

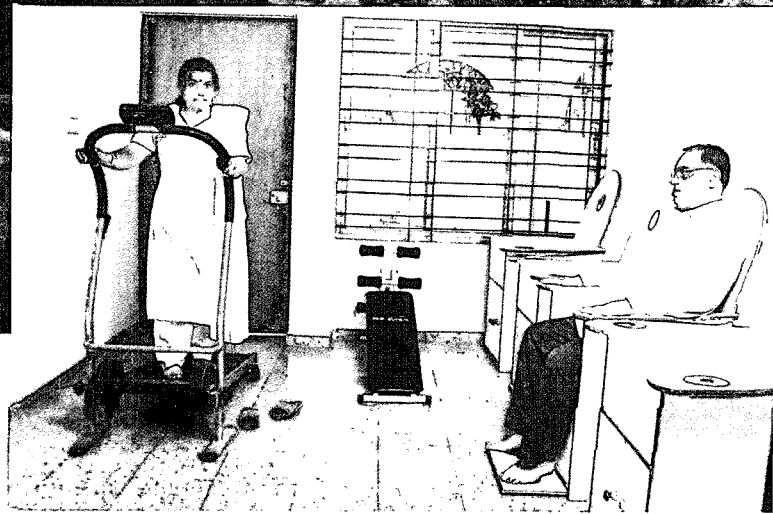
CORAL INDIA FINANCE AND HOUSING LIMITED



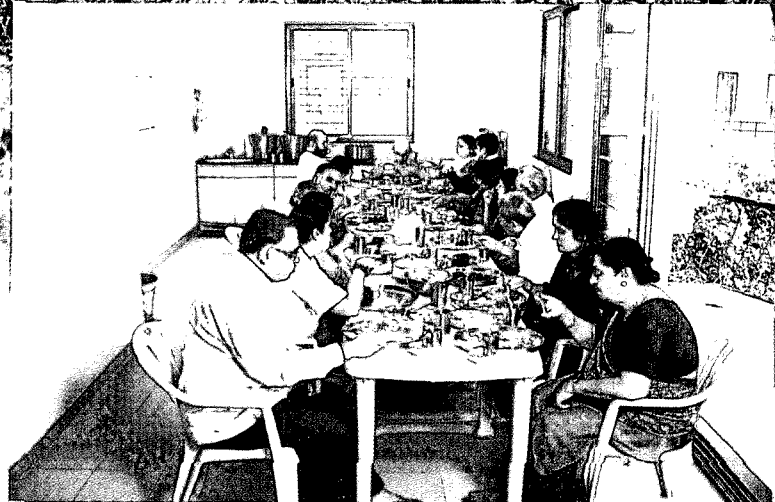
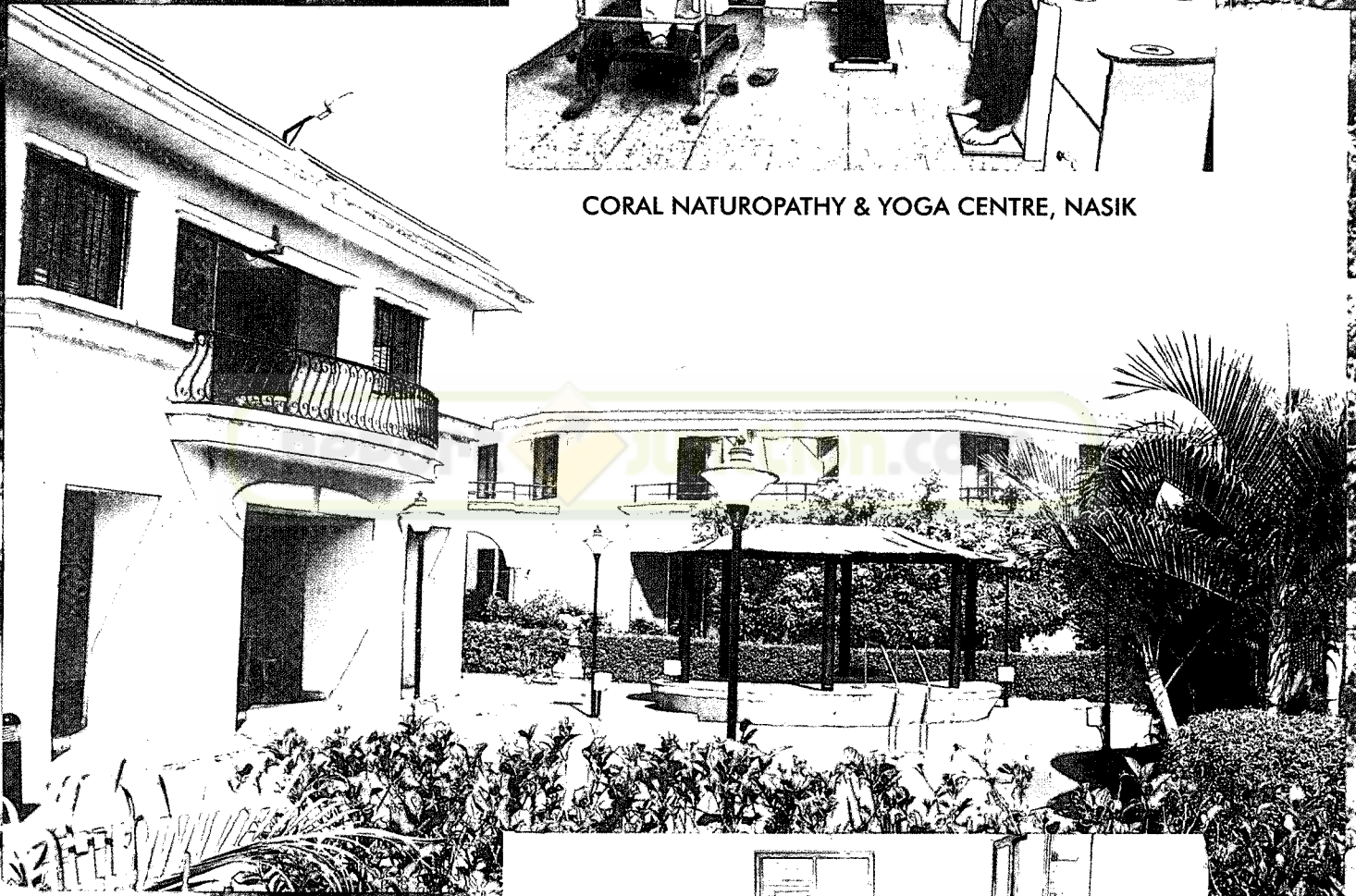
PROPOSED COMMERCIAL PROJECT AT THANE

Annual Report

2006 - 2007



CORAL NATUROPATHY & YOGA CENTRE, NASIK



CORAL INDIA FINANCE AND HOUSING LIMITED

CORAL INDIA FINANCE AND HOUSING LIMITED

BOARD OF DIRECTORS : Mr. Navinchandra B. Doshi - Chairman
 Mr. S. Ramamurthy - Whole-Time Director
 Dr. Sharad R. Mehta - Director
 Ms. Ami M. Shah - Director

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

BANKERS : HDFC Bank Ltd.
 Express Tower Branch, Mumbai

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



NOTICE

NOTICE is hereby given that the Thirteenth Annual General Meeting of CORAL INDIA FINANCE AND HOUSING LIMITED, will be held at Dalamal House, 4th floor, Jammalal Bajaj Marg, Nariman Point, Mumbai 400 021, on Tuesday, 26th September 2007 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 2007 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.
4. To consider and if thought fit to pass with or without modification the following as a Special resolution :

"RESOLVED THAT pursuant to Section 16 and other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modifications or re-enactments thereof, for the time being in force), the Clause III of Memorandum of Association of the Company be altered and substituted as follows:

III (a) The Main objects of the Company to be pursued by the Company on its incorporation are:

- (1) To Carry on business as builders, Developers, contractors for all types of construction work, including land and property development and Real estate dealers.**
- (2) To engage in the business of real estate and in particular purchase and sale of land and/or building and owning buying, selling, hiring, letting, sub-letting, maintaining, allotting, transferring, allotment, administering exchanging, mortgaging, accepting, lease, tenant or sub-tenancy and constructing, reconstructing, extending, altering or demolishing, building or tenements, block, flat, shops, godowns, garages through contractors and purchasing, holding in stock or selling materials incidental to construction, repair, overhaul or maintenance of land and buildings to fix and collect rents."**

REGISTERED OFFICE

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

Place: Mumbai

Date : 13th August 2007

By Order of the Board,
NAVINCHANDRA B. DOSHI
CHAIRMAN

NOTES

- a) The relative Explanatory statements pursuant to Section 173(2) of the Companies Act, 1956 in respect of the Business item No.4 to 5 above are annexed hereto.
- b) 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.
- c) The Register of Members and Share Transfer Books of the Company shall remain closed from 13 August 2007 to 21st August 2007 (both days inclusive)
- d) Members are requested to bring in their own copies of the Report and Accounts.

ANNEXURE TO NOTICE

As required by Section 173 of the Companies Act, 1956, (hereinafter referred to as "the Act") the following Explanatory Statements set out all material facts relating to the business mentioned under item No.4 of the accompanying Notice dated 25th June 2007.

1. Item No:- After the surrender of NBFC Certificate, the company has been focusing on the construction activities and in view of other growth plans, it was deemed expedient to seek change of existing name of the company to CORAL INDIA HOUSING LIMITED. The Company has already received the requisite name availability confirmation from the Registrar of Companies, Maharashtra vide their letter 20.06.06.

The said name has been made available subject to compliance of provisions of section 21 of the Companies Act, 1956 which requires shareholders' approval by special resolution to such a change of name. The Company sought approval from the Shareholders through Postal Ballot papers. As the Change name resulted in alternation in the Memorandum of Association and hence this resolution.

Board recommends this resolution for approval of the members. None of the Directors is personally concerned or interested in this resolution.

**DIRECTORS' REPORT:**

Dear Members,

Your Directors are pleased to present their Thirteenth Annual Report and Audited Statement of Accounts for the year ended 31st March 2007.

1. FINANCIAL PERFORMANCE

	Rs. In lacs	
	2006-2007	2005-2006
Income	330.19	373.89
Expenditure	188.35	106.32
Earnings Before Tax	141.84	267.56
Provision for Tax	13.26	6.89
Provision for Deferred Tax	4.31	3.72
Provision For Fringe Benefit Tax	0.43	0.31
Earnings after Tax	123.84	256.65
Income Tax adjustments of earlier years	-	2.52
Balance Brought forward	733.19	476.54
Balance carried forward to balance sheet	857.03	733.19

2. MANAGEMENT DISCUSSION AND ANALYSIS

- (a) **Industry Structure and Development:** In the year under review, the economy shows modest growth in all 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.63.16 lacs as compared Rs.41.45 lacs in the previous year. The Resort activity during the year and post a revenue of Rs.84.73 lacs as compared previous year Rs.55.51 lacs..
- (c) **Outlook:** Growing in domestic market in all sector, all our segments are likely to contribute more revenue growth this year. The Company is in the process on changing the name in to Coral India Housing Limited and necessary steps are being taken by the Board. During the year under review, the Company started the construction of Residential cum Commercial Project at Ghodbunder Road, Thane.
- (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

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

DIRECTORS

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

During the period under review, Mrs. Meeta S. Seth, Managing Director of the Company resigned from the Board and our Directors' placed on record her sincere progress for the service rendered by her during her tenure as Managing Director of the Company.



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 : 25th June 2007



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. A) Board of Directors

The Board consists of Four members comprising:

-Two Executive Directors including Chairman.

-Two Non Executive Directors.

Seven Board meetings were held during the year 2006-2007, On 23rd June 2006, 27th July 2006, 22nd August 2006, 26th September 2006, 30th October 2006 and 30th January, 2007. 12th March 2007.

All Board meetings and Annual General Meetings are attended by all Directors.

B) Code of Conduct

The Board of Directors have laid down the Code of Conduct for all Board Members and Senior Management.

C) CEO / CFO Certification

CEO / CFO certification as record by under Clause 49 of the Listing Agreement a certificate duly signed by Shree. S. Ramamurthy, Whole Time Director was placed at the Board Meeting of the Board of Directors held on 25th June 2007.

3. Audit Committee

The Audit Committee comprise of:

1. Mr. S. Ramamurthy - Chairman Executive Director
2. Mr. Sharad R. Mehta - Non Executive Independent Director
3. Miss. Ami M. Shah - Non Executive Independent Director

The terms of reference specified by the Board to the Audit Committee are as contained under Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956. These include overseeing of the Company's financial reporting process and disclosure of financial information, review of annual and quarterly financial statements with management before submission to the Board of Directors, review of the adequacy of internal control systems with management, external and internal auditors and review of the Company's financial risk and management policies. The Committee also recommends to the Board the appointment of external Auditors. During the financial year the Audit Committee met on four occasions on 23rd June 2006, 27th July 2006, 30th October 2006 and 30th January, 2007. The meetings were and all Committee members attended all Audit Committee meetings.

4. Remuneration Committee

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

The Company pays sitting fees to all Directors other than Managing Director and Whole Director at the rate Rs.1500/- for each Board meeting and Rs.1000/- for each Committee 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.

6. General Body Meeting

The last three Annual General Meetings of the Company were held as under:

Year	Location	Date	Time	No.of special Resolutions Passed
2003-2004	Dalamal House, 4 th Floor, J.B. Marg, Mumbai 400 021	28.09.2004	3.30 p.m.	Nil
2004-2005	As Above	30.09.2005	3.30 p.m.	Nil
2005-2006	As Above	26.09.2006	3.30 p.m.	1



7. Means of Communication

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

8. General Shareholder Information

- a) Annual General Meeting:
- Date and Time : 26th September 2007 at 3.30 p.m.
 - Venue : Dalamal House, 4th Floor, J.B.Marg, Nariman Point, Mumbai 400 021.
- b) Financial Calendar 2006-07 (Tentative) : Annual General Meeting 26th September 2007
- Results for the quarter ending
- i) June 30th, 2007 : Last week of July 2007
 - ii) September, 30th, 2007 : Last week of October 2007
 - iii) December 31st, 2007 : Last week of January 2008
 - iv) March 31st, 2008 : Last week of April 2008
- b) Book Closure : 13th August 2007 to 21st August 2007 (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	2006	42.50	18.55
May	2006	54.10	22.90
June	2006	28.20	15.10
July	2006	20.35	14.50
August	2006	21.70	14.40
September	2006	21.00	15.00
October	2006	22.70	15.05
November	2006	30.20	17.10
December	2006	29.15	20.00
January	2007	32.70	25.00
February	2007	28.80	19.35
March	2007	20.15	16.50



- 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 28.12 % of outstanding share have been dematerialized upto 31st March 2007.

- i) According to categories of shareholders as at 31st March 2007

		No.of Shares	%
Promoters, Directors & Relatives	=	5775733	57.90
International Investors (NRI/FII's)	=	131538	1.32
Body Corporate	=	883012	8.85
Others	=	3185517	31.93

- k) Distribution of Share Holding:

Distribution of Shareholding as on 31 st March 2007	No. of Shares	No. of Shareholders	% of Shareholders
Upto2500	621760	516	0.62
2501-5000	2092240	460	2.09
5001-10000	3618060	409	3.62
10001-20000	2626410	166	2.63
20001-30000	3285780	128	3.29
30001-40000	966150	26	0.97
40001-50001	1474070	31	1.48
50001-100000	4297070	58	4.30
100001 and above	80776460	50	80.97
TOTALS	9975800	1844	100.00

Place : Mumbai
Date : 25th June 2007

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