



CORAL INDIA FINANCE AND HOUSING LIMITED

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Annual Report
2003-2004

CORAL INDIA FINANCE AND HOUSING LIMITED



BOARD OF DIRECTORS : Mr. Navinchandra B Doshi - Chairman
 Mrs. Meeta S Sheth - Managing Director
 Mr. S. Ramamuthy - Whole-Time Director
 Dr. Sharad R. Mehta - Director

AUDITORS : M/s. Sutaria Associates
 Chartered Accountants
 3, Satyam Shopping Centre,
 M. G. Road, Ghatkopar (East),
 MUMBAI 400 077.

BANKERS : Oriental Bank of Commerce

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

SHARE TRANSFER AGENTS : INTIME SPECTRUM REGISTRY LTD.
 C-13, Pannalal Silk Mills
 Compound, L.B.S.Marg,
 Bhandup (West)
 MUMBAI 400 078.



NOTICE

NOTICE is hereby given that the Tenth Annual General Meeting of CORAL INDIA FINANCE AND HOUSING LIMITED, will be held at Dalamal House, 4th floor, Jamnalal Bajaj Marg, Nariman Point, Mumbai 400 021, on Monday, 28th September 2004 at 3.30 p.m. to transact the following business:-

1. To receive, consider and adopt the Directors' Report, the Accounts of the Company for the year ended 31st March 2004 and the Auditor's Report thereon.
2. To appoint a Director in place of Mr. Sharad R Mehta who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors of the Company to hold office from the conclusion of his Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

REGISTERED OFFICE

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

By Order of the Board,

Place: Mumbai
Date : 20th August 2004

NAVINCHANDRA B. DOSHI
CHAIRMAN



NOTES

- a) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies, in order to be effective, must be received at the registered office of the Company, not later than Forty eight (48) hours before the time fixed for holding the meeting.
- b) The Register of Members and Share Transfer Books of the Company shall remain closed from 22nd September 2004 to 28th September, 2004 (both days inclusive)
- c) Members are requested to bring in their won copies of the Report and Accounts

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Jamnalal Bajaj Marg,
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Mumbai 400 021.

By Order of the Board,

Place: Mumbai
Date : 20th August 2004

NAVINCHANDRA B. DOSHI
CHAIRMAN

**DIRECTORS' REPORT:**

Dear Members,

Your Directors are pleased to present their Tenth Annual Report and Audited Statement of Accounts for the year ended 31st March 2004.

1. FINANCIAL PERFORMANCE

	Rs. In lacs	
	2003-2004	2002-2003
Income	190.56	64.17
Expenditure	98.60	52.16
Earnings Before Tax	91.96	12.01
Provision for Tax	9.88	1.28
Provision for Deferred Tax	4.96	1.75
Earnings after Tax	77.12	8.98
Short Provision of Income Tax for earlier year	-	5.93
Balance Brought forward	170.36	167.33
Balance carried forward to balance sheet	247.48	170.36

2. MANAGEMENT DISCUSSION AND ANALYSIS

- (a) **Industry Structure and Development:** In the year under review, the economy shows modest growth in some specific sectors. The overall policy direction of the Government are encouraging.
- (b) **Segment-wise operational performance:** Your Company has three segments viz. Finance, Resort and Construction. During the year under review, income from the fund activities is Rs.32.01 lacs as compared Rs.30.16 lacs in the previous year. During the year the construction activity accounted a revenue of Rs.5.02 lacs as compared to Rs.3.07 lacs previous year. The Resort activity during the year post a revenue of Rs.37.95 lacs as compared previous year Rs.21.07 lacs..
- (c) **Outlook:** Growing in domestic market in all sector , all our segments are likely to contribute more revenue growth this year.
- (d) **Threats and concerns:** Competition to your Company continues to be significant factor to be taken care of, while formulating growth plans and strategies . A continuous focus on cost control and risk management analysis will be resulted in better profit margin in the ensuing year.
- (e) **Internal control systems and their adequacy :** The internal audit department reviews key business process and controls. The business risk and its control procedures are reviewed periodically.
- (f) **Human Resources and Industrial Relations:** Your Company continued to have cordial relations with its employees.

DIVIDEND

Your Directors regret their inability to propose any dividend due to the meager profits of the Company.

DIRECTORS

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



DIRECTORS' RESPONSIBILITY STATEMENT

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

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

PARTICULARS OF EMPLOYEES

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

FIXED DEPOSITS

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

AUDITORS

The Shareholders of the Company are requested to appoint Auditors and fix their remuneration. M/s.Sutaria Associates, Chartered Accountants, the retiring Auditors have furnished to the Company the required certificate under Section 224(1B) of the Companies Act, 1956 and therefore eligible for re-appointment as Auditors of the Company.

PERSONNEL

The Board wishes to thank its Executives, Staff, Bankers and other Business associates for their support during the year.

CORPORATE GOVERNANCE

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

By Order of the Board,

NAVINCHANDRA B. DOSHI
CHAIRMAN

Place: Mumbai
Date : 20th August 2004



REPORT ON CORPORATE GOVERNANCE

A. MANDATORY REQUIREMENTS

1. Company's Philosophy on code of Governance :

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

2. Board of Directors

The Board consists of Four members comprising:
 - Two Executive Directors including Managing Director.
 - Two Non Executive Directors including Chairman.

Five Board meetings were held during the year 2003-2004, On May 31st 2003, July 31st 2003, 18th September 2003, 30th October 2003, 30th January 2004.

Mr Sharad R Mehta not attended two of the board meetings and rest all Board meetings and Annual General Meetings are attended by all Directors.

3. Audit Committee

The Audit Committee comprise of:

1. Mr. Navinchandra B Doshi - Non Executive Director - Chairman of the Committee
2. Mr. Sharad R Mehta - Non Executive Director - Member of the Committee
3. Mr. S. Ramamruthy - Executive Director - Member of Committee.

The terms of reference specified by the Board to the Audit Committee are as contained under Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956. These include overseeing of the Company's financial reporting process and disclosure of financial information, review of annual and quarterly financial statements with management before submission to the Board of Directors, review of the adequacy of internal control systems with management, external and internal auditors and review of the Company's financial risk and management policies. The Committee also recommends to the Board the appointment of external Auditors. During the financial year the Audit Committee met on four occasions. The meetings were held on May 31st 2003, July 31st, 2003, October 30th 2003, and 30th January 2004 and all Committee members attended all Audit Committee meetings.

4. Remuneration Committee

The Chairman and non-executive Directors do not draw any remuneration from the Company except sitting fees for attending the meetings of the Board and Committees thereof.

The Company pays sitting fees to all Directors other than Managing Director and Whole Director at the rate Rs.600/- for each meeting

5. Transfer Shareholders'/Investors' Grievance Committee

The Committee comprises of Mr. Navinchandra B Doshi and Mr.S.Ramamruthy. All share's have been transferred and returned in 21 days from the date of receipt, so long as the documents have been clear in all respects. The Share Committee generally meets once a fortnight.

6. General Body Meeting

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

Year	Location	Date	Time	No.of special Resolutions Passed
2000-2001	Dalamal House, 4 th Floor, J.B.Marg, Mumbai 40 021	12.06.2001	11.30 a.m.	3
2001-2002	As Above	12.08.2002	3.30 p.m.	1
2002-2003	As Above	18.09.2003	3.30 p.m.	1



7. Means of Communication

The Company has published its quarterly results in The Free Press Journal (English) and Maharashtra Times (Marathi).

8. General Shareholder Information

- a) Annual General Meeting:
- Date and Time : 28th September 2004 at 3.30 p.m.
 - Venue : Dalamal House, 4th Floor, J.B.Marg, Nariman Point, Mumbai 400 021.
- b) Financial Calendar 2004 (Tentative) : Annual General Meeting 28th September 2004
- c) Results for the quarter ending :
- i) June 30th, 2004 : Last week of July 2004
 - ii) September, 30th, 2004 : Last week of October 2004
 - iii) December 31st, 2004 : Last week of January 2005
 - iv) March 31st, 2005 : Last week of April 2005
- b) Book Closure : 22nd September 2004 to 28th September 2004 (both days inclusive)
- c) Equity Shares are Listed on Stock Exchanges at : Mumbai, National Stock Exchange, Chennai, Ahmedabad and Kolkata.
- d) Demat ISIN Numbers in NSDL & CDSL : Equity Shares INE558DO1013
- e) Registrar and Transfer Agents : Intime Spectrum Registry Ltd., C-13, Pannalal Silk Mills Compound, L.B.S.Marg, Bhandup (West) MUMBAI 400 078,
- g) Stock Market Data : Bombay Stock Exchange (BSE)

Month	Year	High Price (Rs.)	Low Price(Rs.)
April	2003	No Transaction	No Transaction
May	2003	4.50	4.50
June	2003	5.46	4.50
July	2003	5.30	4.50
August	2003	5.25	4.50
September	2003	5.35	4.26
October	2003	5.40	4.50
November	2003	5.99	4.00
December	2003	5.00	4.50
January	2004	5.40	4.50
February	2004	5.80	4.50
March	2004	7.00	4.50



h) Dematerialization of Share : 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 8.5% of outstanding share have been dematerialized upto 31st March 2004

i) According to categories of shareholders as at 31st March 2004

		No. of Shares	%
Promoters, Directors & Relatives	=	5778668	57.93
International Investors (NRI/FII's)	=	1291900	12.95
Body Corporate	=	655749	6.57
Others	=	2249483	22.55

k) Distribution of Share Holding:

Distribution of Shareholding as on 31 st March 2003	No. of Shares	No. of Shareholders	% of Shareholders
Upto 2500	9600	75	4.83
2501-5000	199600	408	26.28
5001-10000	482233	536	34.54
10001-20000	307600	186	11.98
20001-30000	539700	210	13.53
30001-40000	83800	22	1.42
40001-50001	196300	40	2.58
50001-100000	295900	35	2.26
100001 and above	7861067	40	2.58
TOTALS	9975800	1552	100.00

Place : Mumbai
Date : 20th August 2004

For and behalf of the board of Directors
NAVINCHANDRA B. DOSHI
Chairman