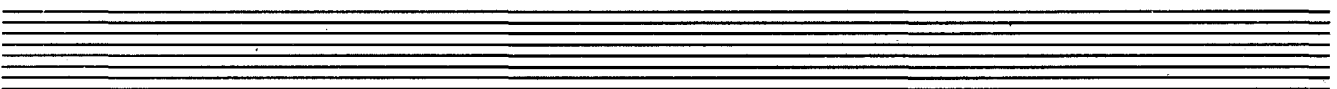


# ANNUAL REPORT 2004-2005

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**CORAL INDIA FINANCE AND  
HOUSING LIMITED**



**CORAL INDIA FINANCE AND HOUSING LIMITED**

**BOARD OF DIRECTORS** : Mr. Navinchandra B. Doshi - Chairman  
Mrs. Meeta S. Sheth - Managing Director  
Mr. S. Ramamurthy - 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, 4<sup>th</sup> Floor,  
Jamnalal Bajaj Marg, Nariman Point,  
MUMBAI 400 021.



### NOTICE

NOTICE is hereby given that the Eleventh Annual General Meeting of CORAL INDIA FINANCE AND HOUSING LIMITED, will be held at Dalamal House, 4<sup>th</sup> floor, Jamnalal Bajaj Marg, Nariman Point, Mumbai 400 021, on Friday, 30<sup>th</sup> September 2005 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 31<sup>st</sup> March 2005 and the Auditor's Report thereon.
2. To appoint a Director in place of Mr. Navin B. Doshi 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, 4<sup>th</sup> floor,  
Jamnalal Bajaj Marg,  
Nariman Point,  
Mumbai 400 021.

Place: Mumbai  
Date : 29<sup>th</sup> July 2005

By Order of the Board,  
NAVINCHANDRA B. DOSHI  
CHAIRMAN

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### 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 24<sup>th</sup> September 2005 to 30<sup>th</sup> September, 2005 (both days inclusive)
- c) Members are requested to bring in their own copies of the Report and Accounts

### REGISTERED OFFICE

Dalamal House, 4<sup>th</sup> floor,  
Jamnalal Bajaj Marg,  
Nariman Point,  
Mumbai 400 021.

Place: Mumbai  
Date : 29<sup>th</sup> July 2004

By Order of the Board,  
NAVINCHANDRA B. DOSHI  
CHAIRMAN



## DIRECTORS' REPORT:

Dear Members,

Your Directors are pleased to present their Eleventh Annual Report and Audited Statement of Accounts for the year ended 31st March 2005.

### 1. FINANCIAL PERFORMANCE

	Rs. In lacs	
	2004-2005	2003-2004
Income	326.99	190.56
Expenditure	86.94	98.60
Earnings Before Tax	240.05	91.96
Provision for Tax	2.10	9.88
Provision for Deferred Tax	6.38	4.96
Earnings after Tax	231.57	77.12
Balance Brought forward	247.48	170.36
Balance carried forward to balance sheet	479.05	247.48

### 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.50.75 lacs as compared Rs.32.02 lacs in the previous year. During the year the construction activity accounted a revenue of Rs.4.72 lacs as compared to Rs.5.02 lacs previous year. The Resort activity during the year and post a revenue of Rs.46.50 lacs as compared previous year Rs.37.94 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

The Directors' do not recommend any dividend for the year in view to strengthen the equity base of the Company.

### DIRECTORS

In accordance with provisions of the Companies Act 1956 and the Company's Articles of the Association, Mr. Navin B. Doshi 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 : 29<sup>th</sup> July 2005



## 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 Directos

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 2004-2005, On April 28<sup>th</sup> 2004, July 30<sup>th</sup> 2004, 20<sup>th</sup> August 2004, 29<sup>th</sup> October 2004 , 27<sup>th</sup> January 2005.

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. Ramamurthy - 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 April 28<sup>th</sup> 2004, July 30<sup>th</sup>, 2004, 20<sup>th</sup> August 2004, October 29<sup>th</sup> 2004, and 27<sup>th</sup> January 2005 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.Ramamurthy. All shares have been transferred and returned in 21 days from the date of receipt, so long as the documents have been clear in all respects. The Share Committee generally meets once a fortnight.

Year	Location	Date	Time	No.of special Resolutions Passed
2001-2002	Dalamal House, 4 <sup>th</sup> Floor, J.B. Marg, Mumbai 400 021	12.08.2002	3.30 p.m.	1
2002-2003	As Above	18.09.2003	3.30 p.m.	1
2003-2004	As Above	28.09.2004	3.30 p.m.	Nil



## 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 : 30th September 2005 at 3.30 p.m.
  - Venue : Dalamal House, 4th Floor, J.B.Marg, Nariman Point, Mumbai 400 021.
- b) Financial Calendar 2004 (Tentative) Results for the quarter ending
- i) Annual General Meeting : 30th September 2005
  - ii) June 30th, 2004 : 29th July 2005
  - iii) September, 30th, 2004 : Last week of October 2005
  - iv) December 31st, 2004 : Last week of January 2006
  - v) March 31st, 2005 : Last week of April 2006
- b) Book Closure : 24th September 2005 to 30th September 2005 (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	2004	4.50	4.50
May	2004	5.00	4.50
June	2004	4.75	4.10
July	2004	4.80	4.25
August	2004	4.50	3.61
September	2004	No	No
October	2004	4.80	2.90
November	2004	7.00	4.00
December	2004	7.80	4.81
January	2005	8.20	5.16
February	2005	12.10	6.55
March	2005	11.00	7.50



- h) Dematerialization of Share : Trading in Equity Shares of the Company is permitted only in dematerialized form with effect from 1<sup>st</sup> January 2002 as per notification issued by the Securities and Exchange Board of India (SEBI). Approximately 10.11% of outstanding share have been dematerialized upto 31<sup>st</sup> March 2005

- i) According to categories of shareholders as at 31st March 2005

		<b>No. of Shares</b>	<b>%</b>
Promoters, Directors & Relatives	=	5841518	58.56
International Investors (NRI/FII's)	=	1292400	12.96
Body Corporate	=	672798	6.74
Others	=	2169084	21.74

- k) Distribution of Share Holding:

Distribution of Shareholding as on 31 <sup>st</sup> March 2005	No. of Shares	No. of Shareholders	% of Shareholders
Upto2500	11396	97	0.11
2501-5000	187600	385	1.88
5001-10000	457463	504	4.59
10001-20000	289467	176	2.90
20001-30000	474635	185	4.76
30001-40000	93949	25	0.94
40001-50001	184665	38	1.85
50001-100000	314550	38	3.15
100001 and above	7962075	42	79.82
<b>TOTALS</b>	<b>9975800</b>	<b>1490</b>	<b>100.00</b>

Place : Mumbai

Date : 29th July 2005

For and behalf of the board of Directors

NAVINCHANDRA B. DOSHI

Chairman