company. Such accounts and records have been duly maintained by the Company.

On the recommendation of the audit committee, the board has appointed M/s. Jitendrakumar & Associates, Cost & Management Associates (Firm Registration No. 101561) as cost auditors of the company for the financial year 2021-2022 at a remuneration of Rs. 1,30,000 plus reimbursement of out-of-pocket expenses at actual and applicable taxes. The provisions also require that the remuneration of the cost auditors be ratified by the shareholders. Hence, approval of shareholders is being taken in this Annual General Meeting.

### **SECRETARIAL STANDARDS**

In terms of Section 118(10) of the Companies Act, 2013, the company complies with Secretarial Standards 1 and 2, relating to the ‘Meetings of the Board of Directors’ and ‘General Meetings’ respectively as specified by the Institute of Company Secretaries of India and approved by the Central Government.

### **INVESTOR EDUCATION AND PROTECTION FUND (IEPF):**

Pursuant to the provisions of the Companies Act, 2013, read with IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, declared dividends which remained unpaid or unclaimed for a period of seven years have been transferred by the company to the IEPF, which has been established by the Central Government. The above-referred rules also mandate transfer of shares on which dividend are lying unpaid or unclaimed for a period of seven consecutive years to IEPF.

The company will issue individual notices to the shareholders whose equity shares are liable to be transferred to IEPF, advising them to claim their dividend on or before 6th November, 2021. The details of unpaid / unclaimed dividend will be available on our website: [www.corallab.com](http://www.corallab.com).

Hereunder are the details of Dividends paid by the Company and their proposed due dates and year of transfer of unclaimed/un-encashed dividends to the designated fund of the Central Government.



Date of Declaration of Dividend	Dividend for the year	Proposed due date for transfer to Investor Education and Protection Fund (IEPF)
29th September, 2014	2013 – 2014	6th November, 2021
16th September, 2015	2014 – 2015	24th October, 2022
26th September, 2016	2015 – 2016	3rd November, 2023
19th September, 2017	2016 – 2017	27th October, 2024
27th September, 2018	2017- 2018	4th November, 2025
27th September, 2019	2018-2019	4th November, 2026
17th September, 2020	2019-2020	No dividend was declared during the year

During the Financial Year 2020-2021, the company has transferred to the Investor Education and Protection Fund (IEPF) following amount of unclaimed dividends and corresponding shares thereto as stated below:

Particulars	Amount of dividend transferred (in Rs.)	No. of shares transferred
For the year 2012-2013	Rs. 180,706.50	46205 shares

Any corporate benefits accruing on such shares, viz. bonus shares, split etc., shall also be credited to unclaimed suspense account, for a period of seven years and thereafter will be transferred by the company to IEPF, in accordance with provisions of section 124(5) and (6) of the Companies Act, 2013 and rules made thereunder.

Any person, whose shares and unpaid/unclaimed dividends get transferred to the IEPF may claim the shares and unpaid/unclaimed dividends from the IEPF in accordance with such procedure and on submission of such documents as prescribed. The Voting rights on such shares shall remain frozen till the rightful owner of such shares claims the shares.

#### **DIRECTORS RESPONSIBILITY STATEMENT:**

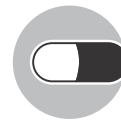
Pursuant to Section 134(3)(c) of the Companies Act, 2013, Directors of your Company hereby state and confirm that-

- In the preparation of the Annual Accounts for the year ended March 31, 2021, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period.
- 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.
- The Directors had prepared the Annual Accounts on a going concern basis and
- The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **VIGIL MECHANISM/WHISTLE BLOWER POLICY:**

In pursuance of the provisions of section 177(9) & (10) of the Companies Act, 2013 and Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements Regulations), 2015, a Vigil Mechanism for Directors and employees to report genuine concerns has been established.

The purpose of the "Whistle Blower Policy" is to allow employees to raise concerns about unacceptable, improper or unethical practices being followed in the organization. They will be protected against any adverse action and/or discrimination as a result



of such a reporting, provided it is justified and made in good faith. The complaints can also be addressed to Chairperson of Audit Committee and Chairman in exceptional cases.

The “Whistle Blower policy” has been uploaded on the website of the Company at [www.corallab.com](http://www.corallab.com).

#### **REPORTING OF FRAUDS:**

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of Act and Rules framed thereunder.

#### **CODE OF CONDUCT:**

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees during day-to-day business operations of the company. The Company believes in “Zero Tolerance” against bribery, corruption and unethical dealings / behavior of any form and the Board has laid down the directives to counter such acts. The code laid down by the Board is known as “code of business conduct” which forms an Appendix to the Code. The Code has been posted on the Company’s website: [www.corallab.com](http://www.corallab.com).

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the workplace, in business practices and in dealing with stakeholders. The Code gives guidance through examples on the expected behavior from an employee in a given situation and the reporting structure.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code. All Management Staff were given appropriate training in this regard.

#### **PREVENTION OF INSIDER TRADING:**

Based on the recommendation of the Audit Committee, the Company has adopted a revised Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company’s shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

Board of Directors and the designated employees have confirmed compliance with the Code. The policy for same has been posted on the website of the company.: [www.corallab.com](http://www.corallab.com).

#### **DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

In order to comply with provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, the Company has formulated and implemented a policy on prevention, prohibition and redressal of complaints related to sexual harassment of women at the workplace. All women employees permanent, temporary or contractual are covered under the above policy. The said policy has been uploaded on the internal portal of the Company for information of all employees. An Internal Complaint Committee (ICC) has been set up in compliance with the said Act.

During the financial year 2020-21, the company has not received any complaints on sexual harassment and hence no complaints remain pending as of March 31, 2021.

#### **ACKNOWLEDGMENT:**

Your directors place on record their sincere appreciation for the steadfast commitment and highly motivated performance by employees at all levels across the globe which was instrumental in sustained performance of the Company. Your directors also sincerely thank all the stakeholders, business partners, government & other statutory bodies, banks, financial institutions, analysts and shareholders for their continued assistance, cooperation and support.

**By Order of the Board  
For Coral Laboratories Limited**

Sd/-  
**Girish Dhameja**  
Whole Time Director  
(DIN: 07798455)

Sd/-  
**Sushma Kadkade**  
Director & CFO  
(DIN: 07791735)

**Place: Mumbai  
Date: 13/08/2021**



**ANNEXURE [I] to Board's Report**

**FORM AOC-2  
(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and  
Rule 8(2) of the Companies (Accounts) Rules, 2014)**

Form for Disclosure of particulars of contracts /arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso is given below:

- Details of contracts or arrangements or transactions not at Arm's length basis: NOT APPLICABLE**
- Details of contracts or arrangements or transactions at Arm's length basis:**

a)	Name (s) of the related party	Chetan Doshi	Purvi Doshi
b)	Nature of Relationship	Director's relative & Promoter	Director
c)	Nature of contracts /arrangements / transaction	Rent paid for lease arrangements	Rent paid for lease arrangements
d)	Duration of the contracts/ arrangements / transaction	For period of 5 years	For period of 5 years
e)	Salient terms of the contracts or arrangements or transaction	Payment of Rent for lease arrangements as per leave and license agreement For period of 5 years commencing from 01/04/2019 to 31/03/2024	Payment of Rent for lease arrangements as per leave and license agreement For period of 5 years commencing from 01/04/2019 to 31/03/2024
f)	Justification for entering into such contracts or arrangements or transactions	The corporate office of the company is owned by Mr. Chetan Doshi and Mrs. Purvi Doshi	The corporate office of the company is owned by Mrs. Purvi Doshi and Mr. Chetan Doshi
g)	Date of approval by the Board	01/04/2019	01/04/2019
h)	Amount incurred during the year (Rs. In lacs)	5.7 Lacs	5.7 Lacs

**By Order of the Board  
For Coral Laboratories Limited**

**Sd/-  
Girish Dhameja  
Whole Time Director  
(DIN: 07798455)**

**Sd/-  
Sushma Kadkade  
Director & CFO  
(DIN: 07791735)**

**Place: Mumbai  
Date: 13/08/2021**



## ANNEXURE [II] to Board's Report

### Information required under section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies Accounts Rule, 2014

#### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGOING:

Information as per Section 134 (3) (m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rule, 2014 and Forming part of the Directors Report for the year 2020-21

#### A. CONSERVATION OF ENERGY:

1. The Steps taken or impact on Conservation of Energy:
  - Installation of 3 Nos.5KVAR capacitor on main bus bar in fixed mode for saving energy
  - Installed MDI controller to control the demand within 700 KVA to save energy and penalty
  - Installed the 3-way valve for AHU to optimize the chiller operation.
  - Installed the system to automatic closed maintain the temperature of chilling plant
  - Installed Voltage Stabilizers to provide Suitable Voltage to lighting Fixtures. Replaced Tube Lightes with conventional Chokes by 28W T5 lamps with electronic Chock, 250watts Lamps at Street light with 70watts HPSV Lamps for saving Energy.
  - Installed the system air compressor unload 7 kg pressure and load 6kg pressure (automatically unloading and loading system)
  - Installed the automatic Centralised voltage stabilizer of 750 KVA for controlling over all voltage fluctuation
  - Softener plant install for soft water use in boiler to avoid scale removal to get maximum output

	Particulars	March 31, 2021	March 31, 2020
<b>I.</b>	<b>ELECTRICITY</b>		
	I. Purchase Units (In lacs)	25.28	23.97
	II. Total Amount (Rs. In lacs)	156.92	145.90
	III. Rate/Units (Rs)	6.21	6.08
<b>II.</b>	<b>FURNANCE OIL</b>		
	i. Quantity (Ltrs) In Lacs	0.32	0.20
	ii. Total Amount (Rs. In lacs)	24.64	13.40
	iii. Rate/Units (Rs)	76.18	67.00
<b>III.</b>	<b>Gas</b>		
	iv. Quantity (kgs) In Lacs	0.37	0.35
	v. Total Amount (Rs. In lacs)	22.82	21.26
	vi. Rate/Units (Rs)	62.30	61.35

2. The Steps Taken by the Company for utilizing alternate Source of Energy: Not Applicable
3. The Capital Investment on Energy Conservation Equipment's : Not Applicable

#### B. TECHNOLOGY ABSORPTION- Not Applicable

Technology absorption, adaption and Innovation: Not Applicable

Expenditure Incurred on research and Development: Nil



**C FOREIGN EXCHANGE EARNIGN AND OUTGO:**

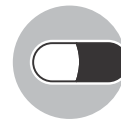
The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflow;

**Foreign Exchange Earned**

<b>Particulars</b>	<b>2020-2021</b>	<b>2019-2020</b>
Exports (Rs.in Lacs)	6984.10	4670.68

**Foreign Exchange Outgo:**

<b>Particulars</b>	<b>2020-2021</b>	<b>2019-2020</b>
- Imports (Rs. In Lacs)	194.10	201.89
- Others (Rs. In Lacs)	112.95	63.32



## ANNEXURE [III] to Board's Report

### FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT FOR FINANCIAL YEAR COMMENCING ON OR AFTER 1ST DAY OF APRIL 2020

#### 1. CSR Policy - Brief Outline and Overview

##### A brief outline on CSR policy of the Company

Coral Laboratories Limited (the Company) has framed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is uploaded on the Company's website.

To direct Coral Laboratories' CSR Programme, inter alia, towards achieving one or more of the following:

- Enhancing environmental and natural capital.
- Supporting rural development.
- Promoting education and vocational skills.
- Providing preventive healthcare.
- Providing sanitation and drinking water.
- Creating livelihoods for people, especially those from disadvantaged sections of society, in rural and urban India.
- Preserving and promoting traditional art and culture and promoting sports.

The CSR Policy may be accessed on the Company's corporate website at [www.corallab.com](http://www.corallab.com).

The Company has undertaken projects in the rural area development Promoting health care including preventive health care and promoting education of its CSR Initiative for the financial year 2020-21. The activities and funding are monitored internally by CSR Committee of the Company. The Company has identified the following fields of operation for spending of expenditure towards CSR by utilizing its entire CSR Amount towards construction of Hospital & College Building to M. M. PATEL PUBLIC CHARITABLE TRUST, SOLAPUR.

Role of Corporate Social Responsibility (CSR) Committee:

- To review the existing CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
- To provide guidance on various CSR activities to be undertaken by the Company and to monitor process

#### 2. Number of meetings held by CSR Committee:

The CSR Committee meetings were held on May 20, 2020, November 12, 2020 and February 11, 2021, during the year.

#### 3. Composition of Corporate Social Responsibility (CSR) Committee:

Sr.No.	Name of the Director	Position	Category	No. of Meetings Attended
1.	Mrs. Sheela Kamdar	Chairperson	Independent Director	3
2.	Mrs. Sushma Kadkade	Member	Non-Executive Director	3
3.	Mr. Sanket Mehta	Member	Independent Director	3

4. The details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of Rule 8 of the Companies (Corporate Social Responsibility Policy) Rules 2014, if applicable - Not Applicable

5. Details of the amount available for set off in pursuance of sub-rule (3) of Rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any-

Sr No.	Financial Year	Amount available for set-off from preceding financial years (in Rs.)	Amount required to be setoff for the financial year, if any (in Rs.)
NOT APPLICABLE			



6. Average net profit of the company for last three financial years: **Rs. 14,22,43,000/-**.
7. Prescribed CSR expenditure (two percent of the amount as in item no.5 above): **Rs. 28,44,860/-**
- (a) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: - Nil
- (b) Amount required to be set off for the financial year, if any: - N.A.
- (c) Total amount to be spent for the financial year: **Rs. 28,44,860/-**
- (d) Details of CSR spent during the financial year: **Rs. 28,44,860/-**
- (e) Amount unspent, if any: **NIL**
8. (a) Details of CSR spent or Unspent for the financial year 2020-2021

Total Amount Spent for the Financial Year.	Amount Unspent Total Amount transferred to Unspent CSR Account as per Sec 135(6)			Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)	
	Amount	Date of Transfer	Name of fund	Amount	Date of Transfer
Rs. 28,44,860	Nil	NA	NA	NIL	NA

- (b) Details of CSR amount spent against ongoing projects for the financial year: **Not Applicable**

1	2	3	4	5	6	7	8	9	10	11
S No	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.	Project duration	Amount allocated for the	Amount spent in the current financial Year	Amount transferred to Unspent CSR Account for the project as per	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing
Not Applicable										

- (c) Details of CSR amount spent against other than ongoing projects for the financial year:

S No	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project	Amount spent for the project	Mode of implementation Direct (Yes/No)	Mode of Implementation - Through Implementing Agency
	Hospital & College Building	Promoting health care including preventive health care and promoting education	No	Solapur, Maharashtra	Rs. 28,44,860	Yes	

- (d) Amount spent in Administrative Overheads- Nil
- (e) Amount spent on Impact Assessment, if applicable- Not Applicable
- (f) Total amount spent for the Financial Year: Rs. 28,44,860/-

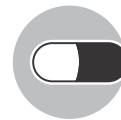
**By Order of the Board  
For Coral Laboratories Limited**

Sd/-  
**Girish Dhameja**  
Whole Time Director  
(DIN: 07798455)

Sd/-  
**Sushma Kadkade**  
Director & CFO  
(DIN: 07791735)

Place: Mumbai  
Date: 13/08/2021





#### Annexure [IV] to Board's Report

##### Information required under Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- a. **The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year:**

Executive Directors	Total Remuneration (Rs.)	Ratio to median remuneration
Mr. Girish Dhameja	Rs. 2593183/-	12.01%

1. The aforesaid details are calculated on the basis of remuneration for the financial year 2020-21.
2. Median remuneration of the Company for all its employee is Rs. 215944/-for the financial year 2020-21.
3. Median remuneration of the Company for all its employee is Rs. 2,33,061/- for the financial year 2019-20.

- b. **The percentage increase in remuneration of each Director, Chief financial officer, company secretary in the financial year:**

Directors, Chief Executive Officer, Chief Financial Officer	% increase in remuneration in the financial year
Mr. Girish Dhameja (Whole Time Director)	24.23%
Mrs. Sushma Kadkade (CFO)	25.03%
Ms. Nirali Mehta (Company Secretary) (Resigned with effect from 11th June, 2020)	NIL
Ms. Ruchi Anjaria (Company Secretary) (Appointed w.e.f July 23, 2020)	NA

- c. **The percentage increase in the median remuneration of all employees in the financial year 2020-2021:**

Particulars	2020-21 (Rs.)	2019-20 (Rs.)	Change (%) (Increase)
Median remuneration of all employees per annum	215944	233061	-

- d. **The number of permanent employees on the rolls of Company as on 31<sup>st</sup> March, 2021**

Executive/Manager cadre	49
Staff	100
Operators/Workmen	2
<b>Total</b>	<b>151</b>

- e. **Average percentile increased already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

The average annual increase was around Rs NIL. However, during the course of the year the total increase is approximately a Rs. NIL after accounting for promotions and other event-based compensation revisions.

Increase in the managerial remuneration for the year was around NIL.



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**f. Affirmation that the remuneration is as per the remuneration policy of the Company:**

The Company affirms remuneration is as per the remuneration policy of the Company.

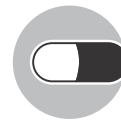
The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company.

**By Order of the Board  
For Coral Laboratories Limited**

**Sd/-  
Girish Dhameja  
Whole Time Director  
(DIN: 07798455)**

**Sd/-  
Sushma Kadkade  
Director & CFO  
(DIN: 07791735)**

**Place: Mumbai  
Date: 13/08/2021**



Annexure [V] to Board's Report

Form MR-3  
SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To  
The Members  
**CORAL LABORATORIES LIMITED**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to Good Corporate Practices by CORAL LABORATORIES LIMITED (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the Corporate conducts/Statutory compliances and expressing our opinion thereon. Our Report is to be read along with the attached Note in Annexure and other Annexure to this Report, which form an integral part of this Report.

Based on our verification of the Company's Books, Papers, Minute books, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the Secretarial Audit, We hereby report that in our opinion, the company has during the Audit period covering the Financial Year ended on **March 31, 2021** complied with the Statutory provisions listed hereunder and to the extent stated in this Report and also that the Company has the proper Board-Processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the Books, Papers, Minute books, Forms and Returns filed, Reports issued by various fellow Professionals and other applicable Records and Registers maintained by the Company on a test check basis for the financial year ended on **March 31, 2021** according to the provisions of:

1. The Companies Act, 2013 (the Act) and the Rules made there under
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
5. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
6. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
7. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and amendments from time to time;
8. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **(Not applicable to the Company during the Audit period)**
9. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the Audit period)**
10. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
11. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the Audit period)**
12. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the Audit period)**

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure Compliance with applicable Laws, Rules, Regulations and Guidelines.

1. Employees Provident Fund and Miscellaneous Provisions Act, 1952



2. Employees State Insurance Act, 1948
3. Equal Remuneration Act, 1948
4. Acts as prescribed under the Direct Taxes and Indirect Taxes
5. Payment of Gratuity Act, 1972
6. Food Safety and Standards Act, 2006
7. Contract Labour (Regulation and Abolition) Act, 1979
8. Drugs Act, 1940
9. Water (Prevention and Control of Pollution) Act, 1974
10. Environment Protection Act, 1986
11. The Child Labour (Prohibition and Regulation) Act, 1986
12. Trademarks Act, 1999 (TM Act)
13. Industrial Dispute Act, 1947
14. Patents Act, 1970 (Patent Act)

We have examined the applicable provisions of

- (a) Secretarial Standards I and II as issued by the Institute of Companies Secretaries of India and notified by the Ministry of Corporate Affairs and applicable with effect from July 1, 2015.
- (b) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Based on the declarations given and the information provided, during the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

We further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors that took place during the Year under review.

Mr. Saurabh Shah was appointed as an Additional Director on May 28, 2019 and regularized in Annual General Meeting dated September 27, 2019. However, due to typographical error in for DIR-12, the MCA site reflecting his name twice under designation 'Additional Director' and 'Director'.

2. Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance except in case of meetings called at a short notice for urgency of business and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
3. All decisions at Board Meetings and Committee Meetings have been carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

**SARK & Associates**  
**(Company Secretaries)**

Sd/-  
**Sumit Khanna**  
**(Partner)**

(ACS: 22135, COP: 9304)  
UDIN: A022135C000778088

**August 13, 2021**  
**Mumbai**

**NOTE: This report is to be read with our letter of even date which is annexed as 'Annexure' and forms an integral part of this report.**



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**'ANNEXURE'**

To,  
The Members,  
**Coral Laboratories Limited**

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the Management of the Company. Our responsibility is to express as opinion on these secretarial records based on our audit;
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion;
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company;
4. Wherever required, we have obtained the Management representation about the compliance of applicable laws, rules and regulations etc.;
5. The compliance of the provisions of Companies Act, 2013 and other applicable laws, Rules, Regulations, Secretarial Standards issued by ICSI is the responsibility of the Management. Our examination was limited to the verification of procedures on test basis;
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company;
7. We further report that, based on the information provided by the Company, its officers, authorized representatives during the conduct of the audit and also on the review of quarterly compliance report by the respective departmental heads/ Company Secretary/ Managing Director taken on record by the Board of the Company, in our opinion adequate systems and process and control mechanism exist in the Company to monitor compliance with applicable general laws like labour laws & Environment laws and Data protection policy;
8. We further report that the compliance by the Company of applicable fiscal laws like Direct & Indirect tax laws has not been reviewed in this audit since the same has been subject to review by the statutory financial audit and other designated professionals.

**SARK & Associates**  
**(Company Secretaries)**

Sd/-  
**Sumit Khanna**  
**(Partner)**

**(ACS: 22135, COP: 9304)**  
**UDIN: A022135C000778088**

**August 13, 2021**  
**Mumbai**



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### A. Industry structure and developments

The Company's business is divided into single segment i. e Pharmaceutical Formulations. Given the strain on the economic scenario and slow down market condition, company have not achieved well as compare to previous year's figures. Your Directors are trying their best to maximize the profits of the Company and the stakeholders as a whole.

### B. Segment-wise or product-wise performance:

The Company's export has increased to Rs. 7767.49 lacs from the previous year's Rs. 4670.68 Lacs

### C. Opportunities, Threats, Risk & Concerns:

The Company is in the process of looking forward to enhance its exports in order to increase the valuation of the company as a whole. The competition to your company has continued to be significant factor which is to be taken care of while formulating the growth plan & strategies. Given its strong technological base, wide market range of products, we are equipped to meet the challenges.

### D. Outlook:

Given the strain on the economic scenario, your Directors are trying their best to maximize the profits of the Company and the stakeholders as a whole.

### E. Internal control systems and their adequacy:

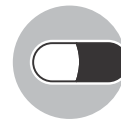
The Company's defined organizational structure, documented policy guidelines and adequate internal controls ensure efficiency of operations, compliance with internal policies, applicable laws and regulations, protection of resources and assets and accurate reporting of financial transactions. The Company continuously upgrades these systems in line with best available practices.

### F. Discussion on financial performance with respect to operational performance:

	(₹ in Lacs)	
Particulars	2020-2021	2019-2020
Income	10033.73	7647.12
Expenditure	8274.36	6735.42
<b>Earnings before Tax</b>	<b>1759.37</b>	<b>911.70</b>
Provision for Tax	450.00	250.00
Provision for Deferred Tax	(44.22)	(51.33)
Less: Income Tax Adjustments of earlier years	(1.87)	-
<b>Earnings after Tax</b>	<b>1355.46</b>	<b>713.03</b>
Other Comprehensive Income (net of tax)	741.48	(436.77)
<b>Total Comprehensive Income</b>	<b>2097.25</b>	<b>276.26</b>
Add: IND-AS Adjustment	-	-
Add: Balance Brought forward	10789.31	10599.19
Less: Dividend Paid (including Dividend Distribution tax)	-	(86.14)
Deferred tax liability	-	-
Balance carried forward to Balance Sheet	12886.55	10789.31

### G. Material developments in Human Resources / Industrial Relations front, including number of people employed:

Human resources continue to be one of the critical assets of the organization. Attracting relevant talent remains the Company's key focus. It pays special attention to training, welfare and safety of its people, strengthening human capabilities.



**Ratios where there has been significant change (i.e. change of 25% or more as compared to the immediately previous financial year)**

Ratio	FY 2020-21	FY 2019-20	% Change	Comment
Inventory Turnover ratio	4.71	3.98	18.45	Due to increase in sales
Interest Coverage ratio	415 times	157.85 times	162.91	Due to increase in EBT & reduction in Finance Cost
Current Ratio	3.99	3.82	4.42	Due to increase in Inventory & Receivable
Return on net worth Ratio	10.74	6.22	72.87	Increase in Revenue of 36.82% and corresponding increase in Net Profit of 90.10% in F.Y. 2020-21 as compared to last financial year

**Note:**

\*Previous year ratio have been recalculated to make it comparable with current year

\*\*Other Comprehensive Income is considered for Average Shareholders Fund

**Detailed explanation of ratios:**

**1. Inventory Turnover Ratio:**

Inventory Turnover is the number of times a company sells and replaces its inventory during a period. It is calculated by dividing Revenue from Operations by Average Inventory

**2. Interest Coverage Ratio**

The Interest Coverage Ratio measures how many times a company can cover its current interest payment with its available earnings. It is calculated by dividing Earnings Before Interest and Taxes by finance cost

**3. Current Ratio**

The Current Ratio is a liquidity ratio that measures a company's ability to pay short-term obligations or those due within one year. It is calculated by dividing the current assets by current liabilities.

**4. Return on Net Worth (%)**

Return on Net Worth is a measure of profitability of a company expressed in percentage. It is calculated by dividing earning after tax for the year by average capital employed during the year

**By Order of the Board  
For Coral Laboratories Limited**

Sd/-  
Girish Dhameja  
Whole Time Director  
(DIN: 07798455)

Sd/-  
Sushma Kadkade  
Director & CFO  
(DIN: 07791735)

Place: Mumbai  
Date: 13/08/2021



## **CORPORATE GOVERNANCE REPORT**

**The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2021, in terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulation").**

### **1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:**

**Coral Laboratories Limited** ("The Company") believes that for sustained growth and for enhancing shareholder value, sound Corporate Governance is a must. We ensure fairness for every stakeholder – our customers, investors, vendors and communities where we operate, through transparency and accountability, the two basic tenets of Corporate Governance. We strive to ensure that our performance is driven by integrity, values and ethics. Company has guiding principles laid out through its Code of business conduct, duly adopted and adhered to by Directors and senior management personnel which has been posted on website of company. Company is in compliance with all mandatory requirements of corporate governance laid down under the new Listing Regulations and has also been complying with most non-mandatory requirements. The Company's governance framework is based on the following principles:

- Appropriate composition and size of the Board with each member bringing in expertise in their respective domains;
- Availability of information to the members of the Board and Board Committees to enable them to discharge their fiduciary duties;
- Timely disclosure of material operational and financial information to the stakeholders;
- Systems and processes in place for internal control; and
- Proper business conduct by the Board, Senior Management and Employees.

A Report on compliance with the principles of Corporate Governance as prescribed by The Securities and Exchange Board of India (SEBI) in Chapter IV read with Schedule V of Listing Regulations is given below:

### **2) THE BOARD OF DIRECTORS (GOVERNANCE STRUCTURE)**

The Corporate Governance structure at Coral Laboratories Limited is as follows:

#### **Board of Directors:**

The Board is entrusted with an ultimate responsibility of the management, Directions and performance of the Company. As its primary role is fiduciary in nature, the Board provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosures.

#### **Committees of Board:**

The Board has constituted the following Committees viz, Audit Committee, Nomination and Remuneration Committee (NRC), Corporate Social Responsibility (CSR) Committee and the Stakeholders' Relationship Committee (SRC). Each of the said Committee has been mandated to operate within a given framework.

#### **Composition and Category of Directors**

The Board is broad-based and consists of eminent individuals from industry, management, technical, financial and marketing background. The Company is managed by the Board of Directors in coordination with the Senior Management team. The composition and strength of the Board is reviewed from time to time for ensuring that it remains aligned with statutory as well as business requirements.

The Company has a judicious mix of Executive and Non-Executive Directors. As on March 31, 2021, the Board comprises of 6 (six) members consisting of 1 (One) Executive Director and 5 (Five) Non-Executive Directors out of which 3 (three) are Independent Directors. The details of each member of the Board along with the number of Directorship/Committee Membership are as given below:

<b>Name of the Director</b>	<b>Category</b>
Mr. Girish Dhameja	Whole Time Director
Mrs. Sushma Kadkade	Non- Executive Director and Chief Financial Officer
Mrs. Purvi Doshi	Non- Executive Director
Mr. Saurabh Shah	Non- Executive Independent Director
Mrs. Sheela Kamdar	Non- Executive Independent Director
Mr. Sanket Mehta	Non- Executive Independent Director





#### Attendance of Directors at the Board Meetings and at the last Annual General Meeting (AGM):

Sr. No.	Name of Directors	No. of Board Meetings held							No. of Board Meetings Attended	Attendance at the AGM held on September 17, 2020
		May 20, 2020	June 19, 2020	July 23, 2020	Sept 04, 2020	Nov 12, 2020	Jan 27, 2021	Feb 11, 2021		
1	Mr. Girish Dhameja	Present	Present	Present	Present	Present	Present	Present	7 out of 7	Present
2	Mrs. Sushma Kadhade	Present	Present	Present	Present	Present	Present	Present	7 out of 7	Present
3	Mrs. Sheela Kamdar	Present	Present	Present	Present	Present	Present	Present	7 out of 7	Present
4	Mr. Sanket Mehta	Present	Absent	Present	Present	Present	Present	Present	6 out of 7	Absent
5	Mrs. Purvi Doshi	Absent	Present	Absent	Absent	Absent	Present	Present	3 out of 7	Present
6	Mr. Saurabh Shah	Present	Absent	Present	Present	Present	Present	Present	6 out of 7	Absent

#### Directors' Directorships/Committee memberships or Chairmanships:

In accordance with Regulation 26 of the Listing Regulations, none of the Directors are members in more than 10 committees excluding private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013 or act as Chairperson of more than 5 committees across all listed entities in which he/she is a Director. The Audit Committee and Stakeholders' Relationship Committee are only considered in computation of limits. Further all Directors have informed about their Directorships, Committee Memberships/Chairmanships including any changes in their positions. Relevant details of the Board of Directors as on March 31, 2021 are given below:

#### Directorship / Committee Membership or Chairmanship as on March 31, 2021:

Name of the Director	Category of Director	Directorships in other Indian Public Limited Companies (excluding CLL)	No. of Board Committees in which he/she is Chairman /Member (excluding CLL)		List of Directorship held in Other Listed Companies and Category of Directorship
			Chairman	Member	
Mr. Girish Dhameja	Whole Time Director	NIL	NIL	NIL	NIL
Mrs. Sushma Kadhade	Non-Executive Director	NIL	NIL	NIL	NIL
Mr. Saurabh Shah	Independent Director	NIL	NIL	NIL	NIL
Mrs. Purvi Doshi	Non-Executive Director	NIL	NIL	NIL	NIL
Mrs. Sheela Kamdar	Independent Director	1	2	NIL	<b>Name of Entity:</b> Coral India Finance and Housing Limited <b>Nature of Directorship:</b> Independent Director
Mr. Sanket Mehta	Independent Director	NIL	NIL	NIL	NIL

#### Notes:

- Directorships exclude Private Limited Companies, Foreign Companies and Section 8 Companies.
- Membership/Chairmanship of Committee only includes Audit Committee and Stakeholders Relationship Committee in Indian Public Limited companies other than Coral Laboratories Limited. Members of the Board of the Company do not have membership of more than ten Board-level Committees or Chairman of more than five such Committees.



### Board Meetings Held During the Year:

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company. In case of business emergencies, the Board's approval is taken through circular resolutions. The circular resolutions are noted at the subsequent Board Meeting. The notice and detailed agenda along with the relevant notes and other material information are sent in advance separately to each Director and in exceptional cases tabled at the Meeting with the approval of the Board. This ensures timely and informed decisions by the Board. The Board reviews the performance of the Company vis-à-vis the budgets/targets.

In the Financial year 2020-2021, the Board of Directors had duly met 7 (Seven) times during the financial year i.e. on May 20, 2020, June 19, 2020, July 23, 2020, September 04, 2020, November 12, 2020, January 27, 2021 and February 11, 2021.

The Interval between two meetings was well within the maximum period mentioned under Section 173 of the Companies Act, 2013 and the SEBI (LODR) Regulations, 2015.

### Relationship Between Directors inter-se:

None of the Directors are related inter-se as on March 31, 2021 except Mrs. Purvi Doshi (DIN: 08451213) who has been appointed as Additional Director w.e.f May 28, 2019 is wife of Mr. Chetan Doshi, Promoter of the Company.

### No. of Shares held by Non-Executive Directors as on March 31, 2021:

Sr. No.	Name of Director	Category	No. of Shares held	% of the [Paid up capital]
1	Mrs. Sheela Kamdar	Independent Director	NIL	NIL
2	Mr. Saurabh Shah	Independent Director	NIL	NIL
3	Mr. Sanket Mehta	Independent Director	NIL	NIL
4	Mrs. Sushma Kadkade	Non-Executive Director	NIL	NIL
5	Mrs. Purvi Doshi	Non-Executive Director	NIL	NIL

### Familiarization Programme for Directors:

At the time of appointing a Director, a formal letter of appointment is given to them, which inter alia explains the role, function, duties and responsibilities expected of them as a Director of the Company. The Directors are also explained in detail the Compliance required from them under Companies Act, 2013, Listing Regulation and other various statutes and an affirmation is obtained.

The Whole Time Director also has a one to one discussion with the newly appointed Director to familiarize them with the Company's operations. Further, on an ongoing basis as a part of Agenda of Board / Committee Meetings, presentations are regularly made to the Independent Directors on various matters inter-alia covering the Company's and its subsidiaries/ associates businesses and operations, industry and regulatory updates, strategy, finance, risk management framework, role, rights, responsibilities of the Independent Directors under various statutes and other relevant matters. The details of the familiarization Programme for Directors are available on the Company's website: [www.corallab.com](http://www.corallab.com).

### Key Board Qualifications:

The list of core skills/expertise/competencies identified by the board of directors as required in the context of its business(es) and sector(s) for it to function effectively and which are available with the board are following:

- Understanding of Global Economics
- Financial skills



- **Corporate Governance**
- **Leadership, General management, HR skills**
- **Technical skills and Professional skills**
- **Business, Sales, marketing Strategy**
- **Pharmaceutical, Science and Technology**

**Names of the Directors who possess above mentioned skills:**

Name of Directors	Mr. Girish Dhameja	Mrs. Sushma Kadkade	Mrs. Purvi Doshi	Mrs. Sheela Kamdar	Mr. Sanket Mehta	Mr. Saurabh Shah
Understanding of Global Economics	✓		✓			
Financial skills	✓	✓	✓			
Corporate Governance	✓	✓	✓	✓		
Leadership, General management, HR skills		✓	✓	✓	✓	✓
Technical skills and Professional skills	✓					
Business, Sales, marketing Strategy	✓					
Pharmaceutical, Science and Technology	✓				✓	✓

**Independent Directors:**

The Non-Executive Independent Directors fulfill the conditions of independence specified in Section 149 of the Companies Act, 2013 and Regulation 16(b) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015. A formal letter of appointment to Independent Director as provided in Companies Act, 2013 and the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 has been issued and disclosed on website of the Company viz. [www.corallab.com](http://www.corallab.com).

In the opinion of the Board, all the Independent Directors of the Company fulfill the conditions specified in SEBI (Listing Obligation and Disclosure Requirements), 2015 and they are independent of the management of the Company.

**Resignation of Independent Director before expiry of his tenure:**

None of the Independent Directors resigned during the Financial Year.

**Number of Independent Directorships:**

As per Regulation 17A of the Listing Regulations, Independent Directors of the Company do not serve as an Independent Director in more than seven listed companies.

**Independent Directors' Meeting:**

Schedule IV of the Companies Act, 2013 and Secretarial Standard - 1 on Meetings of the Board of Directors mandates that the Independent Directors of the Company hold at least one meeting in a year, without the attendance of Non – Independent Directors.

During the year under review, the Independent Directors met on 11th February, 2021, inter alia, to:

- Evaluate performance of Non-Independent Directors and the Board of Directors as a whole.
- Evaluation of the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present at this Meeting.



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**Information placed before the Board:**

The Company provides the information as set out in Regulation 17 read with Part A of Schedule II of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 to the Board and the Board Committees to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective meetings or by way of presentations and discussions during the meeting.

**Post Meeting Mechanism:**

The important decisions taken at the Board/Board Committee meetings are communicated to the concerned departments/divisions.

**Board Support:**

The Company Secretary attends the Board meetings and advises the Board on Compliances with applicable laws and governance.

**Code of Business Conduct & Ethics:**

The Company has adopted Code of Business Conduct & Ethics ("the Code") which is applicable to the Board of Directors and Senior Management Team (one level below the Board of Directors) of the Company. The Board of Directors and the members of Senior Management Team are required to affirm semi-annual Compliance of this Code. The Code requires Directors and Employees to act honestly, fairly, ethically, and with integrity, conduct themselves in professional, courteous and respectful manner.. The Code is displayed on the Company's website [www.corallab.com](http://www.corallab.com).

**Conflict of Interests:**

Each Director informs the Company on an annual basis about the Board and the Committee positions he occupies in other companies including Chairpersonships and notifies changes during the year. The Members of the Board while discharging their duties, avoid conflict of interest in the decision-making process. The Members of the Board restrict themselves from any discussions and voting in transactions in which they have concern or interest.

**Insider Trading Code:**

The Securities and Exchange Board of India (SEBI) has promulgated the SEBI (Prohibition of Insider Trading) Regulations, 2015 ("The PIT Regulations"). The PIT Regulations has come into effect from May 15, 2015 and replaced the earlier Regulations. The object of the PIT Regulations is to curb the practice of insider trading in the securities of a listed company.

The Company has adopted an 'Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Insiders' ("the Code") in accordance with the requirements of the PIT Regulations.

The Code is applicable to Promoters and Promoter's Group, all Directors and such Designated Employees who are expected to have access to unpublished price sensitive information relating to the Company. The Company has also formulated 'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)' in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015.

Board of Directors has approved the revised codes such as an 'Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Insiders' ("the Code") and The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)' due to amendment in SEBI (Prohibition of Insider Trading) Regulations, 2015. This Code is displayed on the Company's website viz [www.corallab.com/investors.html](http://www.corallab.com/investors.html)

Due to amendment in SEBI (Prohibition of Insider Trading) Regulations, 2015, Company has also adopted Policy For Procedure of Inquiry In Case of Leak of Unpublished Price Sensitive Information ("UPSI") or Suspected Leak of UPSI framed under the Regulation 9A of the SEBI (Prohibition Of Insider Trading) Regulations, 2015. The same has been displayed on the Company's Website viz [www.corallab.com](http://www.corallab.com).



### 3. AUDIT COMMITTEE:

#### Terms of Reference:

The revised 'Terms of Reference' of the Audit Committee due to implementation of amendments to the Listing Regulations has been adopted by the Board. The Audit Committee inter alia performs the functions of approving Annual Internal Audit Plan, review of financial reporting system, internal controls system, discussion on financial results, interaction with Statutory and Internal Auditors, one-on-one meeting with Statutory and Internal Auditors, recommendation for the appointment of Statutory and Cost Auditors and their remuneration, recommendation for the appointment and remuneration of Internal Auditors, Review of Business Risk Management Plan, Review of Forex policy, Management Discussions and Analysis, Review of Internal Audit Reports, significant related party transactions.

The Company has framed the Audit Committee Charter for the purpose of effective compliance of provisions of section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulation. In fulfilling the above role, the Audit Committee has powers to investigate any activity within its terms of reference, to seek information from employees and to obtain outside legal and professional advice.

#### Functions of Audit Committee:

The Audit Committee, while reviewing the Annual Financial Statements also reviews the applicability of various Accounting Standards (AS) referred to in Section 133 of the Companies Act, 2013. Compliance of the Accounting Standards as applicable to the Company has been ensured in the preparation of the Financial Statements for the year ended March 31, 2021.

The Audit Committee bridges the gap between the Internal Auditors and the Statutory Auditors. To ensure good Governance, the Company has been rotating Partners of Statutory Auditors. The Statutory Auditors are responsible for performing Independent audit of the Company's financial statements in accordance with the generally accepted auditing practices and issuing reports based on such audits, while the Internal Auditors are responsible for the internal risk controls.

Besides the above, Whole Time Director, Director, Chief Financial Officer, Business Heads of the Company's Divisions, the representatives of the Statutory Auditors and the Internal Auditors are Permanent invitees to the Audit Committee Meetings. The Company follows best practices in financial reporting. The Company has been reporting on quarterly basis, the Unaudited Financial Results as required by the Regulation 33 of the Listing Regulation. The Company's quarterly Unaudited Standalone Financial Results are made available on the website [www.corallab.com/investors.html](http://www.corallab.com/investors.html) and are also sent to the Stock Exchanges where the Company's equity shares are listed for display at their respective websites. The Audit Committee also oversees and reviews the functioning of a vigil mechanism (implemented in the Company as a Fraud Risk Management Policy and Whistle Blower Policy) and reviews the finding of investigation into cases of material nature and the actions taken in respect thereof.

#### Composition, Meetings and Attendance:

Audit Committee of the Board of Directors ("the Audit Committee") is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013 and the provisions of Regulation 18 of the Listing Regulation.

All members of the Audit Committee are financially literate and bring in expertise in the fields of Finance, Taxation, Economics, Risk and International Finance. It functions in accordance with its terms of reference that defines its authority, responsibility and reporting function.

The Audit Committee met Six times during the Financial Year 2020-21. The maximum gap between two meetings was not more than 120 days. The Committee met on May 20, 2020, June 19, 2020, July 23, 2020, September 4, 2020, November 12, 2020 and February 11, 2021. The necessary quorum was present for all Meetings. Mrs. Sheela Kamdar, Chairperson of the Audit Committee was present at the last Annual General Meeting of the Company.

Sr. No.	Name of the Director	Position	Category	No. of Meetings Attended
1	Mrs. Sheela Kamdar	Chairperson	Independent Director	6 out of 6
2	Mr. Sanket Mehta	Member	Independent Director	6 out of 6
3	Mrs. Sushma Kadkade	Member	Non-Executive Director	6 out of 6



#### 4. NOMINATION AND REMUNERATION COMMITTEE:

##### Terms of Reference:

The revised the 'Terms of Reference or Charter' of the Nomination and Remuneration Committee has been adopted by the Board due to implementation of amendments to the Listing Regulations. The Board has framed the Nomination and Remuneration Committee Policy which ensure effective Compliance of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulation, which are as follows.

Reviewing the overall compensation policy, service agreements and other employment conditions of Managing/Whole-time Director(s) and Senior Management (one level Below the Board):

1. To help in determining the appropriate size, diversity, and composition of the Board;
2. To recommend to the Board appointment/reappointment and removal of Directors;
3. To frame criteria for determining qualifications, positive attributes and independence of Directors;
4. To recommend to the Board remuneration payable to the Directors (while fixing the remuneration to Executive Directors the restrictions contained in the Companies Act, 2013 is to be considered);
5. To create an evaluation framework for Independent Directors and the Board;
6. To provide necessary reports to the Managing Director after the evaluation process is completed by the Directors;
7. To assist in developing a succession plan for the Board;
8. To assist the Board in fulfilling responsibilities entrusted from time-to-time;
9. Delegation of any of its powers to any Member of the Committee or the Compliance officer.

##### Composition, Meeting and Attendance:

The Composition of Nomination and Remuneration Committee is pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulation. During the year, there was no change in the Composition of Nomination and Remuneration Committee. The Nomination and Remuneration Committee met Four times during the year i.e. on May 20, 2020, July 23, 2020, September 4, 2020 and February 11, 2021. Mrs. Sheela Kamdar, Chairperson of the Nomination and Remuneration Committee was present at the last Annual General Meeting of the Company.

The Table below provides the Composition and Attendance of Nomination and Remuneration Committee members:

Sr. No.	Name of the Director	Position	Category	No. of Meetings Attended
1	Mrs. Sheela Kamdar	Chairperson	Independent Director	4 out of 4
2	Mr. Sanket Mehta	Member	Independent Director	4 out of 4
3	Mrs. Sushma Kade	Member	Non-Executive Director	4 out of 4

##### Performance Evaluation Criteria of the Board:

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 of the Listing Regulation, the Board has carried out the annual evaluation of its own performance, its Committees and Directors individually. A structured questionnaire was prepared after circulating the draft forms, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. The performance evaluation of the Non-Independent Directors was carried out by the Independent Directors. The Directors express their satisfaction with the evaluation.

#### 5. REMUNERATION POLICY:

##### A. Remuneration to Non-Executive Directors

The Non-Executive Directors are paid remuneration by way of remuneration and Sitting Fees. Mr. Saurabh Shah, Mr. Sanket Mehta and Mrs. Sheela Kamdar are paid sitting fees for each meeting of the Board or Committee of Directors



attended by them. The total amount of sitting fees paid to Non-Executive Directors during the Financial Year 2020-21 was Rs. 1,26,000/-. The Non-Executive Independent Directors do not have any material pecuniary relationship or transactions with the Company.

#### **B. Remuneration to Executive Directors:**

The appointment and remuneration of Executive Directors including Whole Time Director is governed by the recommendation of the Nomination and Remuneration Committee, resolutions passed by the Board of Directors and shareholders of the Company. Payment of remuneration to Executive Directors is governed by the respective Agreements executed between them and the Company. The remuneration package of Whole Time Director comprises of salary, perquisites and allowances, and contributions to Provident and other Retirement Benefit Funds as approved by the shareholders at the General Meetings.

Annual increments are linked to performance and are decided by the Nomination and Remuneration Committee and recommended to the Board for approval thereof.

The remuneration policy is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high caliber talent. Presently, the Company does not have a stock options scheme for its directors. The Remuneration and Nomination Policy is displayed on the Company's website viz. [www.corallab.com/investors.html](http://www.corallab.com/investors.html).

Details of the remuneration paid to the Executive Directors of the Company for the financial year ended March 31, 2021 is as follows:

(Amount in ₹)

Sr. No.	Name of the Director	Salary	Perquisites	Others (PF)	Total
1.	Mr. Girish Dhameja	25,71,583	-	21600	25,93183

Company has not granted any stock options to any of its Directors.

#### **Criteria for selection, appointment and remuneration of Directors and KMPs**

The Nomination and Remuneration (N&R) Committee has adopted policies which, inter alia, deals with the manner of selection, appointment and remuneration of Directors and KMPs.

#### **Criteria of selection/Appointment of Non-Executive Directors:**

- A Director shall possess appropriate skills, experience and knowledge in one or more fields of capital market, banking, finance, regulatory, administration, legal, commercial, science and technology or other disciplines related to the company's business.
- In case of appointment of Independent Directors, the N&R Committee shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.
- The N&R Committee shall ensure that the candidate identified for appointment as a Director are qualified for appointment as Directors pursuant to Companies Act, 2013 and SECC Regulations, 2012 and SEBI (Listing Obligation and Disclosure Requirement) regulations, 2015.
- The N&R Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.
  1. Qualification, expertise and experience of the Directors in their respective fields;
  2. Personal, Professional or business standing;
  3. Diversity of the Board



### **Criteria of making payment to Non-Executive Directors:**

- The Non-executive and Independent Directors of the Company are entitled to sitting fees for attending the meetings of the Board or Committees thereof.
- The Company may pay remuneration to its Directors, other than Managing Director and Whole Time Director upto 1% of the net profits of the Company, if there is a managing director or whole time director or manager and 3% of the net profits in any other case.
- All fees / compensation, if any paid to non-executive directors, including independent directors, shall be fixed by the Board of Directors within the limits as prescribed under the Act and shall require prior approval of shareholders, however, the requirement of obtaining prior approval of shareholders shall not apply to payment of sitting fees to non-executive directors, if made within the limits prescribed under the Act.
- The shareholders' resolution shall specify the limits for the maximum number of stock options that can be granted to non-executive directors, in any financial year and in aggregate. An Independent Director shall not be entitled to any stock option of the Company.
- The reimbursement of expenses for attending the Board and other Committee meetings including traveling, boarding and lodging expenses shall be paid by the Company.
- Commission may be paid to the Non- Executive Directors and Independent Directors within the limits prescribed under the Act i.e. not exceeding 1% of the net profits of the Company computed as per the of the applicable provisions of the Act and with the prior approval of the Shareholders of the Company. The Board shall however, have the authority to determine the manner and proportion in which the amount be distributed amongst the Non- Executive Directors and Independent Directors.
- The approval of shareholders by special resolution shall be obtained every year, in which the annual remuneration payable to a single non-executive director exceeds fifty per cent of the total annual remuneration payable to all non-executive directors, giving details of the remuneration thereof.

### **Remuneration policy for Whole Time Director and Chief Financial Officer**

The appointment, reappointment, remuneration payable and variation in terms of appointment are subject to the approval of the Nomination and Remuneration Committee/Board/Shareholders, as per SEBI and pursuant to the provisions of the Companies Act, 2013.

### **Senior Management and other employees**

Remuneration to Key Managerial Personnel (KMP), Senior Management and all other Officers comprises of Fixed and Variable components. The same are reviewed annually based on the performance appraisal ratings and annual increments on fixed pay and Performance Linked Bonus on variable pay is paid against the individual ratings of all officers.

## **6. STAKEHOLDERS RELATIONSHIP COMMITTEE:**

This Committee has been constituted for allotment of shares of the Exchange issued / to be issued, from time to time and to look into the redressal of shareholder and investors complaints and is also in line with the prevailing guidelines on corporate governance.

### **Terms of Reference:**

The Board has adopted revised the 'Terms of Reference or Charter' of the Stakeholders Relationship Committee due to implementation of amendments to the Listing Regulations. The Board has clearly defined the terms of reference for this committee, which generally meets once a quarter. The Committee looks into the matters of Shareholders / Investors grievances along with other matters listed below:

- approval of transfer of shares/debentures and issue of duplicate/split/consolidation/sub-division of share/ debenture certificates;
- opening/modification of operation and closing of bank accounts;
- grant of special/general Power of Attorney in favour of employees of the Company from time to time in connection with the





- conduct of the business of the Company particularly with Government and Quasi Government Institutions;
- to fix record date/book closure of share/debenture transfer book of the Company from time to time;
  - to appoint representatives to attend the General Meeting of other companies in which the Company is holding shares;
  - to change the signatories for availment of various facility from Banks/Financial Institutions;
  - to grant authority to execute and sign foreign exchange contracts and derivative transactions;
  - to carry out any other duties that may be delegated to the Committee by the Board of Directors from time-to time.
  - Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
  - Review of measures taken for effective exercise of voting rights by shareholders.
  - Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
  - Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

The Secretarial Department of the Company and the Registrar and Share Transfer Agent, Link Intime India Private Limited attend to all grievances of the shareholders received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies, etc. The Minutes of the Stakeholders' Relationship Committee Meetings are circulated to the Board and noted by the Board of Directors at the Board Meetings.

Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors.

Shareholders are requested to furnish their updated telephone numbers and e-mail addresses to facilitate prompt action.

#### **Composition, Meeting and Attendance:**

This Stakeholders Relationship Committee comprises of three Directors. The necessary quorum was present for all Meetings.

The Stakeholders Relationship Committee met two times during the Financial Year 2020-21. The Committee met on May 20, 2020 and February 11, 2021.

#### **The table below highlights the composition and attendance of the Members of the Committee:**

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>Position</b>	<b>Category</b>	<b>No. of Meetings Attended</b>
1	Mrs. Sheela Kamdar	Chairperson	Independent Director	2 out 2
2.	Mrs. Sushma Kade	Member	Non-Executive Director	2 out 2
3.	Mr. Sanket Mehta	Member	Independent Director	2 out 2

#### **Name and designation of Compliance officer**

Ms. Nirali Mehta was a Company Secretary and Compliance Officer of the Company upto June 11, 2020. Ms. Ruchi Anjaria is appointed as a Company Secretary and Compliance Officer of the Company w.e.f. July 23, 2020.

#### **Details of shareholders' complaints received, solved and pending share transfers:**

The total number of complaints received was NIL and resolved during the year ended March 31, 2021, was NIL. The number of pending share transfers and pending requests for dematerialization as on March 31, 2021, were NIL.

Shareholders'/Investors' complaints and other correspondence are normally attended to within 15 working days except were



constrained by disputes or legal impediments.

No investor grievances remained unattended / pending for more than thirty days as on March 31, 2021.

<b>Nature of Complaints</b>	<b>Complaints Received</b>	<b>Complaints Redressed</b>
Non-receipt of Dividend	NIL	NIL
Non-receipt of shares lodged for transfer	NIL	NIL
Non-receipt of Duplicate/Consolidated Share Certificate	NIL	NIL
Non-Receipt of demat/remat request	NIL	NIL
Others	NIL	NIL
<b>Total</b>	<b>NIL</b>	<b>NIL</b>

## 7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

### Composition & Meetings :

The Corporate Social Responsibility (CSR) Committee comprises of three Directors. Mrs. Sheela Kamdar, Independent Director is the Chairperson of the Corporate Social Responsibility (CSR) Committee. During the year, there was no change in the Composition of Corporate Social Responsibility (CSR) Committee.

The CSR Committee met only 3 times during the year on May 20, 2020, July 23, 2020 and February 11, 2021. The Composition of CSR Committee is pursuant to the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014 is as follows.

<b>Sr. No.</b>	<b>Name of the Director</b>	<b>Position</b>	<b>Category</b>	<b>No. of Meetings Attended</b>
1	Mrs. Sheela Kamdar	Chairperson	Independent Director	3 out of 3
2	Mr. Sanket Mehta	Member	Independent Director	3 out of 3
3.	Mrs. Sushma Kade	Member	Non-Executive Director	3 out of 3

As per Section 135 of the Companies Act, 2013, The Company formulated CSR Policy, which is uploaded on the website of the Company viz. [www.corallab.com/investors.html](http://www.corallab.com/investors.html).

### Terms of Reference: ·

- To review the existing CSR Policy and to make it more comprehensive so as to indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- To provide guidance on various CSR activities to be undertaken by the Company and to monitor process.

## 8. INDEPENDENT DIRECTORS' MEETING

During the year under review, the Independent Directors met on February 11, 2021 inter alia, to discuss:

- Evaluation of performance of Non-Independent Directors and the Board of Directors as a whole.
- Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to perform its duties effectively and reasonably.

All the Independent Directors were present for this Meeting.



## 9. GENERAL BODY MEETINGS

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

Year	Location	Date	Time	No. of Special Resolution Passed
2017-2018	SF-206, Silver Oak Complex, B.P.C Road Vadodara-390020, Gujarat	27.09.2018	11.00 A.M	01
2018-2019	SF-206, Silver Oak Complex, B.P.C Road Vadodara-390020, Gujarat	27.09.2019	11.00 A.M	01
2019-2020	Meeting Through Video Conferencing Deemed Venue: SF-206, Silver Oak Complex, B.P.C Road Vadodara-390020, Gujarat	17.09.2020	11.00 A.M	02

All special resolutions set out in the notices for the Annual General Meetings were passed by the shareholders at the respective meetings with requisite majority.

### Postal Ballot

During the year, no resolutions were passed through postal ballot.

### Whether any special resolution is proposed to be conducted through postal ballot

No special resolution is proposed to be conducted through postal ballot.

### Extraordinary General Meeting:

During the year, no extraordinary General Meeting of the members was held.

### MEANS OF COMMUNICATION:

- (i) The Unaudited quarterly/ half yearly results are announced within forty-five days of the close of the quarter. The audited annual results are announced within sixty days from the closure of the financial year as per the requirement of the Listing Regulation.
- (ii) The approved financial results are forthwith sent to the Stock Exchanges and are published in a national English newspaper which are Business Standard and Western Times (English). In addition, the same are published in local language (Gujarati) newspaper which is Western Times (Gujarati), within forty-eight hours of approval thereof. Presently the same are not sent to the shareholders separately.

The Company's financial results and official press releases are displayed on the Company's Website - <http://www.corallab.com/investors.html>.

- (iii) Any presentation made to the institutional investors or / and analysts are also posted on the Company's website. Management Discussion and Analysis forms part of the Annual Report, which is sent to the shareholders of the Company.
- (iv) The quarterly results, shareholding pattern, quarterly compliances and all other corporate communication to the Stock Exchanges viz. BSE Limited are filed electronically. The Company has complied with filing submissions through BSE's BSE Listing Centre.
- (v) A separate dedicated section under "Investors Relation", on the Company's website gives information on unclaimed dividends, shareholding pattern, quarterly/half yearly results and other relevant information of interest to the investors / public.

BSE Listing is a web-based application designed by BSE for corporate. All periodical compliance filings, inter alia, Shareholding pattern, Corporate Governance Report, all special resolutions set out in the notices for the Annual General Meetings were passed by the shareholders at the respective meetings with requisite majority.

- (vi) Corporate announcements, amongst others are also filed electronically on the Listing Centre.



## GENERAL SHAREHOLDER INFORMATION:

### Annual General Meeting

Date and time	:	24 th September 2021, 11:00 a.m.
Venue	:	SF- 206, Silver Oak Complex, B.P.C Road Vadodara Gujarat -390020
Financial Year Ending	:	April 01, 2020 to March 31, 2021
Date of Book Closure	:	Saturday, September 18, 2021 to Friday, September 24, 2021
Listing on Stock Exchange and Stock Code	:	Equity Shares of the Company are listed at BSE Limited, (Scrip Code 524506)
Face Value of Equity Shares	:	Rs.10/- each.

Annual Listing fees for Financial Year 2020-21 has been paid to BSE.

### DIVIDEND:

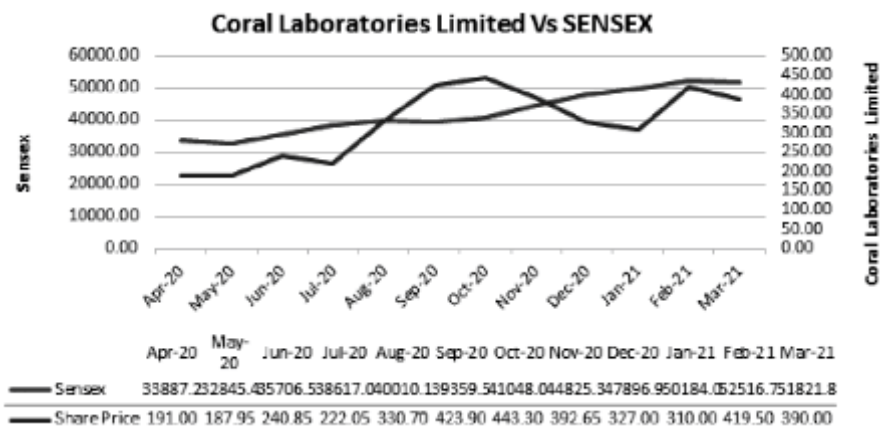
During the year no dividend is declared for FY 2020-21.

Monthly High/Low price of Equity Shares of the Company during the financial year 2020-2021 on BSE Limited

BSE Limited (BSE)		
Month	Month's High Price(Rs.)	Month's Low Price(Rs.)
April, 2020	191.00	95.00
May, 2020	187.95	126.50
June, 2020	240.85	178.50
July, 2020	222.05	187.85
August, 2020	330.70	224.95
September, 2020	423.90	282.05
October, 2020	443.30	345.05
November, 2020	392.65	301.55
December, 2020	327.00	288.00
January, 2021	310.00	265.80
February, 2021	419.50	267.15
March, 2021	390.00	308.50

Source: [www.bseindia.com](http://www.bseindia.com)

Graphical Representation of Performance of Coral Laboratories Limited share price in comparison with BSE Sensex.





## Registrar and Transfer Agent

For any queries relating to the shares of the Company, correspondence may please be addressed to Link Intime India Private Limited at:

Add: C-101, 247 Park, L.B. S Marg, Vikhroli (West), Mumbai - 400 078

Tel: (022) 4918 6000

Fax: (022) 4918 6060

**Website: [www.linkintime.co.in](http://www.linkintime.co.in)**

## Share Transfer System

The transfer of shares in physical form is processed and completed by Registrar & Transfer Agent within a period of seven days from the date of receipt thereof provided all the documents are in order. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants. In compliance with the Listing Regulation, a Practicing Company Secretary carries out audit of the System of Transfer and a certificate to that effect is issued.

## Distribution of Shareholding:

Distribution of Shareholding as on 31 <sup>st</sup> March, 2021	No. of Shareholders	% of Shareholders	No. of Shares	% of Shares
Upto 5000	3721	92.4702	374242	10.4753
5001 – 10000	175	4.3489	139866	3.9150
10001 – 20000	72	1.7893	112205	3.1407
20001 – 30000	24	0.5964	61381	1.7181
30001 – 40000	10	0.2485	35385	0.9905
40001 – 50000	3	0.0746	14026	0.3926
50001 – 100000	9	0.2237	66898	1.8725
100001 and above	10	0.2485	2768597	77.4953
<b>Total</b>	<b>4024</b>	<b>100.0000</b>	<b>3572600</b>	<b>100.0000</b>



### Shareholding Pattern as on 31st March, 2021

Sr. No.	Category of Shares	No. of Shares	% of total shares
(A)	<b>Promoter &amp; Promoter Group:</b>		
	(a) Individuals/Hindu Undivided Family	1841453	51.5438%
	(b) Bodies Corporate	713351	19.9673%
	<b>Sub Total:</b>	<b>2554804</b>	<b>71.5111%</b>

### (B) Public Shareholding:

Sr. No.	Category of Shares	No. of Shares	% of total shares
	1. Institutions		
	(a) Mutual Funds/UTI	0	0
	(b) Financial Institutions/Banks	0	0
	(c) Foreign Institutional Investors	0	0
	(d) Foreign Portfolio Investors	15100	0.4227%
	<b>2. Non-Institutions</b>		
	(a) Bodies Corporate	77913	2.1808%
	(b) Individuals	797442	22.321%
	(c) Non-Resident Indians	30531	0.8546%
	(d) Non-Resident (Non Repatriable)	9077	0.2541%
	(e) Trust(s)	0	0
	(f) Hindu Undivided Family	24815	0.6946%
	(g) Clearing Members	2105	0.0589%
	(h) IEPF	29713	0.8317%
	(i) Foreign Companies	31100	0.8705%
	<b>Sub Total:</b>		
	<b>GRAND TOTAL</b>	<b>3572600</b>	<b>100%</b>

**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 97.61375469% of outstanding share have been dematerialized upto March 31, 2021.

### **Outstanding GDRs/ADRs/Warrants/Convertible Instruments and their impact on equity:**

The Company does not have any outstanding GDRs/ADRs/Warrants/Convertible Instruments as on March 31, 2021.

### **ADDRESS FOR CORRESPONDENCE:**

#3B Patanwala Compound,  
Opp. Shreyas Cinema, LBS Marg, Ghatkopar West  
Mumbai – 400086.  
Contact: 2500 5245/46  
Website: [www.corallab.com](http://www.corallab.com)  
E-mail for Investors: [cs@corallab.com](mailto:cs@corallab.com)

Shareholders are requested to quote their folio no. / DP ID & Client ID, e-mail address, telephone number and full address while corresponding with the Company and its Registrar & Transfer Agent.



#### 4. DISCLOSURES:

➤ **Disclosures on materially significant Related Party Transactions (RPT) that may have potential conflict with the interests of company at large.**

All transactions entered into with the Related Parties as defined under the Companies Act, 2013 and Regulation 23 of the Listing Regulation during the financial year were in the ordinary course of business and on arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with Related Parties during the financial year. Related party transactions have been disclosed under the note B of significant accounting policies and notes forming part of the financial statements in accordance with "Accounting Standard 18".

A statement in summary form of transactions with Related Parties in ordinary course of business and arm's length basis is periodically placed before the Audit committee for review. As required under Regulation 23(1) of the Listing Regulation, the Company has formulated a policy on dealing with Related Party Transactions. The Policy is available on the website of the Company viz. <http://www.corallab.com/investors.html>.

None of the transactions with Related Parties were in conflict with the interest of the Company. All the transactions are in the ordinary course of business and have no potential conflict with the interest of the Company at large and are carried out on an arm's length or fair value basis.

➤ **Details of Non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets, during the last three years:**

The Company has complied with all requirements Specified under Listing Regulations as well as other regulations and guidelines of SEBI. Consequently, there were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any statutory authority for Non-compliance of any matter related to the capital markets during the last three years.

➤ **Vigil Mechanism/Whistle Blower Policy:**

Pursuant to Section 177(9) and (10) of the Companies Act, 2013, and Regulation 22 of the Listing Regulation, the Company has formulated Whistle Blower Policy for vigil mechanism of Directors and employees to report to the management about the unethical behavior, fraud or violation of Company's Code of Conduct. The mechanism provides for adequate safeguards against victimization of employees and Directors who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. Based on the recommendations from Audit Committee, the Existing Vigil Mechanism Policy has been amended and new policy has been adopted by the Board in order to align with the amendments in Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015. The same uploaded on the website of the Company at [www.corallab.com](http://www.corallab.com).

➤ **Compliance with the conditions of Corporate Governance**

The Company has complied with the conditions of corporate governance as stipulated in Listing Agreement as well as SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

➤ **Disclosure of Accounting Treatment:**

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

➤ **Risk Management:**

Business risk evaluation and management is an ongoing process within the Company. The assessment is periodically examined by the Board.



➤ **Non mandatory requirements:**

Adoption of non-mandatory requirements of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is being reviewed by the Board from time-to time.

➤ **Policy for determining material' subsidiaries:**

The Company does not have any material subsidiary as defined under Listing Regulation.

➤ **Compliances with Governance Framework**

The Company is in compliance with all mandatory requirements under Listing Regulation.

➤ **CFO Certification**

The Certificate from CFO as required under Part D of Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 containing declaration as to affirming compliance with the Code of Conduct for the financial year 2019-20 is attached at the end of this report.

➤ **Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A).**

During the year, no funds were raised through preferential allotment or qualified institutions placement as specified under regulation 32(7A).

➤ **A certificate from a company secretary in practice that none of the Directors on the board of the company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority**

SARK & Associates, Company Secretaries, has issued a certificate as required under the Listing Regulations, confirming that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority. The certificate is enclosed at the end of this report.

➤ **Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons there of**

It is not Applicable to the Company. As all recommendation of committees of the Board, which are mandatory are always accepted by the Board during the financial year 2020-21.

➤ **Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is apart**

There are no subsidiaries of the Company. Details relating to fees paid to the Statutory Auditors are given in Note 23 to the Standalone Financial Statements.

➤ **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

Number of complaints filed during the financial year	Number of complaints disposed of during the financial year	Number of complaints pending as on end of the financial year
0	0	0

➤ **Non-compliance of any requirement of Corporate Governance Report as specified in sub-paras (2) to (10) of Para C of Schedule V of SEBI (Listing Obligation and Disclosure Requirements), Regulations, 2015:**

There was no non-compliance by the Company under any requirements of Corporate Governance Report as specified in sub-paras (2) to (10) of Para C of Schedule V of SEBI (Listing Obligation and Disclosure Requirements), Regulations 2015.



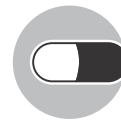


➤ **Disclosures of the compliance with corporate governance requirements specified in regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46:**

Sr.No.	Particulars	Regulations	Brief Descriptions of the Regulations	Compliance Status (Yes/No/N.A.)
1	Board of Directors	17(1)	Board composition	Yes
		17(2)	Meeting of Board of Directors	Yes
		17(3)	Review of Compliance Reports	Yes
		17(4)	Plans for orderly succession for appointments	Yes
		17(5)	Code of Conduct	Yes
		17(6)	Fees/compensation	Yes
		17(7)	Minimum Information	Yes
		17(8)	Compliance Certificate	Yes
		17(9)	Risk Assessment & Management	Yes
		17(10)	Performance Evaluation of Independent Directors	Yes
2	Audit Committee	18(1)	Composition of Audit Committee	Yes
		18(2)	Meeting of Audit Committee	Yes
		18(3)	Role of the Committee and Review of information by the Committee	Yes
3	Nomination & remuneration committee	19(1) & (2)	Composition of nomination & remuneration committee	Yes
		19(3)	Presence of the Chairman of the Committee at the Annual General Meeting	Yes
		19(4)	Role of the Committee	Yes
4	Stakeholder Relationship Committee	20(1) & (2)	Composition of Stakeholder Relationship Committee	Yes
		20(4)	Role of the Committee	Yes
5	Risk Management Committee	21(1),(2),(3),(4)	Composition and role of risk management committee	N.A
6	Vigil Mechanism	22	Formulation of Vigil Mechanism for Directors and Employee	Yes
7	Related party Transaction	23(1),(5), (6), (7) & (8)	Policy for related party Transaction	Yes
		23(2), (3)	Prior or Omnibus approval of Audit Committee for all related party transactions	Yes
		23(4)	Approval for material related party transactions	NA
8	Subsidiaries of the Company	24(1)	Composition of Board of Directors of unlisted material Subsidiary	N.A
		24(2),(3),(4), (5) & (6)	Other Corporate Governance requirements with respect to subsidiary of listed entity	N.A
9	Obligations with respect to Independent Directors	25(1) & (2)	Maximum Directorship & Tenure	Yes
		25(3) & (4)	Meeting of independent Directors & Review of Performance by the Independent Directors	Yes
		25(7)	Familiarization of independent Directors	Yes
10	Obligations with respect to Directors and Senior Management	26(1) & (2)	Memberships in Committees & Chairmanship in Committees	Yes
		26(3)	Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel	Yes
		26(4)	Disclosure of Shareholding by Non-Executive Directors	Yes
		26(5)	Disclosures by Senior Management about potential conflicts of Interest	Yes



Sr.No.	Particulars	Regulations	Brief Descriptions of the Regulations	Compliance Status (Yes/No/N.A.)
11	Other Corporate Governance Requirements	27(1)	Compliance of Discretionary Requirements	Yes
		27(2)	Filing of Quarterly Compliance Report on Corporate Governance	Yes
12	Disclosures on Website of the Company	46(2)(a)	Details of its business	Yes
		46(2)(b)	Terms and conditions of appointment of Independent Directors	Yes
		46(2)(c)	Composition of various committees of Board of Directors	Yes
		46(2)(d)	Code of Conduct of Board of Directors and Senior Management Personnel	Yes
		46(2)(e)	Details of establishment of Vigil Mechanism / Whistle Blower policy	Yes
		46(2)(f)	Criteria of making payments to Non-Executive Directors	Yes
		46(2)(g)	Policy on dealing with Related Party Transactions	Yes
		46(2)(h)	Policy for determining Material Subsidiaries	Yes
		46(2)(i)	Details of familiarisation programmes imparted to Independent Directors	Yes
		46(2)(j)	The email address for grievance redressal and other relevant details;	Yes
		46(2)(k)	Contact information of the designated officials of the listed entity who are responsible for assisting and handling investor grievances	Yes
		46(2)(l)	Financial information	Yes
		46(2)(m)	Shareholding pattern	Yes
		46(2)(n)	Details of agreements entered into with the media companies and/or their associates, etc;	N.A
		46(2)(o)	Schedule of analyst or institutional investor meet and presentations made by the listed entity to analysts or institutional investors simultaneously with submission to stock exchange	N.A
46(2)(p)	New name and the old name of the listed entity for a continuous period of one year, from the date of the last name change	NA		
46(2)(q)	Items in sub-regulation (1) of regulation 47	Yes		
46(2)(r)	All credit ratings obtained by the entity for all its outstanding instruments, updated immediately as and when there is any revision in any of the ratings.	N.A		
46(2)(s)	Separate audited financial statements of each subsidiary of the listed entity in respect of a relevant financial year, uploaded at least 21 days prior to the date of the annual general meeting which has been called to inter alia consider accounts of that financial year.	N.A		



➤ **Compliance certificate from practicing company secretaries regarding compliance of conditions of corporate governance**

Compliance Certificate from Mrs. Uma Lodha, from Uma Lodha & Co., Practicing Company Secretaries, regarding compliance of conditions of Corporate Governance has been annexed to report.

➤ **Disclosures with respect to demat suspense account/ unclaimed suspense account**

**Details of unclaimed shares as on 31<sup>st</sup> March, 2021 are as below:**

Sr. No.	Particulars	No. of Shareholders	No. of shares
1.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	NIL	NIL
2.	Number of shareholders who approached listed entity for transfer of shares from suspense account during the year;	NIL	NIL
3.	Number of shareholders to whom shares were transferred from suspense account during the year	NIL	NIL
4.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	NIL	NIL

**Note :** Voting rights in respect of these shares will remain frozen till the time such shares are transferred from the Unclaimed Suspense Account to the concerned shareholder.

**By Order of the Board  
For Coral Laboratories Limited**

Sd/-  
Girish Dhameja  
Whole Time Director  
(DIN: 07798455)

Sd/-  
Sushma Kadkade  
Director & CFO  
(DIN: 07791735)

Place: Mumbai  
Date: 13/08/2021



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### Declaration of Compliance with the Code of Business Conduct and Ethics

As provided under Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with **Coral Laboratories Limited** Code of Business Conduct and Ethics for the year ended March 31st, 2021.

**For Coral Laboratories Limited**

**Sd/-  
Girish Dhameja  
Whole Time Director  
(DIN: 07798455)**

**Sd/-  
Sushma Kadkade  
Director & CFO  
(DIN: 07791735)**

**Place: Mumbai  
Date: 13/08/2021**



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### CFO / Whole Time Director Certification

We the undersigned in our respective capacities as Chief Financial Officer and Whole Time Director of **Coral Laboratories Limited** to the best of our knowledge we hereby certify that:

- (a) We have reviewed financial statement and the cash flow statement for the year ended 31st March, 2021 and that to the best of our knowledge and belief:
  - (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) These statements together present a true and fair view of the Company's affairs and 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 year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- (c) We accept responsibility 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, of which we have aware and the steps taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee that -
  - (i) there has not been any significant changes in internal control over financial reporting during the year under reference;
  - (ii) there has not been any significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) there has not been any instances during the year of significant fraud of which we had 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.

#### For Coral Laboratories Limited

Sd/-  
**Girish Dhameja**  
Whole Time Director  
(DIN: 07798455)

Sd/-  
**Sushma Kadkade**  
Director & CFO  
(DIN: 07791735)

Place: Mumbai  
Date: 13/08/2021



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### **CERTIFICATE ON CORPORATE GOVERNANCE**

[Under Regulation 34(3) read with Schedule V(E) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To

**The Members**

**Coral Laboratories Limited**

We have examined compliance by Coral Laboratories Limited (the Company) with the requirements under the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 (Listing Regulations) relating to corporate governance requirements for the year ended on March 31, 2021.

In our opinion and to the best of my information and according to the explanations given to me and the representation by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Regulations.

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance under the Listing Regulations. The examination is neither an audit nor an expression of opinion on the financial statements of the Company or the Corporate Governance Report of the Company.

We state that no investor's grievance is pending unresolved by the Company for a period exceeding one month against the Company as per the records maintained by the Stakeholders Relationship Committee.

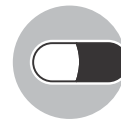
We further state that such compliance is neither an assurance to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**SARK & Associates**  
**(Company Secretaries)**

Sd/-

**Raju Ananthanarayanan**  
**(Practicing Company Secretary)**  
**(FCS: 4175, COP: 8744)**  
**UDIN: F004175C000778135**

**August 13, 2021**  
**Mumbai**



**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
The Members of  
Coral Laboratories Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Coral Laboratories Limited** having CIN L24231GJ1997PLC031669 and having registered office at SF- 206, Silver Oak Complex, B.P.C Road, Vadodara-390020, Gujarat (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal ([www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such Statutory Authority:

Sr. No.	Name of the Director	DIN	Designation	Date of Appointment in the Company
1	Girish Dhameja	07798455	Whole Time Director	May 26, 2017
2	Purvi Doshi	08451213	Director	May 28, 2019
3	Sushma Kade	07791735	Women Director	May 26, 2017
4	Sanket Mehta	05309112	Independent Director	May 26, 2017
5	Sheela Kamdar	06948522	Independent Director	August 12, 2014
6	Saurabh Shah	08451204	Independent Director	May 28, 2019
7	Malay Doshi	09186000	Independent Director	May 27, 2021

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**SARK & Associates**  
(Company Secretaries)

Sd/-  
**Raju Ananthanarayanan**  
(Practicing Company Secretary)  
(FCS: 4175, COP: 8744)  
UDIN: F004175C000778124

**August 13, 2021**  
**Mumbai**



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## INDEPENDENT AUDITORS' REPORT

To  
**THE MEMBERS OF CORAL LABORATORIES LIMITED**

### Report on the Audit of the Financial Statements

#### Opinion

We have audited the accompanying standalone financial statements of Coral Laboratories Limited ("the Company"), which comprise the Balance sheet as at 31st March 2021, and the statement of Profit and Loss including statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information. (hereinafter referred to as the "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date

#### Basis of Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing ("SA"s) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the standalone Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises Board's Report, Report on Corporate governance and Business Responsibility report but does not include the standalone financial statements and our auditor's report thereon.

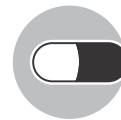
Our opinion on the Standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity, and cash flows of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.





This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(l) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We



describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account
  - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules made thereunder.
  - e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) The Company does not have any pending litigations which would impact its financial position
    - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**For M. A. Parekh & Associates  
Chartered Accountants  
Firm Reg No. 121973W**

**Manish Parekh  
Proprietor  
M. No. 044911**

Place: Mumbai  
Date: June 28, 2021  
ICAI UDIN: 21044911AAAAJR9611



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### Annexure 1 to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March 2021, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets of the company are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years, which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the management during the year and discrepancies noticed between the book records and the physical inventories were not material and have been properly dealt with in the accounts
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- (iii) According to the information and explanations given to us, the Company has not granted unsecured loans to bodies corporate, covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) The company has complied with provisions of Section 186 of the Companies Act, 2013 in respect of investments made and Section 185 of the Companies Act, 2013 is not applicable as there were no such loans, securities or guarantees provided during the year.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 of the Act and the Rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company as specified under Section 148(1) of the Act, for maintenance of cost records in respect of products manufactured by the Company, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii) According to the information and explanations given to us, in respect of statutory dues:
  - (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
  - (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.
- (viii) According to the records of the Company examined by us and information and explanation given to us, the Company has not defaulted in repayment of dues to banks during the year. The company has not taken any loan or borrowing from government, financial institution, and has not issued debentures during the year.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.



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- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on overall examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence reporting under clause 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required for the registration as Non-Banking Financial Company (NBFC) under section 45-IA of the Reserve Bank of India Act 1934.

**For M. A. Parekh & Associates  
Chartered Accountants  
Firm Reg No. 121973W**

**Manish Parekh  
Proprietor  
M. No. 044911**

Place: Mumbai  
Date: June 28, 2021  
ICAI UDIN: 21044911AAAAJR9611



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## Annexure - 2 to the Auditors' Report

### Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Coral Laboratories Limited ("the Company") as of 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

#### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



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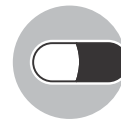
**Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For M. A. Parekh & Associates  
Chartered Accountants  
Firm Reg No. 121973W**

**Manish Parekh  
Proprietor  
M. No. 044911**

Place: Mumbai  
Date: June 28, 2021  
ICAI UDIN: 21044911AAAAJR9611



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## NOTES FORMING PARTS OF FINANCIAL STATEMENTS

### Note 1: Company Information:

Coral Laboratories Limited is a public limited company domiciled in India and is listed on Bombay Stock Exchange (BSE). The company is engaged in manufacturing of Pharmaceutical formulations. Company's manufacturing facilities are located at Daman and Dehradun and corporate office is located at Mumbai. The Registered office of the company is situated at SF-206, Silver Oak complex, BTC Road, Vadodara 390020.

### Note 2A. Significant Accounting Policies

#### (a) Basis of preparation and presentation of financial statements

These standalone financial statements of the company have been prepared in all material aspects in accordance with the principles laid down in the Indian Accounting Standards (hereinafter referred to as the ('Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 ('the Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Rules, 2015 (as amended) and other relevant provisions of the Act and accounting principles generally accepted in India. The Standalone Financial Statements have been prepared on an accrual basis and under historical cost basis, except otherwise stated.

The standalone financial statements for the year ended 31 March 2021 have been reviewed by the Audit Committee and subsequently approved by the Board of Directors at their respective meetings held on June 28, 2021

#### (b) Use of estimates and judgements

These financial statements are prepared under the historical cost convention, except for certain financial instruments which are measured at fair value at the end of reporting period. The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates. Continuous evaluation is done on the estimation and judgments based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Revisions to accounting estimates are recognized prospectively

#### (c) Foreign currency transactions

##### (i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which each entity operates ("functional currency"). The financial statements are presented in Indian Rupees (INR), which is the functional currency of the company.

##### (ii) Transactions and Balances

Foreign currency transactions are translated into the functional currency at the exchange rates on the date of transaction. Foreign exchange gains and losses resulting from settlement of such transactions and from translation of monetary assets and liabilities at the year-end exchange rates are generally recognized in the profit and loss.

#### (d) Property, Plant and Equipment

##### (i) Recognition and measurement:

Property, plant and equipment are carried at historical cost of acquisition less accumulated depreciation and accumulated impairment loss, if any. Historical Cost includes taxes, duties, freight and other incidental expenses related to acquisition and installation. Elements of cost also include the initial estimate of the costs of restoring the site of leased premises, referred to as 'site restoration', the obligation for which the Company incurs when the premises are taken on lease. Subsequent expenditure are capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the entity. Direct cost as well as related incidental expenses incurred on acquisition of fixed assets that are not yet ready for their intended use or not put to use as on the balance sheet date are stated as capital work in progress. There is no revaluation of fixed assets carried out during the year.

Cost of assets which are not ready for their intended use as on the date of Balance Sheet are carried at cost, comprising of direct costs, related incidental expenses and attributable interest, is shown as Capital work-in-progress.



**(ii) Depreciation:**

Depreciation is provided on the straight line method on the basis of the rates determined based on the estimated useful lives of the assets which are higher than the rates prescribed under Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. Property, plants and equipment purchased /sold during the year, depreciation provided on pro-rata basis.

Estimated useful lives of items of property, plant and equipment are as follows:

<b>Category</b>	<b>Useful life</b>
Computer hardware, related peripherals etc.	3 years
Plant & Machineries	15 to 20 years
Other plant and equipment	5 to 10 years
Furniture and fixtures (Including lease hold improvements)	10 years
Vehicles	8 years
Factory Building	30 years

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains and losses on disposals are determined by comparing the sale proceeds with the carrying amount and are recognised within the statement of profit and loss.

**(d) Intangible Assets**

Intangible assets are amortised over their respective individual estimated useful lives on a straight line basis, but not exceeding the period given here under:

<b>Category</b>	<b>Useful life</b>
Computer softwares	6 years

**(e) Impairment of non-financial assets**

Intangible assets that have an indefinite useful life or intangible assets not ready to use are not subject to amortisation and are tested annually for impairment. Assets that are subject to depreciation / amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

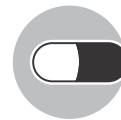
**(f) Financial Instruments**

**Financial assets**

The Company classifies its financial assets in the following measurement categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss),
- and those measured at amortised cost.





The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in the Statement of Profit and Loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

Initial recognition:

At initial recognition, the company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular day trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

#### **Subsequent measurement:**

The Company classifies its financial assets in the following categories:

- i) Financial assets at amortized cost- Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost.

They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortised cost using the effective interest method, less any impairment loss.

- ii) Fair value through other comprehensive income (FVTOCI) - Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVTOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses and interest revenue which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.
- iii) Financial assets at FVTPL- Financial assets that do not meet the criteria for amortised cost or fair value through other comprehensive income (FVTOCI) are measured at fair value through profit or loss (FVTPL), with fair value gain and losses recognized in Profit and loss account.
- iv) Impairment of financial assets - The Company assesses at each balance sheet date whether there is objective evidence that a financial asset or a group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

#### **Financial liabilities**

##### **Initial recognition and measurement**

Financial liabilities are recognised when the company becomes a party to the contractual provisions of the instrument. Financial liabilities are initially measured at the amortised cost unless at initial recognition, they are classified as fair value through profit and loss

##### **Subsequent measurement:**

Financial liability are subsequently measured at amortised cost using effective interest method. For trade and other payable maturing within one year from the balance sheet date, the carrying value approximates fair value due to short maturity of these investments



## Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their best economic interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 - quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 - inputs that are unobservable for the asset or liability.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period and discloses the same.

## (g) Inventories

- Inventories are valued at lower of cost and net realizable value. Cost of inventories comprises, cost of purchase, cost of conversion and other cost incurred in bringing them to their present location and conditions.
- The company has a policy of writing off 20% of Stores and Spares purchased during the year in Daman and Dehradun Plant.
- The company has identified slow moving stock for more than 3 years old and it is valued at Cost or Net Realizable value whichever is lower.

## (h) Employee Benefits

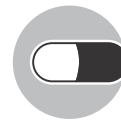
### Short Term Employee Benefits

All employee benefits payable within twelve months of rendering the service are recognised in the period in which the employee renders the related service.

### Long Term Employee Benefits

- Defined Contribution Plans

Provident Fund: Contribution towards provident fund for certain employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.



## (ii) Defined Benefit Plans

Gratuity: The Company provides for gratuity, a defined benefit plan (the “Gratuity Plan”) covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee’s salary and the tenure of employment. The Company’s liability is actuarially determined (using the Projected Unit Credit method) at the end of each year, carried out by an independent actuary and contributed to employees Gratuity Fund.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating the terms of the related obligation.

Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

## (i) Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If the effect of time value of money is material, provisions are discounted. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

## (j) Income Tax

### i) Current Income Tax:

The income tax expense or credit for the period is the tax payable on the current period’s taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

### ii) Deferred Tax:

Deferred tax is provided using the balance sheet approach on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

The tax rates and tax laws used to compute the tax are those that are enacted or substantively enacted at the reporting date.



Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

**(k) Revenue recognition**

Sale of goods and services

Revenue is measured at the fair value of the consideration received or receivable, and represents amounts net of discounts / rebates, returns, other customer incentives and value added taxes. The company recognises revenue when the amount of revenue can be reliably measured; when it is probable that future economic benefits will flow to the entity; and when specific criteria have been met for each of the company's activities. The company bases its estimate of return on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

**Interest income**

Interest income is recognised using the effective interest method. When a loan and receivable is impaired, the company reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income. Interest income on impaired loan and receivables is recognised using the original effective interest rate.

**Investment income**

Incomes from investments are accounted on an accrual basis. Dividend income is accounted when right to receive dividend is established.

**Other income**

Incomes from Export incentive such as duty drawback and sale of License are booked on cash basis.

**(l) Cash and Cash Equivalents**

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash at bank, cash in hand and book overdraft. In the balance sheet, book overdraft is shown within other current financial liabilities as they are not considered an integral part of company's cash management.

**(m) Earnings per share**

The Company presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. Diluted earnings per share is determined by adjusting the profit or loss attributable to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

**(n) Contingent Liabilities and Contingent Assets**

Contingent liabilities exist when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required or the amount cannot be reliably estimated. Contingent liabilities are appropriately disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

A contingent asset is disclosed, where an inflow of economic benefits is probable. A contingent assets is not recognised unless the recovery is virtually certain.



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**(o) Rounding of amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated. Previous years are regrouped wherever necessary.

**Note 2B: Critical accounting judgment, estimates and assumptions**

The preparation of the financial statements requires management to exercise judgment and to make estimates and assumptions. These estimates and associated assumptions are based on historical experiences and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognised in the period in which the estimate is revised if the revision affect only that period, or in the period of the revision and future periods if the revision affects both current and future period.

**The areas involving critical estimates or judgements are:**

**(a) Useful lives of Property plant and equipment and Intangible assets**

Depreciation and amortisation is based on management estimates of the future useful lives of the property, plant and equipment and intangible assets. Estimates may change due to technological developments, competition, changes in market conditions and other factors and may result in changes in the estimated useful life and in the depreciation and amortisation charges.

**(b) Taxation**

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period for its recoverability against probable future profits.

**(c) Employee Benefits**

The present value of the gratuity obligations depends on a number of factors that are determined on an actuarial basis using a various assumptions. One of the critical assumptions used in determining the net cost (income) for these obligations include the discount rate. Any changes in these assumptions will impact the carrying amount of pension obligations.

**(d) Provisions**

Provisions are based on management's best estimate of the liabilities based on the facts known at the balance sheet date.



# BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2021

(₹ in Lacs)

Particulars	Note No.	As at 31 <sup>st</sup> March, 2021	As at 31 <sup>st</sup> March, 2020
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	2,040.60	2,149.06
Capital work-in-progress		50.16	-
Investment properties	3	100.79	102.99
Intangible assets	4	2.54	4.33
<b>Financial assets</b>			
i. Investments	5	3,317.85	2,487.28
ii. Loans	6	157.60	101.51
Other non-current assets	7	-	-
<b>Total non-current assets</b>		<b>5,669.55</b>	<b>4,845.17</b>
<b>Current assets</b>			
Inventories	8	2,167.49	1,929.87
<b>Financial assets</b>			
i. Trade receivables	9	3,915.96	3,440.84
ii. Cash and cash equivalents	10	232.45	111.17
iii. Bank balances other than cash and cash Equivalent above	11	3,250.40	2,887.99
iv. Loans	6	1,348.30	1,048.09
Other current assets	7	169.78	165.46
Current tax asset		-	-
<b>Total current assets</b>		<b>11,084.38</b>	<b>9,583.42</b>
<b>TOTAL ASSETS</b>		<b>16,753.93</b>	<b>14,428.59</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	12	357.26	357.26
Other equity		13,307.07	11,209.82
<b>Total equity</b>		<b>13,664.33</b>	<b>11,567.08</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
i. Borrowings	13		
i. Trade Payable	14	10.77	10.78
ii. Other financial liabilities	15	12.06	12.09
Provisions	16	36.63	34.30
Deferred tax liabilities (Net)		251.51	295.73
Other Non-Current liabilities	17		
<b>Total non-current liabilities</b>		<b>310.97</b>	<b>352.90</b>
<b>Current liabilities</b>			
Financial liabilities			
i. Borrowings	13	625.42	591.25
ii. Trade payables	14	1,478.70	1,414.42
iii. Other financial liabilities	15	47.61	31.16
Provisions	16	108.37	89.71
Current tax liabilities (Net)		258.17	152.75
Other current liabilities	17	260.36	229.32
<b>Total current liabilities</b>		<b>2,778.63</b>	<b>2,508.61</b>
<b>TOTAL LIABILITIES</b>		<b>3,089.60</b>	<b>2,861.51</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>16,753.93</b>	<b>14,428.59</b>
See accompanying notes to the Financial Statements	1-33		

In terms of our report attached

For and on Behalf of the Board of Directors

For **M. A. Parekh & Associates**  
Chartered Accountants  
(Firm Reg No. 121973W)

Mrs. Sushma S Kadkade

Mr. Girish M Dhameja

Ms. Ruchi Anjaria

Sd/-  
Director & CFO  
DIN: 07791735

Sd/-  
Whole Time Director  
DIN: 07798455

Sd/-  
Company Secretary

Proprietor  
Membership No. 044911

Place : Mumbai  
Date : 28<sup>th</sup> June, 2021

Place : Mumbai  
Date : 28<sup>th</sup> June, 2021

# STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2021



(₹ in Lacs)

Particulars	Note No.	Year ended 31 <sup>st</sup> March, 2021	Year ended 31 <sup>st</sup> March, 2020
<b>Income</b>			
Revenue from operations	18	9,656.73	7,057.95
Other income	19	377.00	589.17
<b>Total income</b>		<b>10,033.73</b>	<b>7,647.12</b>
<b>Expenses</b>			
Cost of materials consumed	20(a)	4,896.80	3,868.35
Purchases of stock-in-trade	20(a)	114.57	428.29
Changes in inventories of finished goods and work-in-progress	20(b)	(5.05)	(293.96)
Employee benefits expense	21	1,018.16	970.12
Finance costs	22	4.25	5.81
Depreciation and amortisation expense	3	198.30	200.69
Other expenses	23	2,047.32	1,556.11
<b>Total expenses</b>		<b>8,274.36</b>	<b>6,735.42</b>
<b>Profit from operation before Exceptional items and Tax</b>		<b>1,759.37</b>	<b>911.70</b>
<b>Exceptional Item</b>			
provision of Income tax of earlier year		(1.87)	-
<b>Profit before Tax</b>		<b>1,761.25</b>	<b>911.70</b>
Income tax expense			
- Current tax	24(a)	450.00	250.00
- Deferred tax	24(a)	(44.22)	(51.33)
<b>Total tax expense</b>		<b>405.78</b>	<b>198.67</b>
<b>Profit for the year</b>		<b>1,355.46</b>	<b>713.03</b>
<b>Discontinued operations</b>			
Profit from discontinued operations before tax		-	-
Tax expense of discontinued operations		-	-
<b>Profit for the Period</b>		<b>1,355.46</b>	<b>713.03</b>
Items that will not be reclassified to profit or loss		741.78	(436.77)
Reameasurements of post employment benefit obligations			
Income tax relating to above		-	-
<b>Other Comprehensive Income for the year</b>		<b>741.78</b>	<b>(436.77)</b>
<b>Total Comprehensive Income for the year</b>		<b>2,097.25</b>	<b>276.26</b>
<b>See accompanying notes to the Financial Statements</b>	1-33		

In terms of our report attached

For and on Behalf of the Board of Directors

For **M. A. Parekh & Associates**  
Chartered Accountants  
(Firm Reg No. 121973W)

Mrs. Sushma S Kadkade

Mr. Girish M Dhameja

Ms. Ruchi Anjaria

Sd/-  
Director & CFO  
DIN: 07791735

Sd/-  
Whole Time Director  
DIN: 07798455

Sd/-  
Company Secretary

Proprietor  
Membership No. 044911

Place : Mumbai  
Date : 28<sup>th</sup> June, 2021

Place : Mumbai  
Date : 28<sup>th</sup> June, 2021



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2021

(₹ in Lacs)

Particulars	For the year ended 31 <sup>st</sup> March, 2021	For the year ended 31 <sup>st</sup> March, 2020
<b>A Net cash generated/(used) in Operating Activities</b>		
<b>Profit before tax</b>	<b>1,759.37</b>	<b>911.70</b>
<b>Adjustments for:</b>		
Depreciation and amortization expense	198.30	200.69
Profit on sale of Fixed Asset	-	(0.83)
Interest income	(204.48)	(98.52)
Finance costs	4.25	5.81
Provision for Income tax Earlier Year		
<b>Operating Profit before working capital changes</b>	<b>1,757.45</b>	<b>1,018.85</b>
<b>Adjustments for:</b>		
(Increase)/decrease in Trade receivables	(475.12)	(408.43)
(Increase)/decrease in Other Bank Balance	(362.41)	(893.11)
(Increase)/decrease in Inventories	(237.62)	(312.62)
(Increase)/decrease in Other Current Assets (Current & Non Current)	(4.32)	(85.78)
Increase / (decrease) in Loan Current & Non Current	(356.29)	247.26
Increase/(decrease) in Trade Payables	64.27	143.75
Increase/(decrease) in Other Financial Liability (Current & Non Current)	16.41	13.30
Increase/(decrease) in provisions (Current & Non Current)	20.98	35.83
Increase/(decrease) in Other Current Liabilities	31.05	(79.22)
<b>Cash generated from operations</b>	<b>(1,303.05)</b>	<b>(1,339.01)</b>
Taxes paid (Net of refunds)	342.71	66.13
<b>Net cash flow from operating activities</b>	<b>111.69</b>	<b>(386.29)</b>
<b>B Net cash generated/(used) from Investing Activities</b>		
Purchases of Property, Plant & Equipment	(136.02)	(137.98)
Proceeds from sale of Property, Plant & Equipment	-	4.49
Interest received	204.48	98.52
Dividend received		
Purchase of investments	-	-
OCI Income	(88.78)	(120.14)
<b>Net Cash generated/ (used) in Investing Activities</b>	<b>(20.32)</b>	<b>(155.11)</b>
<b>C Net cash generated/(used) from Financing Activities</b>		
Proceeds from long term borrowings		
Repayment of borrowings	34.17	447.67
Increase / (decrease) in borrowings for working capital		
Payment of Dividend (Including DDT)	-	(86.14)
Finance costs	(4.25)	(5.81)
<b>Net cash flow from / (used in) financing activities</b>	<b>29.92</b>	<b>355.72</b>
<b>D Net cashflow generated / (used)</b>	<b>121.29</b>	<b>(185.69)</b>
Cash & Cash Equivalents as at beginning of the year	111.17	296.85
Effect of exchange differences on restatement of foreign currency Cash and cash equivalents		
<b>Cash &amp; Cash equivalents as at end of the year</b>	<b>232.45</b>	<b>111.17</b>

The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Ind AS 7 on Statement of Cash Flows

In terms of our report attached

For and on Behalf of the Board of Directors

For **M. A. Parekh & Associates**  
Chartered Accountants  
(Firm Reg No. 121973W)

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Whole Time Director  
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Sd/-  
Company Secretary

Proprietor  
Membership No. 044911

Place : Mumbai  
Date : 28<sup>th</sup> June, 2021

Place : Mumbai  
Date : 28<sup>th</sup> June, 2021



# NOTES FORMING PART OF THE FINANCIAL STATEMENTS



## Statement of changes in Equity

A. Equity share capital			(₹ in Lacs)
Particulars	Notes	Amount	
<b>As at April 1, 2020</b>		<b>357.26</b>	
Changes in equity share capital	12	-	
<b>As at March 31, 2021</b>		<b>357.26</b>	
Changes in equity share capital	12	-	

## B. Other equity (₹ in lacs)

Particulars	Notes	Attributable to owners of the Company			
		Reserves and surplus		Other reserves	Total other equity
		General Reserve	Retained Earnings	FVOCI - Equity investments	
<b>Balance at April 1, 2019</b>		<b>420.51</b>	<b>9,635.78</b>	<b>963.40</b>	<b>11,019.70</b>
Profit for the year		-	713.03	-	713.03
Other comprehensive income		-		(436.77)	(436.77)
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>713.03</b>	<b>(436.77)</b>	<b>276.26</b>
Dividend paid (Including dividend distribution tax)			(86.14)		(86.14)
Deferred tax liability of earlier year		-			-
<b>Balance at March 31, 2020</b>		<b>420.51</b>	<b>10,262.67</b>	<b>526.64</b>	<b>11,209.82</b>
Profit for the year		-	1,355.46	-	1,355.46
Other comprehensive income		-	-	741.78	741.78
<b>Total comprehensive income for the year</b>		<b>-</b>	<b>1,355.46</b>	<b>741.78</b>	<b>2,097.25</b>
Dividend paid (Including dividend distribution tax)		-	-	-	-
<b>Balance at March 31, 2021</b>		<b>420.51</b>	<b>11,618.13</b>	<b>1,268.42</b>	<b>13,307.07</b>

The accompanying notes are an integral part of these financial statements.  
As per our report of even date.

In terms of our report attached

For and on Behalf of the Board of Directors

For **M. A. Parekh & Associates**  
Chartered Accountants  
(Firm Reg No. 121973W)

Mrs. Sushma S Kadkade

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Sd/-  
Company Secretary

Proprietor  
Membership No. 044911

Place : Mumbai  
Date : 28<sup>th</sup> June, 2021

Place : Mumbai  
Date : 28<sup>th</sup> June, 2021



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note 3 - Property, plant and equipment

(₹ in Lacs)

Particulars	Land (Freehold)	Factory Building	Buildings	Plant and Machinery	Furniture and Fixtures	Office Equipment	Computer Hardwares	Computer Server	Vehicles	Total
<b>Year ended 31<sup>st</sup> March, 2020</b>										
<b>Gross carrying amount</b>										
Deemed cost as at 1st April, 2019	91.66	953.01	161.79	2,187.59	191.29	55.80	61.80	10.92	189.03	3,902.89
Additions	-	15.65	-	98.92	8.68	9.12	5.31	0.31	-	137.98
Disposals	-	-	-	15.00	-	-	-	-	-	15.00
<b>Closing gross carrying amount</b>	<b>91.66</b>	<b>968.66</b>	<b>161.79</b>	<b>2,271.50</b>	<b>199.96</b>	<b>64.92</b>	<b>67.11</b>	<b>11.23</b>	<b>189.03</b>	<b>4,025.86</b>
<b>Accumulated depreciation</b>										
Opening Accumulated Depreciation as at 1st April, 2019	-	382.87	46.49	955.29	141.48	32.92	48.82	3.08	80.61	1,691.55
Depreciation and amortisation charge during the year	-	29.54	15.80	108.16	7.34	6.86	6.39	1.76	20.76	196.60
Eliminated on disposal of assets	-	-	-	11.34	-	-	-	-	-	11.34
<b>Closing accumulated depreciation</b>	<b>-</b>	<b>412.40</b>	<b>62.29</b>	<b>1,052.11</b>	<b>148.82</b>	<b>39.78</b>	<b>55.20</b>	<b>4.84</b>	<b>101.36</b>	<b>1,876.81</b>
<b>Net carrying amount as at 31st March, 2020</b>	<b>91.66</b>	<b>556.25</b>	<b>99.51</b>	<b>1,219.39</b>	<b>51.14</b>	<b>25.14</b>	<b>11.91</b>	<b>6.38</b>	<b>87.67</b>	<b>2,149.06</b>
<b>Year ended 31st March, 2021</b>										
<b>Gross carrying amount</b>										
Opening gross carrying amount as at 1st April, 2020	91.66	968.66	161.79	2,271.50	199.96	64.92	67.11	11.23	189.03	4,025.86
Additions	-	4.63	-	58.42	7.15	1.78	1.38	-	12.52	85.86
Disposals	-	-	-	-	-	-	-	-	-	-
Exchange differences	-	-	-	-	-	-	-	-	-	-
<b>Closing gross carrying amount</b>	<b>91.66</b>	<b>973.28</b>	<b>161.79</b>	<b>2,329.92</b>	<b>207.11</b>	<b>66.70</b>	<b>68.49</b>	<b>11.23</b>	<b>201.55</b>	<b>4,111.72</b>
<b>Accumulated depreciation</b>										
Opening Accumulated Depreciation as at 1st April, 2020	-	412.40	62.29	1,052.11	148.82	39.78	55.20	4.84	101.36	1,876.81
Depreciation during the year	-	29.47	15.78	106.39	6.89	7.31	5.21	1.78	21.49	194.31
Eliminated on disposal of assets	-	-	-	-	-	-	-	-	-	-
<b>Closing accumulated depreciation</b>	<b>-</b>	<b>441.87</b>	<b>78.07</b>	<b>1,158.50</b>	<b>155.71</b>	<b>47.09</b>	<b>60.41</b>	<b>6.62</b>	<b>122.85</b>	<b>2,071.12</b>
<b>Net carrying amount as at 31st March, 2021</b>	<b>91.66</b>	<b>531.41</b>	<b>83.72</b>	<b>1,171.42</b>	<b>51.40</b>	<b>19.61</b>	<b>8.08</b>	<b>4.61</b>	<b>78.69</b>	<b>2,040.60</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS



### Note 3 - Investment properties

( ₹ in Lacs)

Particulars	Buildings							Total
<b>Year ended 31st March, 2020</b>								
<b>Gross carrying amount</b>								
Deemed cost as at 1st April, 2019	136.45							136.45
Additions	-							-
Disposals								-
<b>Closing gross carrying amount</b>	<b>136.45</b>	-	-	-	-	-	-	<b>136.45</b>
<b>Accumulated depreciation</b>								
Opening Accumulated Depreciation as at 1st April, 2019	31.27	-						31.27
Depreciation and amortisation charge during the year	2.19							2.19
Eliminated on disposal of assets								-
<b>Closing accumulated depreciation</b>	<b>33.46</b>	-	-	-	-	-	-	<b>33.46</b>
<b>Net carrying amount as at 31st March, 2020</b>	<b>102.99</b>	-	-	-	-	-	-	<b>102.99</b>
<b>Year ended 31st March, 2021</b>								
<b>Gross carrying amount</b>								
Opening gross carrying amount as at 1st April, 2020	136.45							136.45
Additions	-							-
Disposals								-
Exchange differences	-	-	-	-	-	-	-	-
<b>Closing gross carrying amount</b>	<b>136.45</b>	-	-	-	-	-	-	<b>136.45</b>
<b>Accumulated depreciation</b>								
Opening Accumulated Depreciation as at 1st April, 2020	33.46	-	-	-	-	-	-	33.46
Depreciation during the year	2.20							2.20
Eliminated on disposal of assets								-
<b>Closing accumulated depreciation</b>	<b>35.66</b>	-	-	-	-	-	-	<b>35.66</b>
<b>Net carrying amount as at 31st March, 2021</b>	<b>100.79</b>	-	-	-	-	-	-	<b>100.79</b>



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note 4 - Intangible assets

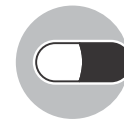
(₹ in Lacs )

Particulars	Computer Software
<b>Year ended 31st March, 2020</b>	
<b>Gross carrying amount</b>	
Deemed cost as at 1st April, 2019	17.93
Additions	
<b>Closing gross amount</b>	<b>17.93</b>
<b>Accumulated depreciation</b>	
Opening Accumulated Depreciation as at 1st April, 2019	11.69
Amortisation charge during the year	1.91
<b>Closing accumulated depreciation</b>	<b>13.60</b>
<b>Net carrying amount as at 31st March, 2020</b>	<b>4.33</b>
<b>Year ended 31st March, 2021</b>	
<b>Gross carrying amount</b>	
Opening Gross carrying amount as at 1st April, 2020	17.93
Additions	
<b>Closing gross amount</b>	<b>17.93</b>
<b>Accumulated depreciation</b>	
Opening Accumulated Depreciation as at 1st April, 2020	13.60
Amortisation charge during the year	1.79
<b>Closing accumulated depreciation</b>	<b>15.39</b>
<b>Net carrying amount as at 31st March, 2021</b>	<b>2.54</b>

### Note 5 - Non-current investments

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Investment in equity instruments (fully paid-up) at FVOCI (quoted) Equity Instrument ( Investment in others)</b>		
7000 Shares of Coal India LT, fully paid up. Equity shares of ₹ 10 /- each.	9.12	9.80
10000 Shares of Pipavav Def, fully paid up. equity shares of ₹ 10 /- each.	0.30	0.15
4700 Shares of GSFC, fully paid up. Equity shares of ₹ 10 /- each.	0.17	0.06
<b>Equity Instrument ( Investment in Associated Concern)</b>		
6496000 Shares of Coral India Finance & Housing Ltd, Fully Paid up. Equity Shares of Rs.2/- Each	1,409.63	670.39
<b>Total (equity instruments)</b>	<b>1,419.22</b>	<b>680.41</b>
<b>Mutual Fund</b>		
5829179.574 Units of SBI Growth Fund (31st March, 2020:5829179.574 Units)	1,898.63	1,806.88
<b>Total (Mutual Fund)</b>	<b>1,898.63</b>	<b>1,806.88</b>
<b>Total investments</b>	<b>3,317.85</b>	<b>2,487.28</b>
Aggregate amount of quoted investments and market value thereof	3,317.85	2,487.28
Aggregate amount of unquoted investments		

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS



### Note 6 - Loan

( ₹ in Lacs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Non-Current</b>		
Other Deposit	73.84	69.23
Fixed Deposits with Bank	-	-
Balance with Revenue Department	83.76	31.40
Advance for capital goods	-	0.88
	-	-
<b>Total Non-Current</b>	<b>157.60</b>	<b>101.51</b>
<b>Current</b>		
Loan to others	85.00	87.75
Loan To staff	15.90	18.24
Balance with Revenue Departments	1,178.60	942.11
Capital Goods Advance	68.80	-
	-	-
<b>Total Current</b>	<b>1,348.30</b>	<b>1,048.09</b>

### Note 7 - Other assets

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Non-Current</b>		
Capital Advances	-	-
	-	-
<b>Total Non-Current</b>	<b>-</b>	<b>-</b>
<b>Current</b>		
Prepaid expenses	7.14	31.15
Advance other than capital advances	32.23	58.96
Balances with government authorities	-	-
Prepaid Insurance	4.72	12.26
Margin Money with Bank of Baroda	0.46	0.46
Unclaimed Dividend	21.84	23.60
Others	103.39	39.03
	-	-
<b>Total Current</b>	<b>169.78</b>	<b>165.46</b>

### Note 8 - Inventories

Particulars	As at 31st March, 2021	As at 31st March, 2020
Raw materials	1,021.41	724.64
Packing materials	345.90	393.95
Finished goods	554.63	524.42
Work-in-progress	156.74	170.26
Stores and spares	82.73	98.87
Stock in Trade	6.09	17.73
	-	-
<b>Total</b>	<b>2,167.49</b>	<b>1,929.87</b>



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note 9 - Trade receivables

(₹ in Lacs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Trade receivables (Unsecured, considered good)	3,915.96	3,440.84
Allowance for expected credit loss	-	-
<b>Total</b>	<b>3,915.96</b>	<b>3,440.84</b>

### Note 10 - Cash and cash equivalents

Particulars	As at 31st March, 2020	As at 31st March, 2019
Cash on Hand	9.42	8.27
<b>Balances with banks</b>		
- In current accounts	63.92	25.90
- Bank OD account	4.25	4.76
- In EEFC accounts	154.86	72.24
<b>Total</b>	<b>232.45</b>	<b>111.17</b>

### Note 11 - Bank balances other than cash and cash equivalents above

Particulars	As at 31st March, 2021	As at 31st March, 2020
Deposits <b>In earmarked accounts</b>		
- Unpaid dividend accounts		
- Balances held as margin money or security against borrowings, guarantees and other commitments	3,250.40	2,887.99
<b>Total</b>	<b>3,250.40</b>	<b>2,887.99</b>

### Note 12 - Equity Share capital and other equity

#### Equity share capital

(i) Authorised share capital

(₹ in Lacs)

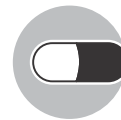
Particulars	Number of shares	Amount
As at 31st March, 2020	10,000,000	1,000.00
As at 31st March, 2021	10,000,000	1,000.00

(ii) Issued, Subscribed & fully paid up Share Capital

(₹ in Lacs)

Particulars	Number of shares	Amount
As at 31st March, 2020	35,72,600	357.26
As at 31st March, 2021	35,72,600	357.26

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS



### Terms and rights attached to equity shares

The Company has only one class of equity shares having face value of Rs. 10/- each. Each holder of Equity share is entitled to one vote per share.

In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company.

The distribution will be in proportion to the number of equity shares held by the shareholders.

The Board of Directors has recommended dividend of Rs. NIL/- per Equity share of Rs. 10/- each subject to the shareholders approval in the ensuing 39th Annual General Meeting.

### (iii) Details of shareholders holding more than 5% shares in the Company

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Number of shares	% Holding	Number of shares	% Holding
Chetan N Doshi	1,841,453	51.54%	1,841,453	51.54%
Coral India Finance & Housing Ltd	713,351	19.97%	713,351	19.97%

### Reserves and surplus

(₹ in Lacs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Capital Reserve		
General Reserve	420.51	420.51
Surplus in statement of profit and loss	12,886.55	10,789.31
<b>Total</b>	<b>13,307.07</b>	<b>11,209.82</b>

### Surplus in statement of profit and loss

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>Opening balance</b>	<b>10,789.31</b>	<b>10,599.19</b>
Profit for the year	1,355.46	713.03
Items of other comprehensive income recognised directly in retained earnings	741.78	(436.77)
Defer Tax Liability of earlier years		
Dividends paid (including dividend distribution tax)	-	(86.14)
<b>Closing balance</b>	<b>12,886.55</b>	<b>10,789.31</b>



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note 13 - Current borrowings

(₹ in lacs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Loans repayable on demand</b>		
From banks	625.42	591.25
Cash Credit		
Bill Discounting		
<b>Total</b>	<b>625.42</b>	<b>591.25</b>

### Note 14 - Trade payables

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Non Current</b>		
Trade payables(other than Acceptances)	10.77	10.78
<b>Total Non Current</b>	<b>10.77</b>	<b>10.78</b>
<b>Current</b>		
Trade payables (other than Acceptances)	1,478.70	1,414.42
<b>Total Current</b>	<b>1,478.70</b>	<b>1,414.42</b>

This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) has been determined to the extent such parties have been identified on the basis of information available with the company and relied by the auditors.

Particulars	31st March, 2021	31st March, 2020
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	154.61	163.67
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	-	-

The above information has been determined to the extent such parties could be identified on the basis of the information available with the Company regarding the status of suppliers under the MSME.



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS



### Note 15 - Other financial liabilities

(₹ in lacs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Non Current</b>		
Deposits payable	11.70	11.70
Employee Retention	0.36	0.39
<b>Total Non Current</b>	<b>12.06</b>	<b>12.09</b>
<b>Current</b>		
Statutory Liabilities	25.54	6.84
Deposits payable	0.72	0.72
Unclaimed Dividend	21.35	23.60
Proposed Dividend and DDT	-	-
<b>Total Current</b>	<b>47.61</b>	<b>31.16</b>

### Note 16 - Provisions

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Non-Current</b>		
Gratuity payable	36.63	34.30
<b>Total Non-Current</b>	<b>36.63</b>	<b>34.30</b>
<b>Current</b>		
Provision for Employee Benefits	59.79	60.38
Gratuity Payable	6.76	6.19
other Provision	41.83	23.14
<b>Total Current</b>	<b>108.37</b>	<b>89.71</b>

#### Defined contribution plans

The Company makes Provident Fund and Superannuation Fund Contributions to defined contribution plans for qualifying employees. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation.

The Company recognised year ended 31st March 2021 Rs.25.93 lakhs ( Year ended 31st March, 2020 Rs 28.26 lakhs) for Provident Fund contributions and Rs 2.34 lakhs (Year ended 31st March, 2020 Rs 2.77 lakhs) for employee State Insurance contributions in the Statement of Profit and Loss.

#### Defined benefit plans

##### Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972 or Company scheme whichever is beneficial. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service.



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Gratuity

	Present value of obligation	Fair value of plan assets	Net amount
<b>As at 1st April, 2019</b>	<b>35.42</b>		<b>35.42</b>
Current service cost	5.64	-	5.64
Past service cost	-	-	-
Interest expense/(income)	2.76	-	2.76
<b>Total amount recognised in statement of profit and loss</b>	<b>43.82</b>	-	<b>43.82</b>
Remeasurements			
Return on plan assets, excluding amount included in interest expense/(income)			
(Gain)/loss from change in demographic assumptions	0.33		0.33
(Gain)/loss from change in financial assumptions	2.94		2.94
Experience (gains)/losses	(4.90)	-	(4.90)
Actual Return on Plan assets	-	-	-
<b>Total amount recognised in other comprehensive income</b>	<b>(1.64)</b>	-	<b>(1.64)</b>
Employer contributions			
Benefit payments	(1.69)		(1.69)
<b>As at 31st March, 2020</b>	<b>40.49</b>	-	<b>40.49</b>

(₹ in Lacs)

	Present value of obligation	Fair value of plan assets	Net amount
<b>As at 31st March, 2020</b>	<b>40.49</b>	-	<b>40.49</b>
Current service cost	6.15	-	6.15
Interest expense/(income)	2.78	-	2.78
<b>Total amount recognised in statement of profit and loss</b>	<b>49.43</b>	-	<b>49.43</b>
Remeasurements	-	-	-
Return on plan assets, excluding amount included in interest expense/(income)	-		-
(Gain)/loss from change in demographic assumptions	-		-
(Gain)/loss from change in financial assumptions	0.25		0.25
Experience (gains)/losses	(3.22)		(3.22)
Actual Return on Plan assets	-		-
<b>Total amount recognised in other comprehensive income</b>	<b>(2.97)</b>	-	<b>(2.97)</b>
Amount required to be spent as per Section 135 of the Act			
Benefit payments	(3.07)		(3.07)
<b>As at 31st March, 2021</b>	<b>43.38</b>	-	<b>43.38</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS



( ₹ in Lacs)

	As at 31st March, 2021	As at 31st March, 2020
Present value of funded obligations	-	-
Fair value of plan assets	-	-
<b>Surplus of funded plan</b>		
Unfunded plan	43.38	40.49
<b>Surplus / (Deficit) of Gratuity plan</b>	<b>43.38</b>	<b>40.49</b>

Fair value of plan assets at the balance sheet date for defined benefit obligations:

### Gratuity

( ₹ in Lacs)

	As at 31st March, 2021	As at 31st March, 2020
Insurer managed funds	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

Significant estimates: Actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

### Gratuity

Particulars	As at 31st March, 2021	As at 31st March, 2020
Discount rate	6.80%	7.78%
Salary escalation rate	7%	7%
Expected Return on plan assets	NA	NA

### Note 17 - Other liabilities

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Non-Current</b>		
Deferred Income		
Advance from customers		
<b>Total Non-Current</b>	<b>-</b>	<b>-</b>
<b>Current</b>		
Deferred Income		
Statutory dues		
Payable for Capital Goods	-	-
Advance received from customers	260.36	229.32
<b>Total Current</b>	<b>260.36</b>	<b>229.32</b>



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note 18 - Revenue from operations

(₹ in Lacs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Sale of Products	9,520.53	6,825.04
Sale of services	-	-
Other operating revenue	136.20	232.91
<b>Total</b>	<b>9,656.73</b>	<b>7,057.95</b>

### Note 19 - Other income

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Interest Income	195.35	171.92
Rent Income	41.65	42.90
Net gain on foreign currency transactions	0.05	171.65
Other non-operating income (net of expenses directly attributable to such income)	139.95	202.71
<b>Total</b>	<b>377.00</b>	<b>589.17</b>

### Note 20(a) - Cost of material consumed

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>Raw material Consumed :</b>		
Opening stock	724.64	673.44
Add:Purchases	3,800.76	2,665.07
	4,525.40	3,338.51
Less : Transfer	410.80	43.61
Less : Closing Stock	1,021.41	724.64
	3,093.18	2,570.26
<b>Packing Material Consumed :</b>		
Opening stock	393.95	425.32
Add:Purchases	1,759.85	1,271.30
	2,153.80	1,696.62
Less : Transfer	4.30	4.58
Less : Closing Stock	345.90	393.95
	1,803.61	1,298.09
<b>Total</b>	<b>4,896.80</b>	<b>3,868.35</b>
Trading Purchases	114.57	428.29
	114.57	428.29
<b>Total</b>	<b>5,011.37</b>	<b>4,296.64</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS



### Note 20(b) - Changes in inventories of finished goods and work in progress

(₹ in lacs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>Inventories at the end of the year</b>		
i) Finished goods	554.63	524.42
ii) Work in progress	156.74	170.26
ii) Stock in trade	6.09	17.73
	<b>717.46</b>	<b>712.41</b>
<b>Inventories at the beginning of the year</b>		
i) Finished goods	524.42	300.93
ii) Work in progress	170.26	99.97
ii) Stock in Trade	17.73	17.55
	<b>712.41</b>	<b>418.45</b>
<b>Net increase / decrease</b>	<b>(5.05)</b>	<b>(293.96)</b>

### Note 21 - Employee benefit expenses

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Salaries and Wages	965.28	914.81
Contributions to provident and other funds	30.05	34.56
Staff Welfare Expenses	22.84	20.75
<b>Total</b>	<b>1,018.16</b>	<b>970.12</b>

### Note 22 - Finance costs

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Interest expense on:		
Bank Interest	3.50	4.31
CC Renewal Charges	0.75	1.50
Interest Others	-	-
<b>Total</b>	<b>4.25</b>	<b>5.81</b>



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

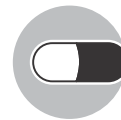
### Note 23 - Other expenses

(₹ in Lacs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Power and fuel	205.22	181.50
Manufacturing Expenses	345.94	269.38
Stores and spares consumed	20.68	24.87
Repairs & maintenance		
- Building	130.88	95.53
- Plant & Machinery	48.70	57.93
- Others	34.53	16.27
Rent	27.22	25.32
Rates and taxes	11.24	55.27
Insurance	13.52	21.71
Telephone Expenses	5.47	7.00
Postage and telephone expense	22.47	26.68
Printing and stationery	53.31	101.58
Vehicle expense	3.99	2.39
Legal and professional	269.02	75.67
Directors' Sitting Fees	1.26	1.06
Payments to auditors (Refer Note (i) below)	3.15	3.60
Travelling expense	74.43	124.60
Freight Charges	51.60	61.98
Loading & Unloading Expenses	1.90	2.39
Advertisement	244.58	113.84
Corporate social responsibility (Refer note (ii) below)	28.45	69.56
Security Expenses	21.50	22.05
Bank Charges & commission	24.00	13.31
Miscellaneous Expenses	404.26	182.61
<b>Total</b>	<b>2,047.32</b>	<b>1,556.11</b>

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>(i) Details of payment to auditors</b>		
Payments to the auditors comprises (net of tax):		
To statutory auditors'		
- Statutory audit	2.35	3.60
- Tax audit	0.35	-
- Other Services	0.45	-
<b>Total</b>	<b>3.15</b>	<b>3.60</b>
<b>(ii) Corporate Social Responsibility</b>		
Amount required to be spent as per Section 135 of the Act	28.45	38.96
Amount spent during the year on		
(A) Construction/acquisition of an asset		-
(B) On purposes other than (A) above	28.45	69.56
<b>Total</b>	<b>28.45</b>	<b>69.56</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS



### Note 24 - Taxation

#### 24 a) - Income tax expense

(₹ in lacs)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Current tax		
Current tax on profits for the year	450.00	250.00
Adjustments for current tax of earlier years	-	-
<b>Total current tax expense</b>	<b>450.00</b>	<b>250.00</b>
Deferred tax		
decrease/(increase) in deferred tax assets		
(decrease)/increase in deferred tax liabilities	(44.22)	(51.33)
<b>Total deferred tax expense/(benefit)</b>	<b>(44.22)</b>	<b>(51.33)</b>
<b>Income tax expense</b>	<b>405.78</b>	<b>198.67</b>

#### 24 b) - Reconciliation of tax expense and accounting profit multiplied by statutory tax rates

<b>Profit for the year</b>	<b>1,759.37</b>	<b>911.70</b>
Statutory tax rate applicable to entity	25.168%	28.840%
<b>Tax expense at applicable tax rate</b>	<b>442.80</b>	<b>262.93</b>
Tax effects of following in calculating taxable income:		
Additional deduction claimed under Income tax Act		
Differential tax on Income of the year		
Expenses not allowed as per Income tax Act	(37.02)	(64.27)
Effect of change in substantively enacted rate		
<b>Income tax expense</b>	<b>405.78</b>	<b>198.67</b>

#### 24 c)- Deferred tax liabilities

The balance comprises temporary differences attributable to:

	As at 31st March, 2021	As at 31st March, 2020
<b>Deferred tax liabilities:</b>		
Difference between Accounting and Tax WDV (Cumulative)	251.51	295.73
<b>Total deferred tax liabilities</b>	<b>251.51</b>	<b>295.73</b>
<b>Deferred tax assets:</b>	-	-
<b>Total deferred tax assets</b>	-	-
<b>Net deferred tax liabilities</b>	<b>251.51</b>	<b>295.73</b>



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note 25 - Fair value measurements

#### (i) Financial instruments by category

(₹ in lacs)

Particulars	Note	As at March 31, 2021			As at March 31, 2020		
		FVOCI	FVPL	Amortised cost	FVOCI	FVPL	Amortised cost
<b>Financial assets</b>							
Equity Investments	5	1,419.22	1,898.63	-	680.41	1,806.88	-
Trade receivables	9	-	-	3,915.96			3,440.84
Cash and cash equivalents	10	-	-	232.45			111.17
Bank balances other than cash and cash equivalents	11	-	-	3,250.40			2,887.99
Loans	6	-	-	1,505.90			1,149.61
<b>Total financial assets</b>		<b>1,419.22</b>	<b>1,898.63</b>	<b>8,904.71</b>	<b>680.41</b>	<b>1,806.88</b>	<b>7,589.60</b>
<b>Financial liabilities</b>							
Borrowings	13	-	-	625.42	-	-	591.25
Trade payables	14	-	-	1,489.47	-	-	1,425.20
Other Financial Liabilities	15	-	-	59.66	-	-	43.25
<b>Total financial liabilities</b>		<b>-</b>	<b>-</b>	<b>2,174.55</b>	<b>-</b>	<b>-</b>	<b>2,059.70</b>

#### (ii) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial asset and liabilities measured at fair value - recurring fair value measurements:	Notes	Level 1	Level 2	Level 3	Total
<b>As at March 31, 2021</b>					
<b>Financial Asset</b>					
<b>Financial Investment at FVOCI</b>					
Equity Instruments	5	1,419.22	-	-	1,419.22
<b>Financial Investment at FVPL</b>					
Investments in Mutual Funds		1,898.63	-	-	1,898.63
<b>Total Financial Assets</b>		<b>3,317.85</b>	<b>-</b>	<b>-</b>	<b>3,317.85</b>

Financial asset and liabilities measured at fair value - recurring fair value measurements:	Notes	Level 1	Level 2	Level 3	Total
<b>As at March 31, 2020</b>					
<b>Financial Assets</b>					
<b>Financial Investment at FVOCI</b>					
Equity Instruments	5	680.41	-	-	680.41
<b>Financial Investment at FVPL</b>					
Investments in Mutual Funds		1,806.88	-	-	1,806.88
<b>Total Financial Assets</b>		<b>2,487.28</b>	<b>-</b>	<b>-</b>	<b>2,487.28</b>



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS



The fair value of financial instruments as referred to in note above has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities (level 1 measurement) and lowest priority to unobservable inputs (level 3 measurements). The categories used are as follows:

Level 1 : Financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds, mutual funds, bonds and debentures, that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is considered here. For example, the fair value of forward exchange contracts, currency swaps and interest rate swaps is determined by discounting estimated future cash flows using a risk-free interest rate. The mutual funds are valued using the closing NAV published by mutual fund.

Level 3: The fair value of financial instruments that are measured on the basis of entity specific valuations using inputs that are not based on observable market data (unobservable inputs). When the fair value of unquoted instruments cannot be measured with sufficient reliability, the Company carries such instruments at cost less impairment, if applicable.

#### (iv) Fair value of Financial assets and liabilities measured at amortised cost

(₹ in Lacs)

Particulars	Note	As at March 31, 2021		As at March 31, 2020	
		Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial Assets</b>					
Trade receivables	9	3,915.96	3,915.96	3,440.84	3,440.84
Cash and cash equivalents	10	232.45	232.45	111.17	111.17
Bank balances other than cash and cash equivalents	11	3,250.40	3,250.40	2,887.99	2,887.99
Loans	6	1,505.90	1,505.90	1,149.61	1,149.61
<b>Total Financial Assets</b>		<b>8,904.71</b>	<b>8,904.71</b>	<b>7,589.60</b>	<b>7,589.60</b>
<b>Financial Liabilities</b>					
Borrowings	13	625.42	625.42	591.25	591.25
Trade payables	14	1,489.47	1,489.47	1,425.20	1,425.20
Other Financial Liabilities	15	59.66	59.66	43.25	43.25
<b>Total Financial Liabilities</b>		<b>2,174.55</b>	<b>2,174.55</b>	<b>2,059.70</b>	<b>2,059.70</b>

The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other bank balances, loans and other financial liabilities are considered to be the same as their fair values due to their short-term nature. The carrying amount of long term borrowings are considered to be same as their fair values, as these borrowings carry floating interest rates.



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

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### Note 26 - Financial Risk Management

The Company's business activities expose it to a variety of financial risks, namely liquidity risk, market risks and credit risk. The Company's senior management has overall responsibility for the establishment and oversight of the Company's risk management framework. The Company has constituted a Risk Management framework, through which management develops and monitors the Company's risk management policies. The key risks and mitigating actions are also placed before the Board of directors of the Company. The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

The Risk Management Framework of the Company is enforced by the finance team and experts of business division that provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The activities are designed to: - protect the Company's financial results and position from financial risks; - maintain market risks within acceptable parameters, while optimising returns; and The finance department is responsible to maximise the return on companies internally generated funds.

The note explains the Company's exposure to financial risks and how these risks could affect the Company's future financial performance.

#### (A) Credit Risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. Credit risks from balances with banks and financial institutions are managed in accordance with the Company's policy. For derivative and financial instruments, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit ratings assigned by the credit rating agencies. The Company periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

In respect of its investments the company aims to minimize its financial credit risk through the application of risk management policies.

The gross carrying amount of trade receivables is INR 3915.96 Lakhs (March 31, 2020: INR 3440.84 Lakhs)

The Company maintains exposure in cash and cash equivalents, term deposits with banks, Loans, Security deposits and other financial assets.

Other advances are given for trade purpose which is in line with normal business activities of the Company. Provision is taken on a case to case basis depending on circumstances with respect to non recoverability of the amount. The gross carrying amount of such loans and advances is INR 1348.30 lakhs (March 31, 2020: INR 1048.09 Lakhs,)

#### (B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's approach for managing liquidity is to ensure that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking manage to Company's reputation. In addition, processes and policies related to such risks are overseen by the senior management. The management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS



### Maturities of financial liabilities

(₹ in lacs)

Particular	Note	Less than 1 year	1 year to 2 year	2 year to 3 year	3 year and above	Total
<b>As at March 31, 2021</b>						
Borrowings	13	625.42	-	-	-	625.42
Trade Payables	14	1,478.70	10.77	-	-	1,489.47
Other Financial Liabilities	15	47.61	12.06	-	-	59.66
<b>Total non-derivative liabilities</b>		<b>2,151.72</b>	<b>22.83</b>	-	-	<b>2,174.55</b>
Derivatives (Net-settled)						
Forward contracts for hedge purpose		-	-	-	-	-
<b>Total derivative liabilities</b>		-	-	-	-	-

Particular	Note	Less than 1 year	1 year to 2 year	2 year to 3 year	3 year and above	Total
<b>As at March 31, 2020</b>						
Borrowings	13	591.25	-	-	-	591.25
Trade Payables	14	1,414.42	10.78	-	-	1,425.20
Other Financial Liabilities	15	31.16	12.09	-	-	43.25
<b>Total</b>		<b>2,036.83</b>	<b>22.87</b>	-	-	<b>2,059.70</b>
Derivatives (Net-settled)						
Forward contracts for hedge purpose		-	-	-	-	-
<b>Total derivative liabilities</b>		-	-	-	-	-

### (C) Market risk

The Company is exposed to risk from movements in foreign currency exchange rates, interest rates and market prices that affect its assets, liabilities and future transactions.

#### (i) Foreign exchange risk

Foreign currency risk is that risk in which the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company operates internationally and a portion of its business is transacted in multiple currencies and therefore the Company is exposed to foreign exchange risk through its overseas sales and purchases in various foreign currencies. The Company takes decision to hedge by forming view after discussions with its advisors and as per policies set by Management.



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Foreign exchange derivatives and exposures outstanding as at Balance Sheet date

The Company's exposure to foreign currency risk at the end of the reporting period as on March 31, 2021

(₹ in lacs)

Particular	Currency	In INR	In Foreign Currency
<b>Financial assets</b>			
Export Receivables	USD	3,299.08	45.46
Bank Balances	EURO USD	154.86	2.11
<b>Derivative asset</b>			
Foreign exchange forward contracts sell foreign currency	USD	-	-
Net Exposure to foreign currency risk (assets)		3,453.93	47.57
<b>Financial liabilities</b>			
Import Payables	USD	146.06	1.98
<b>Derivative liabilities</b>			
Forward contract - Buy for Hedging Purpose	USD	-	-
<b>Net Exposure to foreign currency risk (liabilities)</b>		<b>146.06</b>	<b>1.98</b>

The Company's exposure to foreign currency risk at the end of the reporting period as on March 31, 2020

Particular	Currency	In INR	In Foreign Currency
<b>Financial assets</b>			
Export Receivables	USD EURO	2,474.30	33.41
Bank Balances	USD	72.24	0.98
<b>Derivative asset</b>			
Foreign exchange forward contracts sell foreign currency	USD	-	-
<b>Net Exposure to foreign currency risk (assets)</b>		<b>2,546.54</b>	<b>34.38</b>
<b>Financial liabilities</b>			
Import Payables	USD	-	-
<b>Derivative liabilities</b>			
Forward contract - Buy for Hedging Purpose	USD	-	-
<b>Net Exposure to foreign currency risk (liabilities)</b>		<b>-</b>	<b>-</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS



### Foreign Currency Risk Sensitivity

A change of 5% in Foreign Currency would have the following impact on profit before tax

Particular	Increase in FC conversion rate		Decrease in FC conversion rate	
	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020
USD	165.39	127.33	(165.39)	(127.33)
EURO	-	-	-	-
<b>Increase / (decrease) in profit or loss</b>	<b>165.39</b>	<b>127.33</b>	<b>(165.39)</b>	<b>(127.33)</b>

### (ii) Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates.

The Company borrows at variable as well as fixed interest rates and the same is managed by the Company by constantly monitoring the trends and expectations. In order to reduce the overall interest cost, the Company has borrowed in a mix of short term and long term loans.

### Exposure to interest rate risk

Particulars	As at 31st March, 2021	As at 31st March, 2020
Variable rate borrowings	625.42	591.25
Fixed rate borrowings	-	-
<b>Total Borrowings</b>	<b>625.42</b>	<b>591.25</b>

### Interest rate sensitivity

A change of 50bps in interest rates would have following impact on profit before tax

Particulars	As at 31st March, 2021	As at 31st March, 2020
Interest rates - Increase by 50 basis point (50 bps)	(3.13)	(2.96)
Interest rates - decrease by 50 basis point (50 bps)	3.13	2.96

### (D) Price Risk

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet either as fair value through OCI.

To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio.

Particular	Impact on profit after tax	
	Year ended March 31, 2021	Year ended March 31, 2020
NSE/BSE increase in 1% of price/NAV Investments in Quoted equity shares	33.18	24.87
NSE/BSE decrease in 1% of price/NAV Investments in Quoted equity shares	(33.18)	(24.87)



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Capital management

#### (a) Risk Managements

The Company aim to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to its shareholders.

The Company's capital management is driven by Company's policy to maintain a sound capital base to support the continued development of its business. The Board of Directors seeks to maintain a prudent balance between different components of the Company's capital. The Management monitors the capital structure and the net financial debt at individual currency level. Net financial debt is defined as current and non-current financial liabilities less cash and cash equivalents and short-term investments.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The debt equity ratio highlights the ability of a business to repay its debts.

Particulars	As at March 31, 2021	As at March 31, 2020
Net Debt	625.42	591.25
Total Equity	13,664.33	11,567.08
Net Debt to equity ratio	4.58%	5.11%

#### (b) Dividend

Particulars	As at March 31, 2021	As at March 31, 2020
<b>(i) Equity Shares</b>		
Final Dividend for the year ended March 31, 2020 INR Rs. NIL (March 31, 2019 INR Rs. 5/-)per fully paid share	-	71.45
Dividend distribution tax on above	-	14.69
<b>(ii) Dividend not Recognised at the end of reporting period</b>		
In addition to the above dividends, since year end the directors have recommended the payment of final dividend of INR Rs. Nil per fully paid equity share (March 31, 2020 - INR Rs. NIL). This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting	-	-
DDT on Proposed dividend	-	-

# NOTES FORMING PART OF THE FINANCIAL STATEMENTS



## Note 27 - Related Party Transactions

### 27 a) Details of related parties

Description of relationship	Names of related parties
<b>Key Management Personnel</b>	
Whole Time Director	Mr. Girish M Dhameja
Director & CFO	Mrs. Sushma S Kadkade
Director	Mrs. Purvi Chetan Doshi
Independent Director	Mr. Sanket Mehta
Independent Director	Mrs. Sheela Kamdar
Independent Director	Mr. Saurabh Shah
Company Secretary (upto 11.06.2020)	Mrs. Nirali Mehta
Company Secretary (w.e.f.23.07.2020)	Ms. Ruchi Anjaria
<b>Other Related Parties</b>	
Entities in which KMP / relatives of KMP have significant influence	Coral India Finance & Housing Ltd
Relative of KMP	Mr. Chetan N Doshi

### 27 b) Key management personnel compensation

( ₹ in lakhs)

For the year ended 31st March, 2020	Short-term employee benefits	Post-employment benefits	Total
Salaries & Perquisites	38.24	-	38.24
Sitting Fees	1.06	-	1.06

For the year ended 31st March, 2021	Short-term employee benefits	Post-employment benefits	Total
Salaries & Perquisites	45.04	-	45.04
Sitting Fees	1.26	-	1.26

### 27 c) Transactions with related parties

Nature of Transaction	For the year ended 31st March, 2021	For the year ended 31st March, 2020
<b>Rent paid for lease arrangements</b>		
Mr. Chetan N Doshi	5.70	5.40
Mrs. Purvi Chetan Doshi	5.70	5.40
<b>Dividend paid on Shares</b>		
Coral India Finance & Housing Ltd	-	14.27



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 27 d) Outstanding balances

The following balances are outstanding at the end of the reporting period in relation to transactions;

	As at 31st March, 2021	As at 31st March, 2020
<b>Receivables</b>		
<b>Total receivables to related parties</b>	-	-
<b>Trade Payables</b>		
<b>Total payables to related parties</b>	-	-

### Note 28 - Contingent liabilities

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
(a) Guarantees	Nil	Nil
(b) Income Tax	Nil	Nil
(c) Sales Tax	Nil	Nil

The company has ongoing litigations related to central excise and service tax. The company has not disclosed the same as contingent liability considering the remote possibility of outflow of resources embodying economic benefits based on judgements received in favour of the company in past years.

### Note 29 - Commitments

Particulars	As at 31st March, 2021	As at 31st March, 2020
Estimated amount of contracts remaining to be executed on capital account and not provided for: -Tangible assets	Nil	Nil

### Note 30 - Earnings per share

	Year ended 31st March, 2021	Year ended 31st March, 2020
<b>(a) Basic and diluted earnings per share</b>		
Profit attributable to the equity holders of the Company	1,355.46	713.03
Total basic & diluted earnings per share attributable to the equity holders of the Company	37.94	19.96
<b>(b) Weighted average number of shares used as the denominator</b>		
Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share	3,572,600	3,572,600





### Note 31 - Segment information

The Chief operating decision maker ("CODM") evaluates performance and allocates resources based on the analysis of various performance indicators by reportable segments. The CODM examine the group performance from a geographic perspective and has identified following as identifiable segments:

- a) Ethiopia
- b) India
- c) Rest of World

#### Geographical information

##### (i) Revenue

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Ethiopia	2,969.02	557.38
India	1,756.14	2,154.36
Rest of World	4,795.37	4,113.30
	<b>9,520.53</b>	<b>6,825.04</b>

##### (ii) Non-Current Assets

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Ethiopia	-	-
India	5,669.55	4,845.18
Rest of World	-	-

\*Non-current assets, other than financial instruments, deferred tax assets, post-employment benefit assets

### Note 32 - Assets pledged as security

The carrying amounts of financial and non financial assets hypothecated / mortgaged as security for current and non-current borrowings are as under:

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
<b>Current Assets(Present and Future)</b>		
Inventories	2,167.49	1,929.87
Trade receivables	3,915.96	3,440.84
FD held as margin money	3,250.40	2,887.99
<b>Total current assets pledged as security</b>	<b>9,333.86</b>	<b>8,258.70</b>
<b>Non-Current</b>		
Property, plant and equipment - Movable	-	-
<b>Total non-current assets pledged as security</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>9,333.86</b>	<b>8,258.70</b>



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

**Note 32A - Disclosure as per Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 186(4) of the Companies Act, 2013**

Name of the party	Relationship	Nature	As at 31st March, 2021	As at 31st March, 2020
Coral India Finance & Housing Ltd	Significant Influence	Outstanding Balance	-	-
		Maximum Balance Outstanding	-	-

The above advance has been given for business purpose

**Note 32B - Disclosures under rule 16A of the Companies (Acceptance of Deposits) Rule 2014. Disclosures under rule 16A of the companies (acceptance of deposits) rule 2014.**

Particulars	As at 31st March, 2021	As at 31st March, 2020
Money received from Director during the year	Nil	Nil
Balance outstanding at the end of the year	Nil	Nil

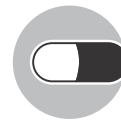
**Note 33 - Reconciliation of net cash flow to movement in net debt**

(₹ in lakhs)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Cash and cash equivalents	(232.45)	(111.17)
Current Borrowings	625.42	591.25
Net debt at end of year	392.97	480.08

**Analysis of changes in net debt**

Particulars	Cash and cash equivalents	Current Borrowings
Net Debt as at March 31, 2020	(111.17)	591.25
Cash flows	(121.29)	-
Repayment of loan	-	-
<b>Net debt</b>	<b>(232.45)</b>	<b>591.25</b>



## CORAL LABORATORIES LIMITED

SF- 206, Silver Oak Complex, B.P.C Road Vadodara GJ 390020  
Phone: +91-22-25005245, Fax: +91-22-22873771 Website: [www.corallab.com](http://www.corallab.com), Email: [cs@corallab.com](mailto:cs@corallab.com)  
CIN: L24231GJ1997PLC031669

### FORM MGT- 11 (FORM OF PROXY)

**Venue of the meeting :** SF- 206, Silver Oak Complex, B.P.C Road Vadodara GJ 390020

**Date & Time :** Friday, 24th September 2021 at 11.00 a.m.

<b>Name</b>	
<b>Address</b>	
<b>DP Id*</b>	
<b>Client Id*</b>	
<b>Folio No.</b>	
<b>No. of shares held</b>	

\*Applicable for investors holding shares in Electronic form.

I/We \_\_\_\_\_ of \_\_\_\_\_ being member/members of **CORAL LABORATORIES LIMITED** hereby appoint the following as my/our Proxy to attend vote (for me/our behalf at the 39 Annual General Meeting of the Company to be held on September 24 2021 at 11.00 a.m. and at any adjournment thereof).

1. Mr. / Mrs \_\_\_\_\_ (Name & Signature of the Proxy) or failing him/her
2. Mr. / Mrs \_\_\_\_\_ (Name & Signature of the Proxy) or failing him/her
3. Mr. / Mrs \_\_\_\_\_ (Name & Signature of the Proxy) or failing him/her

\*\*I/We direct my/our Proxy to vote on the Resolutions in the manner as indicated below:

Sl. No.	Resolution	No. Of shares	For	Against
1.	To receive, consider and adopt the Audited Financial Statements for the financial year ended 31st March 2021 together with the Directors' Report and Auditors Report thereon.			
2.	To appoint a Director in place of Mr. Girish Dhameja (DIN: 07798455), who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.			
3.	Appointment of M. A. Parekh & Associates, Chartered Accountants as Statutory Auditors			



Sl. No.	Resolution	No. Of shares	For	Against
4.	Appointment of Mr. Malay Doshi (DIN:09186000) as an Independent Director of the company			
5.	Approval for Undertaking Material Related Party Transactions(s) with Mr. Chetan Doshi Promoter of the Company			
6.	Ratification of Remuneration of Cost Auditor of the Company for the Year 2021-2022			

\*\*This is optional. Please put a tick mark (“”) in the appropriate column against the resolutions indicated in the box. If a member leaves the “For” or “Against” column blank against any or all the Resolutions, the proxy will be entitled to vote in the manner he/she thinks appropriate. If a member wishes to abstain from voting on a particular resolution, he /she should write “Abstain” across the boxes against the Resolution.

Signature(s) of the Member(s)

1. \_\_\_\_\_  
2. \_\_\_\_\_  
3. \_\_\_\_\_

Affix one  
Rupee  
Revenue  
Stamp

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2021.

**Notes:**

1. The Proxy to be effective should be deposited at the Registered office of the company not less than FORTY-EIGHT HOURS before the commencement of the Meeting.
2. Proxy need not be a member of the Company.
3. In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
4. The form of Proxy confers authority to demand or join in demanding a poll.
5. The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.
6. In case a member wishes his/her votes to be used differently, he/she should indicate the number of shares under the columns “For” or “Against” as appropriate.



## CORAL LABORATORIES LIMITED

**Regd Office:** SF-206, Silver Oak Complex, B.P.C Road Vadodara -GJ 390020

**Corp. Office:** #3B, Patanwala Compound, Opp. Shreyas Cinema, L.B.S. Marg, Ghatkopar (W), Mumbai – 400086

Website: [www.corallab.com](http://www.corallab.com), Email: [cs@corallab.com](mailto:cs@corallab.com)

Phone: 022-25005245/46, Fax: 022-25004893

CIN: L24231GJ1997PLC031669

### ATTENDANCE SLIP 39<sup>th</sup> ANNUAL GENERAL MEETING

DP ID – Client ID/ Folio No.	
Name & Address of Sole Member	
Name of Joint Holder(s), If any (In Block Letters)	
No. of shares held	

I certify that I am a member / proxy of the Company.

I hereby record my presence at the 39th Annual General Meeting of the Company to be held on Friday, September 24, 2021, at 11.00 a.m. at the registered office at SF-206, Silver Oak Complex, B. P. C Road Vadodara - GJ 390020

\_\_\_\_\_  
Member's/ Proxy's Signature

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### ELECTRONIC VOTING PARTICULARS

EVEN (E-Voting Even Number)	User ID	PAN / Seq. No

**NOTE:** Please read the complete instructions given under the Note (The instructions for shareholders voting electronically) to the Notice of Annual General Meeting. The voting starts from Tuesday, 21 September 2021 from 9.00 A.M. and ends on Thursday 23 September 2021 at 5.00 P.M. The voting module shall be disabled by NSDL for voting thereafter.



## ROUTE MAP TO THE VENUE





*If undelivered, please return to :*



**Coral Laboratories Ltd.**

# 3B, Patanwala Ind. Estate, Opp. Shreyas Cinema, L.B.S. Marg, Ghatkopar (West), Mumbai - 400 086.