



# **Coral Laboratories Ltd.**

An ISO 9001-2000 Certified Organisation

**WE WORK FOR BETTER TOMMORROW**



## **ANNUAL REPORT 2015-2016**





## CORAL LABORATORIES LIMITED

<b>BOARD OF DIRECTORS</b>	:	Mr. Navin B. Doshi	:	Chairman/Director
		Mr. Kishor R. Mehta	:	Whole-Time Director
		Mrs. Meeta S. Sheth	:	Chief Financial Officer (CFO)
		Mr. Rajesh R. Parikh	:	Director
		Mrs. Sheela R. Kamdar	:	Director

### BOARD COMMITTEES

AUDIT COMMITTEE		NOMINATION AND REMUNERATION COMMITTEE	
Mr. Rajesh R. Parikh	Chairman	Mr. Rajesh R. Parikh	Chairman
Mrs. Sheela R. Kamdar	Member	Mrs. Sheela R. Kamdar	Member
Mr. Kishor R. Mehta	Member	Mr. Navin B. Doshi	Member

STAKEHOLDERS RELATIONSHIP COMMITTEE		CORPORATE SOCIAL RESPONSIBILITY	
Mr. Rajesh R. Parikh	Chairman	Mr. Rajesh R. Parikh	Chairman
Mr. Navin B. Doshi	Member	Mrs. Sheela R. Kamdar	Member
		Mr. Navin B. Doshi	Member

**REGISTERED OFFICE** : 308/5, Village & Post – Poiycha (Ran),  
Taluka - Savli, Baroda – 391 780 (Gujarat).

**CORPORATE OFFICE** : #3B, Patanwala Ind. Estate, Opp. Shreyas Cinema,  
Beside Fitness Health, L. B. S. Marg,  
Ghatkopar (W), Mumbai – 400 086.

### PLANTS:

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

**AUDITORS** : M/s. Shah Sanghvi & Co.,  
Chartered Accountants  
26, Hari Bhakti Colony,  
Race Course Road, Baroda - 390 015.

**BANKERS** : HDFC Bank Limited  
Express Tower Branch,  
Nariman Point, Mumbai - 400 021.

**REGISTRAR & TRANSFER AGENT** : Link Intime India Private Limited  
(Unit - Coral Laboratories Limited)  
C-13, Pannalal Silk Mill Compound,  
L.B.S. Marg, Bhandup (West), Mumbai - 400 078.



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## CORAL LABORATORIES LIMITED

### ANNUAL REPORT 2015-2016

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## NOTICE

NOTICE is hereby given that the Thirty Fourth Annual General Meeting of the Company will be held on Monday, 26th September 2016 at 11.00 a.m. at the Registered Office of the Company at 308 / 5 Village & Post – Poiycha (Ran), Taluka Savli, Baroda – 391780 to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Financial Statements for the year ended as on that date together with Directors' Report and the Auditors Report thereon.
2. To declare dividend @ 30% i.e. Rs.3.00/- per equity share for year 2015-2016.
3. To appoint in place of Mr. Navin B. Doshi (DIN: 00232287), Director of the company, who retires by rotation and being eligible offers himself for re-appointment.
4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** pursuant to provisions of Sections 139 to 142 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. Shah Sanghvi & Co., Chartered Accountants, (FRN: 109794W), be and are hereby re-appointed as Auditors of the Company, to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting of the Company on such remuneration as agreed upon by the Board of Directors and the Auditors, in addition to the reimbursement of service tax for the financial year ending March 31, 2017.”

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

### SPECIAL BUSINESS

5. 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. Ketki D. Visariya & Co., Cost Accountants, (Firm Registration Number 00362), appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company, be paid a remuneration for the Financial Year ending March 31, 2017, amounting to Rs.60,000/- plus service tax as applicable”

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

Place : Mumbai  
Date : 10th August, 2016

sd/-  
**NAVIN B. DOSHI**  
Chairman  
DIN : 00232287



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**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, 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 THE 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 AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
2. Members/Proxies should bring duly filled attendance slips attached herewith for attending the meeting.
3. 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
4. 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.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 20th September 2016 to Monday, 26th September 2016 (both days inclusive)
6. 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.

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.

7. 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.
8. Members who are holding physical shares in identical order of names in more than one folio are requested to send to the Company or Company's Share Transfer Agent the details of such folios together with the share certificates for consolidating their holding in one 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.
9. Members are requested to quote their Registered Folio Number or Demat Account Number & Depository Participant (D.P.) ID number on all correspondence with the Company.
10. Members/Proxy holders are requested to bring their copies of the Annual Report with them to the Annual General Meeting, as extra copies will not be provided.
11. 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



12. 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.
13. Details under Regulation 36 of the (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Directors seeking appointment/reappointment at the Annual General Meeting, forms integral part of the notice.
14. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
15. Members are requested to send to the Company their queries, if any, on accounts and operations of the Company at least ten days before the meeting so that the same could be suitably answered at the meeting.
16. The dividend for the financial year 31st March, 2016, as recommended by the Board of Directors, if approved by the Members, will be paid after Annual General Meeting to those Members holding shares in physical form whose names shall appear on the Company's Register of Members on closure of business hours i.e. Monday, 19th September 2016 in respect of the shares held in dematerialized form the dividend will be paid to the Members whose names are furnished by the National Securities Depository Limited and the Central Depository Services (India) Limited as the beneficial owners as at the close of business hours on Monday, 19th September 2016 .
17. The Dividend is proposed to be disbursed by way of National Electronic Clearing Service (NECS). For this purpose, the details such as, name of the Bank, name of the branch, 9-digit code number appearing on the MICR band of the cheque supplied by the Bank, account type, account number etc. are to be furnished to your DP if the shares are in electronic form or to the Registrars & Transfer Agents if they are held in physical mode.
18. Members are hereby informed that Dividend which remains unclaimed/un-encashed over a period of 7 years is required to be transferred to "The Investor Education & Protection Fund" constituted by the Central Government.

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

<b>Date of Declaration of Dividend</b>	<b>Dividend for the year</b>	<b>Proposed date for transfer to Investor Education</b>
30th September, 2008	2007 - 2008	7th November, 2015
30th September, 2009	2008 - 2009	7th November, 2016
30th September, 2010	2009 - 2010	7th November, 2017
30th September, 2011	2010 - 2011	7th November, 2018
27th September, 2012	2011 - 2012	4th November, 2019
28th September, 2013	2012 - 2013	5th November, 2020
29th September, 2014	2013 - 2014	6th November, 2021
16th September 2015	2014 - 2015	6th November, 2022

It may please be noted that once the unclaimed/un-encashed dividends is transferred to "The Investor Education & Protection Fund" as above, no claim shall lie in respect of such amount by the shareholder.

19. Company will be disclosing to the Stock Exchanges, as per Regulation 44 of the (Listing Obligations and Disclosure Requirements) Regulations, 2015 the details of results of voting on each of the resolutions proposed in this Notice.





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. Members of the Company, who have registered their email-address, are entitled to receive such communication in physical form upon request.

20. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during business hours between 11.00 am to 1.00 pm except on holidays, up to and including the date of the Annual General Meeting of the Company.
21. 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 34th Annual General Meeting (AGM) by electronic means and the business may be transacted through E-Voting Services by National Security Depository Limited

**The instructions for shareholders voting electronically are as under:**

The members whose e-mail id is registered with the Company / Depository Participant(s), an e-mail containing user ID and Password for casting votes by remote e-voting shall be sent by NSDL at the registered e-mail address of the member(s). The member(s) whose email ID is not registered with the Company/Depository Participants(s), may obtain a login ID and password for casting his /her vote by remote e-voting by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or by contacting NSDL at the toll free no.: 1800-222-990.

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 (Listing Regulations), the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
- II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
- III. The members who have cast their vote by remote e-voting prior to the AGM) may also attend the AGM) but shall not be entitled to cast their vote again.
- IV. The remote e-voting period commences on 22nd September, 2016 (9:00 am) and ends on 25th September, 2016 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 19th September, 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- V. The process and manner for remote e-voting are as under:
  - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
    - (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
    - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
    - (iii) Click on Shareholder – Login





- (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
  - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
  - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
  - (vii) Select "EVEN" of "Coral Laboratories Limited".
  - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
  - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
  - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
  - (xii) 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. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [lodhauma@yahoo.co.in](mailto:lodhauma@yahoo.co.in) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :
- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM :
  - (ii) **EVEN (Remote e-voting Event Number)      USER ID      PASSWORD/PIN**
  - (iii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 19th September, 2016.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 19th September, 2016 may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or Link Intime India Private Limited.
- However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or contact NSDL at the following toll free no.: 1800-222-990.
- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.



- XIII. Ms. Uma Lodha, Practicing Company Secretary (Membership No. 5363) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "remote e-voting" or "Ballot Paper" or "Poling Paper" for all those members who are present at the AGM/ EGM/ EOGM but have not cast their votes by availing the remote e-voting facility.
- XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM), a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
22. The Company has appointed Mrs. Uma Lodha Practicing Company Secretary, to act as the Scrutinizer, to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company. The results shall be declared on or after the Annual General Meeting of the Company. The results declared along with the Scrutinizer's Report shall be available on the Company's website within two (2) days of passing of the resolution at the Annual General Meeting of the Company and will accordingly be communicated to the stock exchanges.
23. Details of Directors seeking appointment/re-appointment at the Annual General Meeting of the Company to be held on Monday, 26th September 2016 are provided in Annexure A of this Notice.
24. MEMBERS MAY NOTE THAT NO GIFTS/GIFT COUPONS SHALL BE DISTRIBUTED AT THE VENUE OF THE MEETING.

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

### **Item No. 5**

The Board of Directors of the Company on the recommendation of the Audit Committee approved the appointment and remuneration of M/s. Ketki D. Visariya & Co., Cost Accountants, to conduct the audit of the Cost records of the Company, for the financial year ending March 31, 2017.

In terms of the provisions of Section 148 of the Companies Act, 2013 read with Rules 14 of the Companies (Audit and Auditors) Rules, 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, 2017, as set out in the Resolution for the aforesaid services to be rendered by them.

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

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

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

Place : Mumbai  
Date : 10th August, 2016

sd/-  
**NAVIN B. DOSHI**  
Chairman  
DIN : 00232287



## **ANNEXURE A**

### **DETAILS OF THE DIRECTORS SEEKING RE-APPOINTMENT IN THE FORTHCOMING ANNUAL GENERAL MEETING:**

*(Regulation 36 of the (Listing Obligations and Disclosure Requirements) Regulations, 2015)*

#### **Shri. Navin Doshi**

##### **A. A brief resume of the Director and Nature of his expertise in specific function areas:**

Shri Navin B. Doshi has been overall responsible for day to day operations and smooth functioning of business of the Company successfully and has been instrumental since 40 years in achieving sustainable growth for the Company by way of profession. The Board of Directors, on recommendation of Nomination and Remuneration Committee and considering the contribution made by Shri Navin B. Doshi, thought fit in the interest of the Company to retain and avail the continuity of his expertise by re-appointing him as Director of the Company.

##### **B. Disclosure of relationships between Directors inter-se:**

Mrs. Meeta Samir Sheth, Chief Financial officer of the Company is the daughter of Mr. Navin Doshi. None of the other Directors are related to any other Director on the Board.

##### **C. Name of the listed entities in which the person also holds the Directorship and the membership of Committees of the Board:**

<b>Name of the Company</b>	<b>Directorship</b>	<b>Membership of the Committees</b>
Coral India Finance and Housing Limited	Managing Director	Nil

##### **D. Shareholding in the Company : 284001 Equity Shares as on 31st March, 2016**



## DIRECTORS' REPORT

### Dear Members,

Your Directors have pleasure in presenting the 34th Annual Report together with the Audited Financial Statements for the year ended 31st March, 2016.

### FINANCIAL RESULTS:

The performance during the period ended 31st March, 2016 has been as under:

(Rs. in Lakhs)

Particulars	2015-16	2014-15
Income	7990.89	6201.45
Expenditure	6250.73	4980.46
Earning before Tax	1740.15	1220.99
Provision for Tax	492.00	257.55
Provision for Deferred Tax	7.79	6.42
Less: Income Tax Adjustments of earlier years	0.6688	Nil
Earnings after Tax	1239.70	957.02
Less: Proposed Dividend and Tax on Dividend	128.97	107.50
Balance Brought forward	5129.44	4279.91
Balance carried forward to Balance Sheet	6240.14	5129.44

### DIVIDEND:

Your Directors are pleased to recommend dividend for the financial year 2015-2016 on the Equity Shares of the Company of face value of Rs.10.00/- each at the rate of Rs.3/- (i.e. 30%) per equity share of the Company.

### PERFORMANCE:

During the year under review, the company posted Revenue of Rs. 7990.89 lakhs as compared to previous year Rs.6201.45 lakhs. However, the earnings after tax stood at Rs.1239.70 lakhs as compared to Rs.957.02 lakhs during the previous year.

### TRANSFER TO RESERVES:

Your Company does not propose to transfer any amount to the general reserve. An amount of Rs.1110.70 lakhs is proposed to be retained in the Statement of Profit and Loss.

### TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND:

The Company is yet to transfer a sum of Rs. 66,828/- in respect of unpaid/unclaimed dividend for the Financial Year 2007-08 to the Investor Education And Protection Fund (IEPF).

Dividend for the Financial Year ended 2008-09 and thereafter, which remain unclaimed for a period of seven years will be transferred to IEPF. Members who have not encashed dividend warrant(s)/instrument(s) for the said years are requested to obtain duplicate warrant(s) for the said years are requested to obtain duplicate warrant(s)/demand drafts by writing to the Company's Registrar and Transfer Agent.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

As required under Regulation 34 of the (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 entered with Stock Exchanges, the Management Discussion and Analysis Report is enclosed as a part of this report.



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**DISCLOSURE IN COMPLIANCE WITH THE ACCOUNTING STANDARD ON “RELATED PARTY DISCLOSURES:**

As required under Regulation 34 of the (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 with Stock Exchanges, the disclosure in compliance with the accounting standard on “related party disclosures are enclosed as a part of this report.

**LISTING WITH STOCK EXCHANGES:**

The Equity Shares of the Company continues to be listed at Bombay Stock Exchange. The scrip code number of the Equity shares of the Company on BSE is 524506. The Company confirms that it has paid the Annual Listing Fees for the year 2016-17 to BSE where the Company's Shares are listed.

**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 existing Registrar & Transfer Agent for dematerialization of existing holding of the shareholders.

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

94.25% of the company's paid up Equity Share Capital is in dematerialized form as on 31st March, 2016 and balance 5.75% is in physical form. The Company's Registrars are Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (West), Mumbai - 400 078.

**CORPORATE SOCIAL RESPONSIBILITY (CSR):**

The 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 suppose to spent Rs. 19,83,419/- on its various CSR activities whereas the Company could only spend Rs. 2,56,321/- during the year under review. Further the Company is still in the process of identifying the right avenue for spending more on various CSR activities.

In accordance with the provisions of Section 135 of the Companies Act, 2013, an abstract on Company's CSR activities is furnished as Annexure F to this report.

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

Information required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, is given in the Annexure - A to this report.

**STATE OF AFFAIRS:**

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

**CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:**

Your Company has taken adequate steps to adhere to all the stipulations laid down in Clause 49 of the Listing Agreement entered into with the Stock Exchange of India for the period 1st April 2015 to 30th November 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as “SEBI Listing Regulations, 2015) as referred in Regulation 15(2) of the listing regulations for the period 1st December 2015 to 31st March 2016.

A report on Corporate Governance is included as a part of this Annual Report.

**PUBLIC DEPOSIT:**

Your Company has neither accepted nor renewed any deposit within the meaning of Section 73 and other applicable provisions, if any, of the Companies Act, 2013 and the necessary rules made there under during the year ended 31st March, 2016.

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

The particulars of loans, guarantees and investment have been disclosed in the notes to the financial statements.



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## **DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP)**

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

- (a) In accordance with the provision of Section 152(6)(a) of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Navin. B. Doshi (DIN: 00232287) of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers, himself for reappointment. Your Board recommends his re-appointment.

## **DECLARATION OF INDEPENDENCE:**

Your Company has received declarations from all the Independent Directors confirming that they meet the criteria of independence as prescribed under the provisions of Companies Act, 2013.

## **BOARD EVALUATION:**

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

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 on the basis of 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.

## **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. R J Mehta & Associates, a Chartered Accountants firm. 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. Audit plays a key role in providing assurance to the Board of Directors. Significant audit observation and corrective actions taken by the management are presented to the Audit Committee of the Board. To maintain its objectivity and independence, the internal Audit function reports to the Chairman of the Audit Committee.

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

The information required under Section 197 of the Companies Act, 2013 read with Companies Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of Directors/ employees of your Company is set out in "Annexure [D]" to this Report.



## DIRECTORS RESPONSIBILITY STATEMENT:

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

- (a) In the preparation of the Annual Accounts for the year ended 31st March 2016, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) 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;
- (c) 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) The Directors had prepared the Annual Accounts on a going concern basis; and
- (e) 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.
- (f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## COMMITTEES:

### (i) Audit Committee:

The Board has constituted a well-qualified Audit Committee with majority of them are Independent Directors including Chairman. They possess sound knowledge on accounts, audit, finance, taxation, internal controls etc. Mr. Rajesh R. Parikh, Director acts as Chairman to the Audit committee.

**The Composition of Audit Committee comprises the following:**

Sr. No.	Name of the Director	Designation in Committee	Nature of Directorship
1.	Mr. Rajesh R. Parikh	Chairman	Non Executive (Independent)
2.	Mrs. Sheela R. Kamdar	Member	Non Executive (Independent)
3.	Mr. Kishor R. Mehta	Member	Executive

### (ii) Nomination and Remuneration Committee:

**The Composition of Nomination and Remuneration Committee comprises the following:**

Sr. No.	Name of the Director	Designation in Committee	Nature of Directorship
1.	Mr. Rajesh R. Parikh	Chairman	Non Executive (Independent)
2.	Mrs. Sheela R. Kamdar	Member	Non Executive (Independent)
3.	Mr. Navin B. Doshi	Member	Non Executive

### (iii) Stakeholders Relationship Committee:

**The Composition of Stakeholders Relationship Committee comprises of the following:**

Sr. No.	Name of the Director	Designation in Committee	Nature of Directorship
1	Mr. Rajesh R. Parikh	Chairman	Non Executive (Independent)
2.	Mr. Navin B. Doshi	Member	Non Executive





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## **AUDITORS AND AUDITORS' REPORT:**

### **STATUTORY AUDITORS:**

M/s. Shah Sanghvi & Co., Chartered Accountants, having (Firm Registration number 109794W), Baroda, the Statutory Auditors of the Company hold the office up to the conclusion of the ensuing Annual General Meeting and being eligible offers themselves for re-appointment for the financial year 2016-2017. Your Company has received written consent and a certificate stating that they satisfy the criteria provided under Section 141 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and that the appointment, if made, shall be in accordance with the applicable provisions of the Companies Act, 2013 and rules issued there under.

As required under Regulation 18 read with Part C of Schedule II of the Listing Obligations and Disclosure Requirements Regulations, 2015, the Audit Committee and the Board of Directors recommend the appointment of M/s. Shah Sanghvi & Co., Chartered Accountant.

M/s. Shah Sanghvi & Co., Chartered Accountant has also confirmed that they hold a valid certificate issued by the Peer Review Board of ICAI. The Audit Committee and the Board of Directors recommend the appointment of M/s. Shah Sanghvi & Co., Chartered Accountants, as the Auditors of your Company for the financial year 2016-17 till the conclusion of the next AGM. The Auditors' Report for the financial year 2015-16, does not contain any qualification, reservation or adverse remark.

### **AUDITORS' REPORT/ SECRETARIAL AUDIT REPORT:**

The Auditors have referred to certain routine matters in their report and the respective notes to the accounts are self-explanatory.

As required under Section 204 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, your Company has appointed M/S Uma Lodha & Co., Practicing Company Secretary to conduct the Secretarial Audit of your Company. Certain reservations and observations made in the report with regard to Non-appointment of Company Secretary. The Company is still looking for the right professional and that 100 percent of Promoters Shares are not in Demat form. The Company has already initiated the process of demating the balance physical holding of Promoter's Shares. However, the Company would ensure in future that all the provisions are complied with to the fullest extent.

### **SECRETARIAL AUDIT:**

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 has appointed M/S Uma Lodha & Co., Practicing Company Secretary to conduct the Secretarial Audit of your Company. The Secretarial Audit Report is annexed herewith as "Annexure - [C]" to this Report.

### **COST AUDIT:**

The Board of Director of Your Company has appointed M/s. Ketki D. Visariya & Co., Cost Accountants, to conduct audit of your Company's cost records for the Financial Year 2016-17 at a remuneration of Rs.60,000 (Rupees Sixty Thousand only). As required under the provisions of Companies Act, 2013, the remuneration of Cost Auditor as approved by the Board of Directors is subject to ratification by the shareholders at the ensuing Annual General Meeting.

The Cost Audit Report will be filed within the prescribed period of 180 days from the close of the Financial Year.

### **EXTRACT OF THE ANNUAL RETURN:**

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rule, 2014, the Extract of Annual Return (Form No. MGT-9) as on the financial year ended on 31st March, 2016 is enclosed as "Annexure - [B]" to the Directors' Report.

### **NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS AND AUDIT COMMITTEES:**

Your Board of Directors has duly met 5 (Five) times during the financial year i.e. on 29th May 2015, 29th July 2015, 4th November 2015, 12th February 2016 and 15th March 2016 respectively in respect of which proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

The Audit Committee has duly met 4 (Four) times during the financial year i.e. on 29th May 2015, 29th July 2015, 4th November 2015 and 12th February 2016 respectively in respect of which proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.



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

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013 and Regulation 22 of the 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 Chairman of the Audit Committee has been designated for the purpose of receiving and recording any complaints under this policy.

The Vigil Mechanism Policy has been uploaded on the website of the Company at <http://www.corallab.com/pdf/Whistle-Blower-Policy.pdf>

#### **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-E. The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a 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 Listing Agreement. This Policy was considered and approved by the Board has been uploaded on the website of the Company at <http://www.corallab.com/pdf/Related-Party-Transaction-Policy.pdf>

#### **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 in the course of day to day business operations of the company. The Company believes in “Zero Tolerance” against bribery, corruption and unethical dealings / behaviour 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 <http://www.corallab.com/pdf/Code-of-Conduct-Coral-Lab.pdf>

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 work place, 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.

#### **RISK MANAGEMENT:**

Pursuant to section 134 (3) (n) of the Companies Act, 2013 & Regulation 21 of the Listing Obligations and Disclosure Requirements Regulations, 2015, the Company is not required to constitute a business 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.

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

The Company has adopted a 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. The Board is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.



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**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.

**General**

- a) Your Company has not issued Equity Shares with differential rights as to dividend, voting or otherwise; and
- b) Your Company does not have any ESOP scheme for its employees/Directors.

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

The Company has zero tolerance for sexual harassment at workplace and has adopted a policy against sexual harassment in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder.

During the financial year 2015-16, the company has not received any complaints on sexual harassment and hence no complaints remain pending as of 31st March, 2016.

**ACKNOWLEDGMENT:**

We take this opportunity to express our deep sense of gratitude to Securities and Exchange Board of India, Bombay Stock Exchange Limited, Registrar of Companies, National Securities Depository Limited, Central Depository Services (India) Limited, M/s. Link Intime India Private Limited, Bankers, Shareholders and other Government Agencies for their continued support.

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

Place: Mumbai  
Date: 10th August 2016

sd/-  
**Navin B. Doshi**  
Chairman/Director  
DIN: 00232287

sd/-  
**Kishor R. Mehta**  
Whole-Time Director  
DIN: 00235120



### ANNEXURE –A

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

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

Sr. No.	Particulars	2015-16	2014-15
<b>A</b>	<b>Power &amp; Fuel Consumption</b>		
<b>1</b>	<b>Electricity</b>		
	Purchase Unit	1,863,230	1,645,340
	Total Amount (Rs.)	9,867,563	8,295,142
	Rate per Unit	5.30	5.04
<b>2</b>	<b>Furnace Oil</b>		
	Quantity (Ltrs)	35,021	39,800
	Total Amount (Rs.)	1,709,314	2,341,788
	Average Rate per Ltr.(Rs.)	48.81	58.84
<b>3</b>	<b>Gas</b>		
	Quantity (Kgs)	48,510	34,617
	Total Amount(Rs.)	2,712,110	2,570,103
	Average Rate per Kg.(Rs.)	55.91	74.24
<b>B.</b>	<b>Expenditure on R &amp; D</b>	<b>Nil</b>	<b>Nil</b>
<b>C.</b>	<b>1) Foreign Exchange Earning (Rs.in Lakhs)</b>	<b>4,169.83</b>	<b>3,159</b>
	<b>2) Foreign Exchange Used (Rs. In Lakhs)</b>	<b>174.87</b>	<b>76.87</b>



## Annexure [B] to Board's Report

### Extract of Annual Return as on 31st March, 2016

#### Form No. MGT-9

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

#### I. REGISTRATION AND OTHER DETAILS:

1.	Corporate Identity Number (CIN)	:	L24231GJ1997PLC031669
2.	Registration Date	:	19/06/1981
3.	Name of the Company	:	Coral Laboratories Limited
4.	Category/Sub-Category of the Company	:	Company Limited by Shares Indian Non- Government Company
5.	Address of the Registered Office and contact details	:	308 / 5 Village & Post Poiycha (Ran), Taluk Savli, Baroda - 391780 Contact : 022-25005245 / 46
6.	Whether listed Company (Yes/No)	:	YES
7.	Name, Address and Contact details of Registrar and Transfer Agent, if any	:	Link Intime India Private Limited C-13, Pannalal Silk Mill Compound, L.B.S. Marg, Bhandup (West), Mumbai- 400078 Contact : 022-25946970

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:

Sr. No.	Name and Description of main products/services	NIC Code of the product /service	% to the total turnover of the Company
1.	Formulation of Medicine	21	100%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

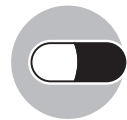
Sr. No.	Name and Address of the Company	CIN/GIN	Holding/ Subsidiary of the Company	% of Shares held	Applicable Section
1	Nil	Nil	Nil	Nil	Nil



#### IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as Percentage of Total Equity)

##### i. Category-wise Share Holding

Category of Shareholders	No. of shares held at the beginning of the year i.e. 01-04-2015				No. of shares held at the end of the year i.e. 31-03-2016				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) <b>Indian</b>									
a) Individual/HUF	1689413	152040	1841453	51.54	1841443	10	1841453	51.54	Nil
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt.(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corporate	569571	145780	715351	20.02	715351	0	715351	20.02	Nil
e) Banks/FI	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
<b>Sub-Total (A) (1):-</b>	<b>2258984</b>	<b>297820</b>	<b>2556804</b>	<b>71.57</b>	<b>2556794</b>	<b>10</b>	<b>2556804</b>	<b>71.57</b>	<b>Nil</b>
(2) <b>Foreign</b>									
a) NRIs- Individuals	0	0	0	0	0	0	0	0	0
b) Other-Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any Other.	0	0	0	0	0	0	0	0	0
<b>Sub-Total (A)(2) :-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Shareholding of Promoter (A) = (A)(1) + (A)(2)</b>	<b>2258984</b>	<b>297820</b>	<b>2556804</b>	<b>71.57</b>	<b>2556794</b>	<b>10</b>	<b>2556804</b>	<b>71.57</b>	<b>Nil</b>
<b>B. Public Shareholding</b>									0
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Bank/FI	0	0	0	0	0	0	0	0	0
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-Total (B)(1):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



Category of Shareholders	No. of shares held at the beginning of the year i.e. 01-04-2015				No. of shares held at the end of the year i.e. 31-03-2016				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	91507	500	92007	2.58	67317	500	67817	1.90	0.68
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakh.	550471	167272	717743	20.09	574381	161597	735978	20.60	0.51
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	42925	0	42925	1.20	91158	0	91158	2.55	1.35
c) Others									
Any Other(specify) Director/ relative	76050	10800	86850	2.43	NIL	NIL	NIL	NIL	NIL
Non-Resident Indians	18248	12070	30318	0.85	30008	12070	42078	1.18	0.33
Non-Resident (Non Repatriable)	6943	0	6943	0.19	8566	0	8566	0.24	0.05
Hindu Undivided Family	4797	0	4797	0.13	30356	0	30356	0.85	0.72
Clearing Member/ Market Maker	3113	0	3113	0.09	8743	0	8743	0.24	0.15
Foreign Companies	0	31100	31100	0.87	0	31100	31100	0.87	0
<b>Sub-Total (B)(2)</b>	<b>794054</b>	<b>221742</b>	<b>1015796</b>	<b>28.43</b>	<b>810529</b>	<b>205267</b>	<b>1015796</b>	<b>28.43</b>	<b>Nil</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>794054</b>	<b>221742</b>	<b>1015796</b>	<b>28.43</b>	<b>810529</b>	<b>205267</b>	<b>1015796</b>	<b>28.43</b>	<b>Nil</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-</b>
<b>Grand Total (A+B+C)</b>	<b>3053038</b>	<b>519562</b>	<b>3572600</b>	<b>100</b>	<b>3367323</b>	<b>205277</b>	<b>3572600</b>	<b>100</b>	<b>Nil</b>





ii) **Shareholding of Promoters**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year i.e. 01.04.2015			Shareholding at the end of the year i.e. 31.03.2016			% change in share holding during the year
		No. of shares	% of total shares of the Company	% of Shares pledged/encumbered to total shares	No. of shares	% of total shares of the Company	% of shares Pledged / encumbered to total shares	
1.	Kundan Navinchandra Doshi	529073	14.81	0	529073	14.81	0	0
2.	Navin Bachubhai Doshi	284001	7.95	0	284001	7.95	0	0
3.	Coral India Finance & Housing Limited	715351	20.02	0	715351	20.02	0	0
4.	Chetan Navinchandra Doshi	440453	12.33	0	440453	12.33	0	0
5.	Sachin Navinchandra Doshi	587926	16.46	0	587926	16.46	0	0
	<b>TOTAL</b>	<b>2526957</b>	<b>70.73</b>	<b>0</b>	<b>2556804</b>	<b>71.57</b>	<b>0</b>	<b>0</b>

iii) **Change in Promoters' Shareholding :**

There has no change in the promoter's holding during the financial year under review

iv) **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr. No.	For Each of the Top 10 Share Holders	Shareholding at the beginning of the year i.e. 01.04.2015		Cumulative Shareholding at the end of the year i.e. 31.03.2016	
		No. of shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	Meeta Samir Sheth	57600	1.6123	55900	1.56%
2	Noetic Finance Private Limited	45514	1.2740	44554	2.01%
3	Sukaran Investments Ltd.	31100	0.8705	31100	Nil
4	Ela Anil Sheth	12950	0.3625	12950	0.3625
5	Asgar Jain	Nil	Nil	11756	0.3291
6	Rambabu Veldi	Nil	Nil	10552	0.2954
7	Maheshbhai Nathabhai Patel	Nil	Nil	9000	0.2519
8	Shri Parasram Holdings Pvt. Ltd.	Nil	Nil	8195	0.2294
9	Geeta B. Mehta	Nil	Nil	6300	0.1763
10	A. C. Avudayappan	Nil	Nil	5360	0.1500



v) **Shareholding of Directors and Key Managerial Personnel:**

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding at the end of the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>1.</b>	<b>Mr. Navin B. Doshi</b>				
	At the beginning of the year	284001	7.95	284001	7.95
	Date wise Increase / Decrease in Shareholding during the year specifying the reason for increase / decrease (e.g. allotment/transfer/bonus/sweat equity etc.	-	-	-	-
	At the End of the year	284001	7.95	284001	7.95
<b>2.</b>	<b>Mr. Kishor R. Mehta</b>				
	At the beginning of the year	500	0.01	500	0.01
	Date wise Increase / Decrease in Shareholding during the year specifying the reason for increase / decrease (e.g. allotment/transfer/bonus/sweat equity etc.	-	-	-	-
	At the End of the year	500	0.01	500	0.01
<b>3.</b>	<b>Mr. Rajesh R. Parikh</b>				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Shareholding during the year specifying the reason for increase / decrease (e.g. allotment/transfer/bonus/sweat equity etc.	-	-	-	-
	At the End of the year	NIL	NIL	NIL	NIL
<b>4.</b>	<b>Mrs. Sheela R. Kamdar</b>				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase / Decrease in Shareholding during the year specifying the reason for increase / decrease (e.g. allotment/transfer/bonus/sweat equity etc.	-	-	-	-
	At the End of the year	NIL	NIL	NIL	NIL
<b>5.</b>	<b>Mrs. Meeta S. Sheth</b>				
	At the beginning of the year	67900	1.90	66490	1.86
	Date wise Increase / Decrease in Shareholding during the year specifying the reason for increase / decrease (e.g. allotment/transfer/bonus/sweat equity etc.	-	-	NIL	NIL
	At the End of the year	67900	1.90	66490	1.86



V. **INDEBTEDNESS:** The Company has no indebtedness with respect to secured and unsecured loans or deposits during the financial year 2015-16

VI. **REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

A. **Remuneration to Managing Director, Whole-Time Directors and/or Manager**

Sr. No.	Particulars of Remuneration	Name of MD/WT/Manager	Total Amount (Rs. In lakhs)
1.	<b>Mr. Kishor R. Mehta</b>	<b>Whole-Time Director</b>	
1.	Gross Salary		
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	629268	629268
	(b) Value of perquisites u/s17(2) Income-tax Act, 1961	0	0
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0
2.	Stock Option	0	0
3.	Sweat Equity	0	0
4.	Commission	0	0
	- As % of Profit	0	0
	- Others specify	0	0
5.	Others, please specify (Bonus)	0	0
	Ceiling as per the Act	4200000	4200000
	<b>Total</b>	<b>629268</b>	<b>629268</b>

B. **Remuneration of other Directors:**

I Independent Directors:

Sr. No.	Particulars of Remuneration	Name of Directors		Total Amount (Rs. In lakhs)
		Mr. Rajesh R. Parekh	Mrs. Sheela R. Kamdar	
	Fees for attending Board Committee meetings	18000	22000	40000
	Commission	Nil	Nil	Nil
	Others	Nil	Nil	Nil
	<b>Total (1)</b>	<b>18000</b>	<b>22000</b>	<b>40000</b>



II. Other Non-Executive Directors:

(Rs. In Lakhs)

Other Non-Executive Directors	Mr. Navin B. Doshi (Director)
Fees for attending Board Committee meetings	Nil
Commission	Nil
Others (Remuneration)	19,50,000
<b>Total (2)</b>	<b>19,50,000</b>
<b>Total B = (1+2)</b>	<b>19,50,000</b>
Ceiling as per the Act	84,00,000

C. Remuneration to Key Managerial Personnel other than MD/Manager/ WTD:

Sr. No.	Particulars of Remuneration	KEY MANAGERIAL PERSONNEL			
		CEO	Company Secretary	CFO (Mrs. Meeta S. Sheth)	Total
1	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	Nil	Nil	775055	775055
	(b) Value of perquisites u/s17(2) Income-tax Act, 1961	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil
4.	Commission				
	- As % of Profit	Nil	Nil	Nil	Nil
	- Others specify	Nil	Nil	Nil	Nil
5.	Others, please specify (Bonus)	Nil	Nil	Nil	Nil
	<b>Total</b>	<b>Nil</b>	<b>Nil</b>	<b>775055</b>	<b>775055</b>

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES: NIL**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeal made if any (give details)
A. COMPANY					
Penalty	NOT APPLICABLE				
Punishment					
Compounding					
B. DIRECTORS					
Penalty	NOT APPLICABLE				
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	NOT APPLICABLE				
Punishment					
Compounding					

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

Place: Mumbai  
Date: 10th August, 2016

sd/-  
**Navin B. Doshi**  
Chairman/Director  
DIN : 00232287



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## ANNEXURE C

### Form MR-3

### SECRETARIAL AUDIT REPORT

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

**FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016**

To  
The Members of  
**Coral Laboratories Limited**

We have conducted the secretarial audit of the compliance of applicable statutory provision and the adherence to good corporate practices by M/s. Coral Laboratories Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the M/s. Coral Laboratories Limited 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 secretarial audit. We hereby report that in my opinion, the Company has, during the audit period covering the financial year ended 31st March, 2016 complied with the statutory provisions listed hereunder and also that the Company has 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, minutes' books, forms and returns filed and other records maintained by M/s. Coral Laboratories Limited for the financial year ended 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (regulation) Act, 1956 (SCRA) and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations any Bye-laws framed thereunder;
- (iv) 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;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act')
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999; Not applicable to the Company for the year under review;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not applicable to the Company for the year under review;
  - (f) The Securities and Exchange Board of India (Registrars to issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;



- (g) The Securities and Exchange Board of India (Delisting of Equity Shares), Regulations, 2009; Not applicable to the Company for the year under review;
- (h) The Securities and Exchange Board of India (buyback of Securities) Regulations, 1998; Not applicable to the Company for the year under review.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines etc. mentioned above, to the extent applicable:

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the company with Bombay Stock Exchange Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

Based on the compliance mechanism established by the Company and on the basis of the representation letter issued by the Company and taken on records by the Board of Directors at their meeting(s), we are of the opinion that the management has:

Adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines; and Complied with the following laws applicable to the Company:

- (a) Drugs Act, 1940;
- (b) Food Safety And Standards Act, 2006
- (c) The Trade Marks Act, 1999
- (d) Water (Prevention and Control of Pollution) Act, 1974;
- (e) Air (Prevention and Control of Pollution) Act, 1981;
- (f) Environment Protection Act, 1986;
- (g) Industrial Disputes Act, 1947;
- (h) Payment of Wages Act, 1936;
- (i) The Minimum Wages Act, 1948;
- (j) Employees' State Insurance Act, 1948;
- (k) The Employees Provident Fund and Miscellaneous Provisions Act, 1952;
- (l) The Payment of Bonus Act, 1965;
- (m) The Payment of Gratuity Act, 1972;
- (n) The Child Labour (Prohibition and Regulation) Act, 1986;
- (o) The Contract Labour (Regulation and Abolition) Act, 1970;
- (p) The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013.
- (q) Acts as prescribed under Shop and Establishment Act of various local authorities.





Based on information received and records maintained, we further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

- *The Company has failed to comply with the necessary provisions of Section 203 of the Companies Act, 2013. The Company has failed to appoint Company Secretary for the Company during the year under review.*
- *The Shareholding of promoters is not 100 percent in Demat form.*

We further report that during the audit period there were no major events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

**For Uma Lodha & Company**  
Practicing Company Secretaries

Place: Mumbai  
Date: 10th August, 2016

Sd/-  
Proprietor  
ACS/FCS No. : 5363  
C.P. No. : 2593

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE C(i)' and forms an integral part of this report.



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**ANNEXURE C(i)'**

To  
The Members of  
**Coral Laboratories Limited**

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

- Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
- We have followed the audit practices and processes 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.
- We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
- Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
- The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- 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.

For **Uma Lodha & Company**  
Practicing Company Secretaries

Sd/-  
Proprietor  
ACS/FCS No. : 5363  
C.P. No. : 2593

Place: Mumbai  
Date: 10th August, 2016



**Annexure [D] 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**

**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. Kishor R. Mehta	629268	3.71

**Notes :**

1. The aforesaid details are calculated on the basis of remuneration for the financial year 2015-16
2. Median remuneration of the Company for all its employee is Rs. 1,69,631 for the financial year 2015-16
3. Median remuneration of the Company for all its employee is Rs.139,386 for the financial year 2014-15

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

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase in remuneration in the financial year
Mr. Kishor R. Mehta (Whole-Time Director)	20.66
Mrs. Meeta S. Sheth (CFO)	14.57

**c. The percentage increase in the median remuneration of all employees in the financial year 2015-15:**

	2015-16 (Rs.)	2014-15 (Rs.)	Increase (%)
Median remuneration of all employees per annum	1,69,631	139,386	21.69

**d. The number of permanent employees on the rolls of Company as on 31st March, 2016:**

Executive/Manager cadre	02
Staff	133
Operators/Workmen	--
<b>Total</b>	<b>135</b>

**e. Average percentile increase 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. 695050. However, during the course of the year, during the course of the year, the total increase is approximately 28.72% after accounting for promotions and other event based compensation revisions.

Increase in the managerial remuneration for the year was around 35.23%

**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.



## Annexure [E] 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:

**1. Details of contracts or arrangements or transactions not at Arm's length basis:**

Sr. No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	<b>NIL</b>
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements /transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section n 188	

**2. Details of material contracts or arrangements or transactions at Arm's length basis:**

Sr. No.	Particulars	Details
a)	Name (s) of the related party	<b>NIL</b>
b)	Nature of Relationship	
c)	Nature of contracts /arrangements /transaction	
d)	Duration of the contracts/arrangements / transaction	
e)	Salient terms of the contracts or arrangements or transaction	
f)	Justification for entering into such contracts or arrangements or transactions	
g)	Date of approval by the Board	
h)	Amount incurred during the year (Rs. In lakhs)	



## **ANNEXURE F**

### **Reporting of Corporate Social Responsibility (CSR)**

1. Period for which CSR is being reported from 1st April 2015 to 31st March 2016
2. Whether information includes information about subsidiary company(s) No
3. Whether information includes information about any other entity(s) No
4. Does the company have a written CSR policy Yes
5. Brief contents of the CSR policy

#### **CSR CONTRIBUTION**

The contribution by the Company in any financial year towards CSR Activities shall be a minimum of 2% of its average Net Profits for three immediately preceding financial years.

#### **FUNCTIONING OF THE COMMITTEE**

The Committee towards effectuation and implementation of the CSR Activities shall identify and recommend the specific CSR activity(ies) to the Board of Directors of the Company (Board) for its consideration and approval. Based on the approval of the Board, required funds shall be infused into the Board approved CSR activities. The same shall constitute the CSR Contribution of the Company for the relevant financial year.

The Committee shall institute a transparent monitoring mechanism for implementation of the CSR activities, towards which end, progress updates on CSR activities undertaken, shall be submitted to the Board, from time to time.

#### **TREATMENT OF SURPLUS ARISING OUT OF CSR ACTIVITIES**

It is hereby explicitly stated that any surplus arising out of the CSR Activities shall not form a part of the business profits of the Company.

#### **OVERALL IMPROVEMENT IN FUNCTIONING AND IN DISCHARGE OF CSR**

The Committee shall from time to time explore the ways and means whereby improvements that need to be brought about towards the discharge of CSR by the Company are identified and steps taken to ensure that measures necessary to effectuate the areas of improvement so identified are taken in the right earnest.

#### **GENERAL**

Any term or aspect not specifically defined or set out in this Policy shall be construed to mean what is laid down in respect thereof under the Act or the CSR Rules

6. The Composition of the CSR Committee:  
Mr. Rajesh R. Parikh - Chairman  
Mrs. Sheela R. Kamdar - Member  
Mr. Navin B. Doshi - Member
7. Average net profit of the company for last three financial years: Rs.9,91,70,958/-
8. Prescribed CSR Expenditure: Rs. 19,83,419/-
9. Details of CSR spent during the financial year. Rs. 2,56,321/-
  - (a) Total amount to be spent for the financial year. Rs. 19,83,419/-
  - (b) Amount unspent, if any: Rs. 17,27,098/-



(c) Manner in which the amount spent during the financial year is detailed below.

Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programs -Specify the State/Union Territory where the Project/ Program was Undertaken	Projects or programs - Specify the district where projects or programs was undertaken	Amount outlay (budget) project or programs wise (Rs)	Amount spent on the projects or programs (Rs)	Expenditure on Administrative Overheads	Amount spent: Direct or through implementing agency *
1	Preventive Healthcare	Health and Sanitation	Gujarat	Panchmahal	Rs.19,83,419/-	Rs.2,56,321/-	Nil	Direct

\* Give details (name, address and email address) of implementing agency (ies):

Not Applicable



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

### a. Performance:

The Company's export has increased to 4169.83 lakhs from the previous year's Rs.3159.18 Lakhs

### b. Opportunities

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

### c. Threats & Concerns:

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.

### f. 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.

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

(Rs. in Lakhs)

Particulars	2015-16	2014-15
Income	7990.89	6201.45
Expenditure	6250.73	4980.46
Earning before Tax	1740.15	1220.99
Provision for Tax	492.00	257.55
Provision for Deferred Tax	7.79	6.42
Less: Income Tax Adjustments of earlier years	0.6688	Nil
Earnings after Tax	1239.70	957.02
Less: Proposed Dividend and Tax on Dividend	128.97	107.50
Balance Brought forward	5129.44	4279.91
Balance carried forward to Balance Sheet	6240.14	5129.44

### h. Material developments in Human Resources / Industrial Relations

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.

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

Place: Mumbai  
Date: 10th August, 2016

sd/-  
**Navin B. Doshi**  
Chairman  
DIN : 00232287





## CORPORATE GOVERNANCE REPORT

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2016, 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** (Coral) ("The Company") governance philosophy is based on trusteeship, transparency and accountability. As a corporate citizen, our business fosters a culture of ethical behavior and disclosures aimed at building trust of our stakeholders. The Company's Code of Business Conduct and Ethics, Internal Code of Conduct for Regulating, Monitoring and Reporting of Trades by Insiders and the Charter-Business for Peace are an extension of our values and reflect our commitment to ethical business practices, integrity and regulatory compliances.

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 Regulation is given below:

#### Governance Structure

The Corporate Governance structure at Coral 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 the Board:

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

### 2. THE BOARD OF DIRECTORS

#### 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 31st, 2016, the present Board comprises of 4 (four) members consisting of 1 (one) Executive Director and 3 (three) Non-Executive Directors out of which 2 (two) are Independent Directors. The details of each member of the Board along with the number of Directorship/Committee Membership are as given below:

Name of the Director	Category
Mr. Navin B. Doshi	Chairman/Director
Mr. Kishor R. Mehta	Whole-Time Director
Mr. Rajesh R. Parikh	Non-Executive and Independent Director
Mrs. Sheela Rupesh Kamdar	Non-Executive and Independent Director



### 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 and its subsidiaries. The Board Meetings are pre-scheduled and a tentative annual calendar of the Board is circulated to the Directors well in advance to facilitate the Directors to plan their schedules. In case of business exigencies, 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 2015-16 the Board of Directors had met 5(FIVE) times during the financial year 2015-2016. These meetings were held on 29th May 2015, 29th July 2015, 30th 4th November 2015, 12th February 2016 and 15th March 2016.

The Interval between two meetings was well within the maximum period mentioned under Section 173 of the Companies Act, 2013 and the Listing Regulation.

### The details of nature of Directorships, number of Directorships, Committee Chairpersonships/memberships held by them in other public Companies and Shareholding

Name of the Director	No. of Board Meetings Attended	Attendance at previous AGM on 16/09/2015	No. of outside Directorship held (Excluding Coral Laboratories Limited)	No. of Membership/ Chairpersonship in other Board Committees (Excluding Coral Laboratories Limited)		Executive / Non-Executive
				Member	Chairman	
Mr. Navin B. Doshi	5	Yes	1	Nil	Nil	Non-Executive
Mr. Kishor R. Mehta	5	Yes	Nil	Nil	Nil	Executive
Mrs. Sheela Kamdar	5	Yes	1	Nil	4	Non Executive (Independent)
Mr. Rajesh R. Parikh	5	Yes	0	Nil	Nil	Non-Executive (Independent)

### Notes:

- Directorships exclude Private Limited Companies, Foreign Companies and Section 8 Companies.
- Chairpersonship/Membership of Committee only includes Audit Committee and Stakeholders' Relationships 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 Chairperson of more than five such Committees.
- Mr. Sachin N. Doshi is the son of Mr. Navin B. Doshi. None of the other Directors are related to any Director on the Board.

### 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 Listing Regulation. A formal letter of appointment to Independent Director as provided in Companies Act, 2013 and the Listing Regulation has been issued and disclosed on website of the Company viz. [www.corallab.com](http://www.corallab.com)

### Information placed before the Board:

The Company provides the information as set out in Regulation 17 read with Part A of Schedule II of Listing Regulation 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.

**No. of Shares held by Non Executive Directors:**

Name of the Director	Category	No. of Shares held	% to the paid up Share Capital
Mrs. Sheela R. Kamdar	Non-Executive (Independent)	NIL	NIL
Mr. Rajesh R. Parikh	Non-Executive (Independent)	NIL	NIL

**Familiarization Programme for Directors:**

At the time of appointing a Director, a formal letter of appointment is given to him, which inter alia explains the role, function, duties and responsibilities expected of him as a Director of the Company. The Director is also explained in detail the Compliance required from him under Companies Act, 2013, Listing Regulation and other various statutes and an affirmation is obtained. The Managing Director also has a one to one discussion with the newly appointed Director to familiarize him 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/Familiarization-Program-for-Independent-Directors.pdf](http://www.corallab.com/Familiarization-Program-for-Independent-Directors.pdf)

**3. Governance Codes:****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. This Code is displayed on the Company's website viz. [www.corallab.com/investors.html](http://www.corallab.com/investors.html).



#### **4. AUDIT COMMITTEE:**

##### **Terms of Reference:**

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, 2016.

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, Managing 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 has been reporting on quarterly basis, the Un-audited Financial Results as required by the Regulation 33 of the Listing Regulation. The Company's quarterly Un-audited Standalone Financial Results are made available on the web-site [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.

##### **Internal Controls and Governance Processes:**

The Company continuously invests in strengthening its internal control and processes. The Audit Committee along with the CFO formulates a detailed plan to the Internal Auditors for the year, which is reviewed at the Audit Committee Meetings. The Internal Auditors attend the meetings of Audit Committee at regular intervals and submit their recommendations to the Audit Committee and provide a road map for the future.

##### **Composition:**

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. Mr. Rajesh Parikh Non-Executive, Independent Director is the Chairperson of the Audit Committee. The other members of the Audit Committee include Mrs. Sheela Kamdar and Mr. Kishore Mehta

##### **Meetings and Attendance:**

The Audit Committee met four times during the Financial Year 2015-16. The maximum gap between two meetings was not more than 120 days. The Committee met on 29th May 2015, 29th July 2015, 4th November 2015 and 12th February 2016. The necessary quorum was present for all Meetings. Mr. Rajesh Parikh Chairman of the Audit Committee was present at the last Annual General Meeting of the Company.



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

Sr. No.	Name of the Director	Position	Category	No. of Meeting Attended upto 31st March, 2016
1	Mr. Rajesh R. Parikh	Chairman	Non Executive (Independent)	4
2	Mrs. Sheela R. Kamdar	Member	Non Executive (Independent)	4
3	Mr. Kishor R. Mehta	Member	Executive Director	4

## 5. REMUNERATION AND NOMINATION COMMITTEE:

### Terms of Reference:

The Board has framed the Remuneration and Nomination Committee Charter 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:

The Remuneration and Nomination Committee comprises of three Directors. Mr. Rajesh Parikh, Non-Executive, Independent Director is the Chairman of the Remuneration and Nomination Committee. The other members of the NR Committee include Mrs. Sheela Kamdar and Mr. Navin Doshi. The Composition of Remuneration and Nomination Committee is pursuant to the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of Listing Regulation.

### Meeting and Attendance:

The Remuneration and Nomination Committee met only once during the year i.e. on 29th July, 2015. The necessary quorum was present for the Meeting. Mr. Rajesh Parikh, Chairman of the Remuneration and Nomination Committee was present at the last Annual General Meeting of the Company.

The Table below provides the Attendance of the Remuneration and Nomination Committee.

Sr. No.	Name of the Director	Position	Category	No. of Meeting Attended upto 31st March, 2016
1	Mr. Rajesh R. Parikh	Chairman	Non Executive (Independent)	2
2	Mrs. Sheela R. Kamdar	Member	Non Executive (Independent)	2
3	Mr. Navin B. Doshi	Member	Non-Executive Director	2



## 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 Managing Director and the Non Independent Directors was carried out by the Independent Directors. The Directors express their satisfaction with the evaluation.

### 6. REMUNERATION POLICY:

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

The Non-Executive Directors are paid remuneration by way of remuneration and Sitting Fees. Mr. Navin Doshi is paid Rs 1950,000 per annum as a remuneration. Mr. Rajesh Parikh 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 2015-16 was Rs.40,000/- 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 Managing Director is governed by the recommendation of the Remuneration and Nomination 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 Managing 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 Remuneration and Nomination 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 Directors of the Company for the financial year ended 31st March, 2016 is as follows:**

(Amount in Rs.)				
Sr. No.	Name of the Director	Salary	Perquisites	Total
1.	Mr. Navin B. Doshi	1950,000	Nil	1950,000
2.	Mr. Kishore Mehta	629,268	Nil	629,268

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 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:
- The N&R Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director.





- Qualification, expertise and experience of the Directors in their respective fields;
- Personal, Professional or business standing;
- Diversity of the Board

#### **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 and SEBI 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.

#### **7. 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 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.

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 Mr. Rajesh Parikh Non-Executive, Independent Director is the Chairman of the Stakeholders Relationship Committee. The other members of the Stake holders Relationship Committee include Mr. Navin Doshi. The table below highlights the composition and attendance of the Members of the Committee. The necessary quorum was present for all Meetings.



Sr. No.	Name of the Director	Position	Category	No. of Meeting Attended upto 31st March, 2016
1	Mr. Rajesh R. Parikh	Chairperson	Non-Executive (Independent)	4
2	Mr. Navin B. Doshi	Member	Non-Executive Director	4

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

Ms. Daisy Thomas is the Compliance Officer of the Company

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

The total number of complaints received and resolved during the year ended March 31, 2016 was NIL. The number of pending share transfers and pending requests for dematerialization as on March 31, 2016 were Nil.

Shareholders'/Investors' complaints and other correspondence are normally attended to within 15 working days except where constrained by disputes or legal impediments.

No investor grievances remained unattended / pending for more than thirty days as on March 31, 2016

Nature of Complaints	Complaints Received	Complaints Redressed
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
Total	Nil	Nil

## **8. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:**

#### **Composition:**

The Corporate Social Responsibility (CSR) Committee comprises of three Directors. Mr. Rajesh R. Parikh, Non-Executive, Independent Director is the Chairman of the Corporate Social Responsibility (CSR) Committee. The other members of the CSR Committee include Mrs. Sheela R. Kamdar and Mr. Navin B. Doshi.

The table below highlights the composition and attendance of the Members of the Committee.

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. As per Section 135 of the Companies Act, 2013 the Company was required to spend Rs. 19,83,419/- for the financial year 2015-16. 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.
- The Composition of the CSR Committee as at March 31st, 2016 and the details of meetings of the Committee are as under: Meetings and Attendance:

The CSR Committee met only once during the year on 01st April, 2015. . The necessary quorum was present for all Meetings.





Sr. No.	Name of the Director	Position	Category	No. of Meeting Attended upto 31st March, 2016
1	Mr. Rajesh R. Parikh	Chairman	Non-Executive (Independent)	1
2	Mrs. Sheela R. Kamdar	Member	Non-Executive (Independent)	1
3	Mr. Navin Doshi	Member	Non-Executive Director	1

#### 9. INDEPENDENT DIRECTORS' MEETING

During the year under review, the Independent Directors met on 12th February, 2016 inter alia, to discuss:

- Evaluation of performance of Non Independent Directors and the Board of Directors as a whole;
- Evaluation of performance of the Chairperson of the Company, taking into account the views of the Executive and Non-Executive Directors;
- Evaluation of the quality, content and timelines 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 for this Meeting.

#### 10. GENERAL BODY MEETINGS

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

Year	Location	Date	Time	No. of Special Resolution Passed
2012-2013	308 / 5 Village & Post - Poiycha (Ran) Taluka Savli, Baroda - 391 780 (Gujarat)	28.09.2013	2.00 p.m	Nil
2013-2014	308 / 5 Village & Post - Poiycha (Ran) Taluka Savli, Baroda - 391 780 (Gujarat)	29.09.2014	12.30 p.m	2
2014-2015	308 / 5 Village & Post - Poiycha (Ran) Taluka Savli, Baroda - 391 780 (Gujarat)	16.09.2015	12.30 p.m	1

Details of Special Resolutions passed in previous three Annual General Meetings.

Date of Annual General Meeting	No. of Special Resolution Passed	Details of Special Resolutions Passed
28.09.2013	Nil	N.A.
29.09.2014	2	1) To appoint Mrs. Sheela R. Kamdar (DIN: 06948522) as an Independent Director and in this regard to consider and if thought fit, to pass with or without Modification(s). 2) To consider adoption of newly substituted Articles of Association of the Company containing regulations in line with the Companies Act, 2013 and if thought fit, to pass with or without Modification(s).
16.09.2015	1	1) Consent and approval to pay remuneration to Mr. Navin B. Doshi (DIN: 00232287), Non- Executive Director of the Company.

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, resolution regarding shifting of Registered Office from **FROM BARODA, STATE OF GUJARAT TO DAMAN (UNION TERRITORY)**. was passed through postal Ballot.

The Board of Directors of the Company (the “Board”) appointed Mrs. Uma Lodha, Practicing Company Secretary (Membership No: F5363) as the Scrutinizer for conducting the postal ballot process in a fair and transparent manner.

Business for transaction	Results
Special Resolution under Sections 12, 13, 110, for shifting of Registered Office of the Company from Baroda, State of Gujarat to Daman (Union Territory)	Carried with requisite majority

#### Details of Voting Results:

Promoter/Public	No of Shares held	No. of votes polled	% of votes polled on outstanding shares	No of Votes - in favour	Abstain from Voting	No of Votes - against	% of Votes in favour on votes polled	%of votes against on votes polled
	1	2	$(3)=(2)/(1)*100$	4	5	6	$(7)=(4)/(2)*100$	$(8)=(6)/(2)*100$
Promoter and Promoter Group	2556804	2116351	82.77%	2116351	Nil	Nil	100%	Nil
Public - Institutional Holders	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Public-Others	1015796	68915	6.78%	68915	600	Nil	100%	Nil
Total	3572600	2185266	89.56%	2185266	600	Nil	100%	Nil

#### Procedure of E-voting

In compliance with Regulation 44 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 (erstwhile Clause 35B of the Listing Agreement) and Sections 108, 110 and other applicable provisions of the Companies Act, 2013, read with the related Rules, the Company provides electronic voting facility to all its members, to enable them to cast their votes electronically. The Company engages the services of NSDL for the purpose of providing e-voting facility to all its members. The members have the option to vote either by physical ballot or e-voting.

The Company dispatches the postal ballot notices and forms along with postage prepaid business reply envelopes to its members whose names appear on the register of members / list of beneficiaries as on a cut-off date. The postal ballot notice is sent to members in electronic form to the email addresses registered with their depository participants (in case of electronic shareholding). The Company also publishes a notice in the newspaper declaring the details of completion of dispatch and other requirements as mandated under the Act and applicable Rules

Voting rights are reckoned on the paid-up value of the shares registered in the names of the members as on the cut-off date. Members desiring to exercise their votes by physical postal ballot forms are requested to return the forms duly completed and signed, to the scrutinizer on or before the close of voting period. Members desiring to exercise their votes by electronic mode are requested to vote before close of business hours on the last date of e-voting. The scrutinizer submits his report, after the completion of scrutiny and the consolidated results of the voting by postal ballot are then announced by Company Secretary. The results are also displayed on the website of the Company at [www.corallab.com](http://www.corallab.com)

#### 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.



## 11. 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 and recommendation to the Board for their approval. 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 chairman of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. The Whistle Blower Policy is displayed on the Company's website viz. <http://www.corallab.com/investors.html>.

### ➤ **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 Listing Regulation 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 2015-16 is attached at the end of this report.



## 12. 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. In addition, the same are published in local language (Marathi) newspaper, 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 corporates. 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.

## 13. GENERAL SHAREHOLDER INFORMATION:

### Annual General Meeting

Date and time	:	26th September, 2016 At 11.00 p.m.
Venue	:	308/5, Village & Post – Poicha (Ran), Taluka – Savli, Baroda – 391780
Financial Year Ending	:	1st April, 2015 to 31st March, 2016
Date of Book Closure	:	Tuesday, 20th September 2016 to Monday, 26th September 2016 (both days inclusive)
Dividend Payment date Final Dividend 2015-2016 recommended by the Board of Directors at its Meeting held on 30th May, 2016	:	Re. 3 per Share (Subject to approval of the shareholders)
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 2016-17 has been paid to BSE and NSE.

## 14. DIVIDEND:

The Board of Directors at their meeting held on 30th May 2016, recommended dividend payout, subject to approval of the shareholders at the ensuing Annual General Meeting of Re. 3 per share, on equity shares of the Company for the Financial Year 2015-16. The Dividend shall be paid to the members whose names appear on Company's Register of Members on 19th September 2016 in respect of physical shareholders and whose name appear in the list of Beneficial Owner on 19th September 2016 in furnished by NSDL and CDSL for this purpose. The dividend if declared at the Annual General Meeting shall be paid on or after 26th September 2016



#### Monthly High/Low price of Equity Shares of the Company during the financial year 2015-2016 on BSE Limited

Month	High Price (Rs.)	Low Price (Rs.)
April, 2015	348	228
May, 2015	338.90	276.30
June, 2015	421	330
July, 2015	603	378
August, 2015	594	495
September, 2015	536.50	423.75
October, 2015	502	456
November, 2015	538.40	420
December, 2015	609	489
January, 2016	611	434
February, 2016	500	373.10
March, 2016	512	427

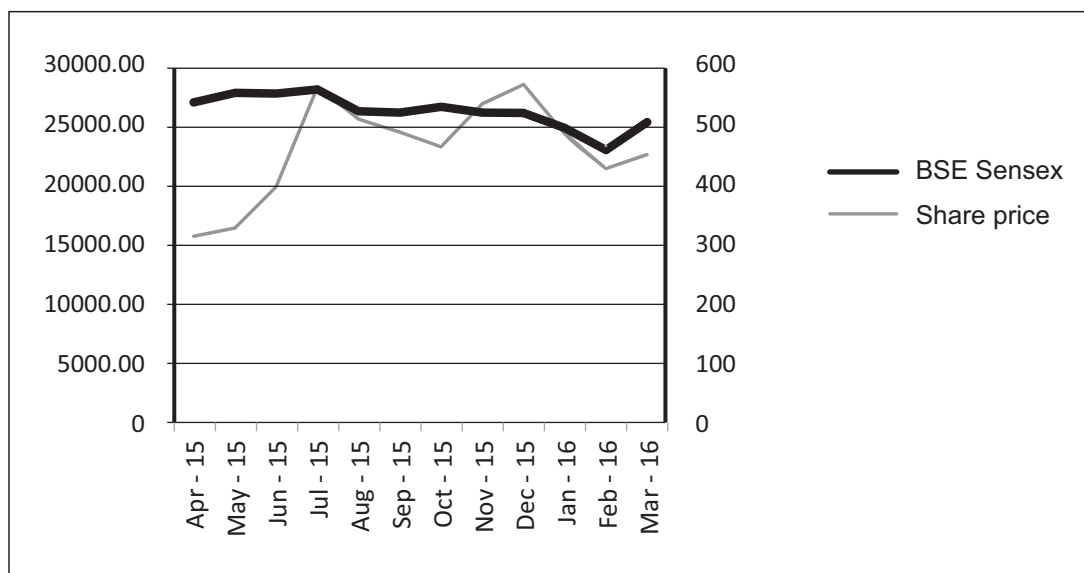
Spread

H-L : High-Low

C-O : Close-Open

Source: www.bseindia.com

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



#### Registrar and Transfer Agents

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

C-13, Pannalal Silk Mills Compound, L. B. S. Marg,  
Bhandup (West), Mumbai - 400 078.  
Tel : (022) 2596 3838 Fax : (022) 2594 6969  
[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 31st March, 2016	No. of Shareholders	% of Shareholders	No. of Shares	% of Shares
Upto 500	4417	93.6599	464810	13.0104
501 – 1000	181	3.838	138402	3.8740
1001 – 2000	64	1.3571	96836	2.7105
2001 – 3000	20	0.4241	46358	1.2976
3001 – 4000	8	0.1696	28097	0.7865
4001 – 5000	6	0.1272	28434	0.7959
5001 – 10000	7	0.1484	46077	1.2897
10001 and above	13	0.2757	2723586	76.2354
<b>Total</b>	<b>4716</b>	<b>100</b>	<b>3572600</b>	<b>100</b>

### Shareholding Pattern as on 31st March, 2016

Sr. No.	Category of Shares	No. of Shares	% of total shares
<b>(A)</b>	<b>Promoter &amp; Promoter Group :</b>		
	(a) Individuals/ Hindu Undivided Family	1841453	51.54
	(b) Bodies Corporate	715351	20.02
	<b>Sub Total :</b>	<b>2556804</b>	<b>71.57</b>
<b>(B)</b>	<b>Public Shareholding :</b>		
	1. Institutions		
	(a) Mutual Funds/UTI	Nil	Nil
	(b) Financial Institutions/Banks	Nil	Nil
	(c) Foreign Institutional Investors	Nil	Nil
	2. Non-Institutions		
	(a) Bodies Corporate	98917	2.77
	(b) Individuals		
	(c) Non-Resident Indians	50644	1.42
	& Non Resident(non repatriable)		
	(d) Trust(s)	Nil	Nil
	(e) Hindu Undivided Family	30356	0.85
	(f) Clearing Members	8743	0.24
	<b>Sub Total :</b>	<b>827136</b>	<b>23.16</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 94.25% of outstanding share have been dematerialized up to 31st March, 2016.

**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 31st March, 2016.

**ADDRESS FOR CORRESPONDENCE:**

Dalamal House, 4th Floor, Jamnalal Bajaj Marg,  
Nariman Point, Mumbai 400021  
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.

**As per Regulation 34(3) read with Schedule V of Listing Regulation, the details of the shares in the Suspense Account are as follows:**

Aggregate Number of Shareholding and the outstanding Shares in the suspense account lying at the beginning of the year	Number of shareholders who approached the Company for transfer of shares from suspense account during the year	Number of shareholders to whom shares were transferred from suspense account during the year	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares
1	2	3	4	5
NIL	NIL	NIL	NIL	NIL

**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 31, 2016.

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

sd/-

**Kishor R. Mehta**  
Whole Time Director  
DIN : 00232287

Place: Mumbai  
Date: 10th August 2016



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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, 2016 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/-

**Kishor R. Mehta**

Whole Time Director

DIN : 00235120

Place: Mumbai

Date: 10th August 2016

For **Coral Laboratories Limited**

sd/-

**Meeta S. Sheth**

Chief Financial Officer





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## CERTIFICATE ON CORPORATE GOVERNANCE

To,

**The Members of Coral Laboratories Limited**

We have examined the compliance of conditions of Corporate Governance by **Coral Laboratories Limited (the Company)** for the year ended March 31, 2016 as stipulated in Clause 49 of the Listing Agreement entered into with the Stock Exchange of India for the period 1st April 2015 to 30th November 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (collectively referred to as "SEBI Listing Regulations, 2015") as referred in Regulation 15(2) of the listing regulations for the period 1st December 2015 to 31st March 2016.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us, We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations, 2015.

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

**For Uma Lodha & Company  
Practising Company Secretaries**

**Place: Mumbai  
Date : 10th August 2016**

**sd/-  
Proprietor  
ACS/FCS No. : 5363  
C.P. No.2593**



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## INDEPENDENT AUDITOR'S REPORT

TO,

**THE MEMBERS OF CORAL LABORATORIES LIMITED**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of CORAL LABORATORIES LIMITED ("the Company"), which comprise the Balance Sheet as at 31/03/2016, the Statement of Profit and Loss, the cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### **Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at **31/03/2016**, and its Profit and its cash flows for the year ended on that date.

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

As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013. We give in the Annexure A statements on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.



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 and the cash flow statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31/03/2016 taken on record by the Board of Directors, none of the directors is disqualified as 31/03/2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) The company has adequate internal financial controls system in place and there is an operating effectiveness of such controls. A report giving our responsibilities and opinion has been annexed herewith
- (g) 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 has disclosed the impact of pending litigations on its financial position in its financial statements.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**FOR Shah Sanghvi & Co.**  
**(Chartered Accountants)**  
**Reg No. :109794W**

**Sd/-**  
**JITESH P. SHAH**  
**Proprietor M.No. : 034010**

**Place: Vadodara**  
**Date: 30th May 2016**



## Annexure to Independent Auditor's Report

(Referred to in above the auditor's report of even date to the members of **CORAL LABORATORIES LIMITED** on the financial statements for the year ended 31.03.2016)

- i. (a) The company has maintained proper records showing full particulars, including quantitative details and situation of Fixed Assets.  
(b) Fixed assets have been physically verified by the management at reasonable intervals; No material discrepancies were noticed on such verification.  
(c) In our opinion and according to the information and explanation given to us, the title deeds of immovable properties are held in the name of the company.
- ii. Physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancy were noticed on such verification.
- iii. According to the information and explanation given to us, the company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in register maintained u/s 189 of the Act.  
In view of the above, provisions of clause 3 (iii) (a), (b) and (c) are not applicable to the company.
- iv. In our opinion and according to information and explanations given to us, the company has, in respect of loans, investments, guarantees and security provisions, complied with section 185 and section 186 of the Companies Act, 2013.
- v. According to the information and explanation given to us, the company has not accepted any deposits. Hence the provisions of clause 3(v) are not applicable to the company.
- vi. We have broadly reviewed the books of accounts maintained by the company pursuant to the rules made by the Central Government of India. The maintenance of cost records has been prescribed u/s 148(1) of the Act and we are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the books and records as produced and examined by us in accordance with Generally Accepted Auditing Practices in India and also management representations, undisputed statutory dues in respect of Provident fund, Employees' state insurance, Income tax, Sales tax, Service tax, Custom duty, Excise duty, Value Added Tax, Cess and other material statutory dues applicable to it, has been regularly deposited with appropriate authorities.  
(b) According to the records of the company, the disputed dues in respect of excise duty of Rs 18.56 lacs (previous year Rs 18.56 lacs.); service tax Rs nil (previous year Rs nil.) and sales tax Rs nil (previous year Rs nil.) income tax Rs nil (previous year Rs nil.) as at march 31st, 2016 have not been deposited with appropriate authorities and no provision has been made for the same

Name of the Statute	Nature of Dues	Amount (Rs. in Lakhs)	Period to which the amount relates	Forum where dispute is pending
The Central Excise Act, 1944.	Excise Duty	18.56	2002-03, 2003-04 & 2004-05	Supreme Court, New Delhi

- viii. In our opinion and according to the information and explanation given to us and the books of accounts verified by us, the company has not defaulted in repayment of dues to financial institution, bank, Government or dues to debenture holders.



- ix. As per information given to us, no money was raised by way of initial public offer or further public offer (including debt instruments). No term loans are raised by the company during the year.
- x. During the course of our examination of books of accounts carried in accordance with the Generally Accepted Auditing Standards in India, we have neither come across any instance of fraud on or by the company, either noticed or reported during the year, nor have we been informed of such case by the management.
- xi. According to information and explanation given to us and the books of accounts verified by us, the managerial remuneration has been paid or provided in compliance with Section 197 read with Schedule V to the Companies Act, 2013.
- xii. The company is not a Nidhi company, hence the provisions of clause 3(xii) are not applicable to the company.
- xiii. All transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- xiv. According to information and explanation given to us and the books of accounts verified by us the company during the year, has not made any preferential allotment or private placement of shares or fully or partly convertible debentures, hence the provision of clause 3(xiv) are not applicable to companies.
- xv. According to information and explanation given to us and the books of accounts verified by us the company has not entered into any non cash transaction with directors or persons connected with it.
- xvi. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

**FOR Shah Sanghvi & Co.**  
**(Chartered Accountants)**  
**Reg No. :109794W**

**Sd/-**  
**JITESH P. SHAH**  
**Proprietor M.No. : 034010**

**Place: Vadodara**  
**Date: 30th May 2016**



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## **ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENT OF CORAL LABORATORIES LTD. AS ON 31st MARCH 2016**

**Report on the internal financial controls under clause (i) of sub -section 3 of Section 143 of the companies Act, 2013 ("the Act")**

To the members of **Coral Laboratories Limited**.

We have audited the internal financial controls over financial reporting of **CORAL LABORATORIES LTD.** ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statement of the Company for the year ended on the 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. 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 the Company's policies, the safeguarding of its assets, the prevention and detection of fraud and errors, the accuracy and completeness of the accounting records, and timely preparation of reliable financial information, as required under The Companies Act, 2013.

### **Auditor's 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 as specified under section 143(10) of 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 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 errors.

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

### **Meaning of internal financial control 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 statement in accordance with generally accepted accounting principles , and that



receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent limitations of internal financial control over financial reporting**

Because of the inherent limitation 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 period 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.

#### **Opinion**

In our opinion, 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 March 31, 2016, 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.

**Place: Vadodara**  
**Date : 30th May 2016**

**For and on behalf of**  
**SHAH SANGHVI & CO.**  
**(Chartered Accountants)**  
**ICAI Reg No. :109794W**

**Sd/-**  
**JITESH P. SHAH**  
**Proprietor**  
**M.No. : 034010**



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## NOTES FORMING PART 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.

### Note 2: Significant Accounting Policies

#### i. Framework of Preparation of Financial Statements:

The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles, Accounting Standards issued by the Institute of Chartered Accountants of India notified u/s 133 of the Companies Act, 2013 and the relevant provisions of Companies Act, 2013 read with Rule 7 of the companies (Accounts) Rules, 2014, the provisions of the act (to the extent notified) and other accounting principles generally accepted in India, to the extent applicable.

#### ii. Uses of estimates:

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosure relating to contingent assets and liabilities on the date of financial statements and the results of operations during the reporting periods. Although these estimates are based upon management's knowledge of current events and actions, actual results could differ from those estimates and revisions, if any, are recognised in the current and future periods.

#### iii. Inventories

- a) 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 and excise duty paid/ payable on such goods.
- b) In Dehradun and Daman Plant the Company has written off 20% of Stores and spares yearly from the inventory of stores and spares.
- c) Expenditure on stores and spares in other plants is charged to revenue account in the year of purchase.

#### iv. Depreciation and Amortization

- a) Depreciation on fixed assets is calculated on straight-line method in the manner and based on useful life as prescribed in schedule II of the Companies Act, 2013. Depreciation on additions / deletions to fixed assets during the year is provided on a pro-rata basis.

Intangible assets (Computer software) are amortized over a period of 5 years from the date of acquisition.

#### v. Revenue Recognition

- a) Sales are accounted inclusive of excise duty but excluding Sales Tax, and are net of returns / discounts / debit notes / reversals.
- b) Excise duty is deducted from turnover (gross) and not the entire amount of liability arisen during the year.
- c) Export Incentive under the Duty Entitlement Pass Book Scheme has been recognised on the cash basis.
- d) Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.





**vi. Fixed Assets**

- a) Fixed assets are stated at cost less accumulated depreciation. Cost comprises of purchase price and any cost attributable of bringing the assets to its working condition for its intended use.
- b) Direct costs as well as related incidental and identifiable 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. Assets under construction are not depreciated.
- c) There is no revaluation of fixed assets carried out during the year.

**vii. Foreign Currency Transactions**

- a) Transactions denominated in foreign currencies are recorded at the exchange rates prevailing at the date of transaction. Monetary items denominated in foreign currency at the year end are translated at year end rates.
- b) In respect of monetary items which are covered by foreign exchange contracts, the premium or discounts on such forward contract is recognized over the life of the forward contract.
- c) The exchange differences arising on settlement of transaction/ translation of monetary assets and liabilities denominated in foreign currency are recognized in the Profit & Loss Account. In cases, where they relate to acquisition of fixed assets, they are adjusted to the carrying cost of such assets.

**viii. Investments**

- a) Investments are classified into current and long term investment.
- b) Current investments are carried at lower of cost or market value, computed category wise and the resultant decline, if any, is charged to revenue.
- c) Long term investments are stated at cost. Provision is made for any diminution in value, if other than temporary. However, in the opinion of the management, the increase/decrease in the value of investment in shares, is on account of market forces and is not of other than temporary nature and therefore not provided in the books of accounts.

**ix. Retirement Benefits**

Gratuity in respect of eligible employees has been provided for on the basis of actuarial valuation. As per Accounting Standard 15 the actuarial valuation is considered 5% as salary escalation and average 2% as attrition rate and the retirement age is considered as 58 years.

**x. Borrowing Costs:**

Borrowings costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets till such time as the asset is ready for its intended use. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are, charged to profit and loss account.

**xi. Segment Reporting**

The company is engaged in pharmaceutical business, which as per Accounting Standard 17, is considered the only reportable business segment.

**xii. Earning Per Share:**

- a) Basic Earning per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid



equity share during the reporting period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares).

- b) For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of equity shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**xiii. Taxation**

- a) Provision for the Current tax has been made in accordance with the income-tax laws and rules prevailing at the time of the relevant assessment years.
- b) Deferred tax expense or benefit is recognized on timing differences being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred Tax Asset is recognized when there is virtual certainty of reversal.

**xiv. Impairment of Assets:**

At Balance Sheet date, an assessment is done to determine whether there is any indication of impairment in the carrying amount of the company's fixed assets. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. An impairment loss is charged to profit and loss account in the year in which an asset is identified as impaired.

**xv. Provisions, Contingent Liabilities and Contingent Assets:**

- a) Provisions are recognized when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation.
- b) Contingent liability is disclosed when there is a present or possible obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation and no reliable estimate is possible.
- c) Contingent Assets are neither recognized nor disclosed in the financial statement.

**xvi. Other Accounting Policies:**

Accounting policies not specifically referred to are consistent with the generally accepted accounting standards.



## BALANCE SHEET AS AT 31st MARCH, 2016

(Amount in Rs.)

PARTICULARS	Note No.	As at 31.03.2016	As at 31.03.2015
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	3	35,726,000	35,726,000
(b) Reserves and Surplus	4	666,065,541	554,995,945
<b>(2) Non-Current Liabilities</b>			
(a) Long-Term Borrowings	5	-	-
(b) Deferred Tax Liabilities (Net)	6	9,607,729	8,828,729
(c) Other Long Term Liabilities	7	1,889,573	1,978,823
(d) Long Term Provisions	8	1,721,321	1,194,321
<b>(3) Current Liabilities</b>			
(a) Short-Term Borrowings	9	3,736,134	13,694,299
(b) Trade Payables	10	96,904,571	62,899,219
(c) Other Current Liabilities	11	10,926,588	4,456,579
(d) Short-Term Provisions	12	68,135,718	40,381,519
<b>Total</b>		<b>894,713,175</b>	<b>724,155,434</b>
<b>II. ASSETS</b>			
<b>(1) Non-Current Assets</b>			
<b>(a) Fixed Assets</b>	13		
(i) Tangible Assets		180,456,031	189,010,432
(ii) Intangible Assets		395,567	219,188
		<b>180,851,598</b>	<b>189,229,620</b>
(b) Non-current investments	14	45,773,183	11,681,169
(c) Long term loans and advances	15	22,203,299	20,423,711
<b>(2) Current Assets</b>			
(a) Inventories	16	132,865,595	104,718,134
(b) Trade receivables	17	278,071,501	247,801,325
(c) Cash and bank balances	18	89,090,640	66,265,344
(d) Short-term loans and advances	19	145,857,359	84,036,130
<b>Total</b>		<b>894,713,175</b>	<b>724,155,434</b>

### Summary of Significant Policies

The accompanying notes are an integral part of these financial statements.

As per our Report of even date

For **SHAH SANGHVI & CO.**  
Chartered Accountants  
Firm Registration No. 109794W

sd/-  
**(CA. J. P. Shah)**  
Proprietor  
Membership No. 34010  
Place : Mumbai  
Date : 30th May, 2016

For and on behalf of the Board

sd/-	sd/-	sd/-
Mr. Navin B. Doshi	Mr. Kishor R. Mehta	Meeta S. Sheth
Chairman	Whole Time Director	CFO
(DIN : 00232287)	(DIN : 00235120)	

Place : Mumbai  
Date : 30th May 2016

# STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH 2016



(Amount in Rs.)

PARTICULARS	Note No.	For the year ended 31.03.2016	For the year ended 31.03.2015
<b>I</b> Revenue from operations (Gross)	20	785,993,139	610,832,264
Less : Excise Duty		15,830,223	16,625,879
Revenue from operations (Net)		<b>770,162,916</b>	<b>594,206,385</b>
<b>II</b> Other Income	21	28,925,714	25,939,453
<b>III. Total Revenue (I + II)</b>		<b>799,088,630</b>	<b>620,145,838</b>
<b>IV Expenses:</b>			
Cost of materials consumed	22	443,239,450	351,566,159
Purchase of Stock-in-Trade		2,412,075	4,491,103
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	23	(2,744,248)	(7,188,717)
Employee Benefits Expenses	24	51,285,200	42,621,853
Finance Costs	25	825,335	205,628
Depreciation and Amortization Expense	13	17,305,276	25,668,109
Other Expenses	26	112,750,381	80,682,284
<b>Total Expenses (IV)</b>		<b>625,073,469</b>	<b>498,046,419</b>
<b>V Profit before tax (III - IV)</b>		<b>174,015,161</b>	<b>122,099,419</b>
Short Provision for IT for Earlier Year		66,880	-
<b>VI Tax expense:</b>			
(1) Current tax		49,200,000	25,755,000
(2) Deferred tax		779,000	642,000
<b>VII Net Profit after tax (V-VI)</b>		<b>123,969,281</b>	<b>95,702,419</b>
Earning per equity share:	<b>29</b>		
(1) Basic		34.70	26.79
(2) Diluted		34.70	26.79

Summary of Significant Policies

The accompanying notes are an integral part of these financial statements.

As per our Report of even date

For **SHAH SANGHVI & CO.**  
Chartered Accountants  
Firm Registration No. 109794W

sd/-  
**(CA. J. P. Shah)**  
Proprietor  
Membership No. 34010  
Place : Mumbai  
Date : 30th May, 2016

For and on behalf of the Board

sd/- Mr. Navin B. Doshi Chairman (DIN : 00232287)	sd/- Mr. Kishor R. Mehta Whole Time Director (DIN : 00235120)	sd/- Meeta S. Sheth CFO
Place : Mumbai Date : 30th May 2016		



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

PARTICULARS	YEAR ENDED 31st MARCH 2016 Rupees	YEAR ENDED 31st MARCH 2015 Rupees
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax & Extraordinary items	174,015,161	122,099,419
Adjustment for:		
Depreciation	17,305,276	25,668,109
(Profit) / Loss on sale of Fixed Asset	15,482	0
Prior period Expenses		
Investment/ Interest income	(15,773,438)	(12,824,840)
Interest u/s 234C		0
Interest expenses	457,314	205,628
Operating Profit before working capital changes	176,019,795	135,148,316
Adjustment for:		
(Increase)/Decrease in Trade and Other receivables	(65,409,881)	(103,755,293)
(Increase)/Decrease in Inventories	(28,147,462)	(22,519,770)
Increase/(Decrease) in Trade and Other Payables	33,047,324	27,945,674
Increase/(Decrease) in Other Current Liabilities		
(Increase) in Long Term Loans & Advances		
(Increase)/Decrease in Short Term Loans & Advances		
Increase/(Decrease) in Long term Liabilities	0	0
Cash generated from operation	(60,510,018)	(98,329,389)
Dividend and Corporate Dividend Tax Paid	(10,749,744)	(10,749,744)
Taxes paid (Net of refunds)	(54,216,112)	(22,348,222)
Cash flow before Exceptional items	(125,475,874)	(131,427,355)
Exceptional item :		
<b>Net Cash from Operating Activities</b>	<b>50,543,920</b>	<b>3,720,960</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchased of Fixed Assets	(8,942,736)	(17,487,118)
Purchased of investment	(34,092,014)	0
Interest received	15,773,440	12,824,840
Sale of Investment	0	0
Sale of Fixed Asset	0	0
<b>NET CASH FLOW INVESTING ACTIVITIES</b>	<b>(27,261,310)</b>	<b>(4,662,278)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of long term Borrowings	0	0
Proceeds from issue of Share Capital	0	0
Interest paid	(457,314)	(205,628)
Net Cash from financing Activities	(457,314)	(205,628)
<b>Net Cash Inflow/(Outflow)</b>	<b>22,825,296</b>	<b>(1,146,946)</b>
Cash & Cash Equivalents as at March 31, 2015	66,265,344	67,412,290
Cash & Cash equivalents as at March 31, 2016	89,090,640	66,265,344
<b>Net Cash Inflow/ (Outflow)</b>	<b>22,825,296</b>	<b>(1,146,946)</b>

For **SHAH SANGHVI & CO.**  
Chartered Accountants  
Firm Registration No. 109794W

sd/-  
**(CA. J. P. Shah)**  
Proprietor  
Membership No. 34010  
Place : Mumbai  
Date : 30th May, 2016

For and on behalf of the Board

sd/-	sd/-	sd/-
Mr. Navin B. Doshi	Mr. Kishor R. Mehta	Meeta S. Sheth
Chairman	Whole Time Director	CFO
(DIN : 00232287)	(DIN : 00235120)	
Place : Mumbai		
Date : 30th May 2016		



### NOTE 3 - Share Capital

Particulars	As at 31st March 2016		As at 31st March 2015	
	Number	Rupees	Number	Rupees
<b>Authorised</b> Equity Shares Rs. 10/- each	10,000,000	100,000,000	10,000,000	100,000,000
<b>Issued, Subscribed &amp; Paid up</b> Equity Shares of Rs. 10/- each fully paid up	3,572,600	35,726,000	3,572,600	35,726,000
<b>Total</b>	<b>3,572,600</b>	<b>35,726,000</b>	<b>3,572,600</b>	<b>35,726,000</b>

#### A. Terms & Rights attached to equity shares:

The Company has only one class of equity shares having face value of Rs.10 each. Each shareholder of Equity share is entitled to one vote per share. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing annual general meeting.

In the event of Liquidation of the company, shareholders of the equity shares will be entitled to receive remaining assets of the company, after distribution of Preferential amount. The distribution will be in proportion to the Number of equity shares held by Shareholders.

#### B. Reconciliation of number of shares outstanding at beginning and end of FY 2015-15:

Particulars	Equity Shares			
	F.Y. 2015-2016		F.Y. 2014-2015	
	Number	Rupees	Number	Rupees
Shares outstanding at the beginning of the year	3,572,600	35,726,000	3,572,600	35,726,000
Shares Issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	3,572,600	35,726,000	3,572,600	35,726,000

#### C. List of shareholders holding more than 5% of shares:

Name of Shareholder	As at 31st March 2016		As at 31st March 2015	
	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding
Chetan Navin Doshi	440,453	12.33	440,453	12.33
Coral India Finance & Housing Ltd.	715,351	20.02	715,351	20.02
Navin Bachubhai Doshi	284,001	7.95	284,001	7.95
Kundan Navin Doshi	529,073	14.81	529,073	14.81
Sachin Navin Doshi	587,926	16.46	587,926	16.46
<b>Total</b>	<b>2,556,804</b>	<b>71.57</b>	<b>2,556,804</b>	<b>71.57</b>



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note : 4 Reserve & Surplus

Particulars	As at 31st March 2016	As at 31st March 2015
	Rupees	Rupees
<b>General Reserve</b>		
Balance brought forward from previous year	42,051,473	42,051,473
Add: Transfer From Profit & Loss Account	-	-
<b>Total (a)</b>	<b>42,051,473</b>	<b>42,051,473</b>
<b>Surplus</b>		
Opening Balance	512,944,472	427,991,797
Add: Profit for the period	123,969,281	95,702,419
Less : Proposed Dividends	10,717,800	8,931,500
Less : Tax on Dividend	2,181,885	1,818,244
Less : Transfer to Reserves	-	-
<b>Total (b)</b>	<b>624,014,068</b>	<b>512,944,472</b>
<b>Total (a+b)</b>	<b>666,065,541</b>	<b>554,995,945</b>

### Note : 5 Long Term Borrowings

Particulars	As at 31st March 2016	As at 31st March 2015
	Rupees	Rupees
Deposits Received for rented premises	-	-
<b>Total</b>	<b>NIL</b>	<b>NIL</b>

### Note : 6 Deferred Tax Liability

Particulars	As at 31st March 2016	As at 31st March 2015
	Rupees	Rupees
<b>Opening Deferred Tax (Asset)/Liability</b>	8,828,729	8,186,729
<b>Deferred Tax (Asset)/Liability for current year</b>		
<b>Deferred Tax (Asset):</b>		
Disallowance under section 43B and 40A7 of the Income Tax Act, 1961	-	-
<b>Deferred Tax Liability:</b>		
Difference between Accounting and Tax WDV (Cumulative)	779,000	642,000
<b>Net Closing Deferred Tax (Asset)/Liability</b>	<b>9,607,729</b>	<b>8,828,729</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS



### Note : 7 Other Long term Liability

Particulars	As at 31st March 2016	As at 31st March 2015
	Rupees	Rupees
Trade Payable	1,077,573	1,077,573
Other Payables	750,000	870,750
Employee Retention	62,000	30,500
<b>Total</b>	<b>1,889,573</b>	<b>1,978,823</b>

### Note : 8 Long Term Provisions

Particulars	As at 31st March 2016	As at 31st March 2015
	Rupees	Rupees
Gratuity Payable	1,721,321	1,194,321
<b>Total</b>	<b>1,721,321</b>	<b>1,194,321</b>

### Note : 9 Short Term Borrowings

Particulars	As at 31st March 2016	As at 31st March 2015
	Rupees	Rupees
<b>Loan Repayable on Demand</b>		
From Bank	3,736,134	13,694,299
<b>Total</b>	<b>3,736,134</b>	<b>13,694,299</b>

### Security Details:

Primary Security - Secured against hypothecation of entire current assets and movable fixed assets of the company and FDR for margins.

### Note : 10 Trade Payables

Particulars	As at 31st March 2016	As at 31st March 2015
	Rupees	Rupees
Trade Payables (Of which, Rs. 7.86 lakhs payable to related party - Adore Pharmaceuticals Pvt. Ltd.)	96,904,571	62,899,219
<b>Total</b>	<b>96,904,571</b>	<b>62,899,219</b>

Sundry creditors of Rs 65.73/- lakhs are outstanding to Micro and Small Enterprises (on the basis of information available with the company). Interest if any payable on delayed payment to Micro and Small Enterprises under Micro, and Small and Medium Enterprises Development Act., 2006 is not ascertainable.





## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note : 11 Other Current Liabilities

Particulars	As at 31st March 2016	As at 31st March 2015
	Rupees	Rupees
Statutory Liabilities	445,529	(288,148)
Deposits Payable	72,000	40,000
Unclaimed dividends	1,009,652	814,945
Advance From Customers	9,399,408	3,889,782
<b>Total</b>	<b>10,926,588</b>	<b>4,456,579</b>

### Note : 12 Short Term Provisions

Particulars	As at 31st March 2016	As at 31st March 2015
	Rupees	Rupees
<b>Provision For Employees Benefit</b>		
Salary, Bonus & Reimbursements	2,247,123	557,937
Gratuity Payable	417,780	569,493
Contribution to Employee benefit funds	158,022	136,431
Bonus Payable	12,018	-
<b>Others</b>		
Provision for Proposed Final Dividend	10,717,800	8,931,500
Dividend Distribution Tax on Proposed Final Dividend	2,181,885	1,818,244
Provision for Taxation	49,200,000	25,755,000
Other Provisions	3,201,090	2,612,914
<b>Total</b>	<b>68,135,718</b>	<b>40,381,519</b>

### Note :13 Fixed Asset

Sr. No.	Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		Value at the beginning	Additions	Disposals	Value at the end	Value at the beginning	Additions	Disposals	Value at the end	WDV as on 31.03.2016	WDV as on 31.03.2015
<b>I</b>	<b>Tangible Assets</b>										
1	Land	9,339,964	-	-	9,339,964	-	-	-	-	9,339,964	9,339,964
2	Building	21,636,517	-	-	21,636,517	3,615,223	395,867	-	4,011,090	17,625,427	18,021,294
3	Factory Building	101,510,175	137,500	-	101,647,675	32,469,946	3,168,042	-	35,637,988	66,009,687	69,040,229
4	Plant and Equipment	157,244,474	7,233,996	-	164,478,470	81,740,757	10,310,210	-	92,050,967	72,427,503	75,503,717
5	Furnitures & Fixtures	17,903,653	654,958	236,850	18,321,761	12,928,810	1,477,715	-	14,406,525	3,915,236	4,974,843
6	Vehicles	12,726,269	-	-	12,726,269	1,619,463	1,510,281	-	3,129,744	9,596,525	11,106,806
7	Office Equipment	2,288,339	287,319	20,556	2,555,102	1,731,445	243,335	5,074	1,969,706	585,396	556,894
8	Computer	5,047,934	550,948	-	5,598,882	4,581,247	61,341	-	4,642,588	956,294	466,687
	<b>(a)</b>	<b>327,697,325</b>	<b>8,864,721</b>	<b>257,406</b>	<b>336,304,640</b>	<b>138,686,891</b>	<b>17,166,791</b>	<b>5,074</b>	<b>155,848,608</b>	<b>180,456,032</b>	<b>189,010,436</b>
<b>II</b>	<b>Intangible Assets</b>										
1	Software	692,489	314,865	-	1,007,354	473,301	138,486	-	611,787	395,567	219,188
	<b>(b)</b>	<b>692,489</b>	<b>314,865</b>	<b>-</b>	<b>1,007,354</b>	<b>473,301</b>	<b>138,486</b>	<b>-</b>	<b>611,787</b>	<b>395,567</b>	<b>219,188</b>
	<b>Total(a+ b)</b>	<b>328,389,814</b>	<b>9,179,586</b>	<b>257,406</b>	<b>337,311,994</b>	<b>139,160,192</b>	<b>17,305,277</b>	<b>5,074</b>	<b>156,460,395</b>	<b>180,851,599</b>	<b>189,229,624</b>
	<b>(Previous Year)</b>	<b>310,902,696</b>	<b>17,487,118</b>	<b>-</b>	<b>328,389,814</b>	<b>113,492,085</b>	<b>25,726,394</b>	<b>58,285</b>	<b>139,160,192</b>	<b>189,229,620</b>	<b>197,410,611</b>



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note : 14 Non Current Investments

Particulars	As at 31st March 2016	As at 31st March 2015
	Rupees	Rupees
<b>INVESTMENTS (AT COST)</b>		
<b>Others Investments (Quoted)</b>		
(market Value Rs. 33022625)	34,092,014	-
<b>Investment with Associate concern:</b>		
Coral India Finance & Housing Ltd., 1299200 Equity Shares of Rs.10/- each fully paidup (Market Value Rs. 71456000/-) (Previous Year Rs. 64,31,0400/-)	11,587,169	11,587,169
<b>Investment in other concern</b>		
Gujarat State Financial Coporation Limited. 4700 Equity Shares of Rs.10/- each fully paid up at a premium of Rs.10/- each. <b>(Market Value - Rs. 14100/-)</b> <b>(Previous Year Rs. 13,399/-)</b>	94,000	94,000
<b>Total</b>	<b>45,773,183</b>	<b>11,681,169</b>

### Note : 15 Long Term Loans & Advances

(Unsecured considered good)

Particulars	As at 31st March 2016	As at 31st March 2015
	Rupees	Rupees
Capital Advances	117,450	117,450
Deposit with excise and other Govt. authorities	-	-
Other Deposits	1,519,667	1,345,596
Fixed Deposit with Banks	13,966,406	12,915,598
Balance with Revenue Department	6,599,776	5,942,382
Other Loans & Advances	-	102,685
<b>Total</b>	<b>22,203,299</b>	<b>20,423,711</b>

### Note : 16 Inventories

(Valued at Lower of Cost or Net Realisable Value)

Particulars	As at 31st March 2016	As at 31st March 2015
	Rupees	Rupees
Raw Material	55,389,320	42,212,303
Packing Material	40,989,198	31,350,515
Finished Goods	23,129,189	16,479,857
Goods-in-transit - Finished Goods	-	194,910
Work-in-Progress	6,814,250	10,412,524
Stores & Spares	6,543,638	3,956,125
Stock in trade	-	111,900
<b>Total</b>	<b>132,865,595</b>	<b>104,718,134</b>



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note : 17 Trade Receivables

(Unsecured, Considered Good)

Particulars	As at 31st March 2016	As at 31st March 2015
	Rupees	Rupees
Debtors for the period exceeding six months from the date they are due for payment	29,572,590	362,137
Others	248,498,911	247,439,188
<b>Total</b>	<b>278,071,501</b>	<b>247,801,325</b>

### Note : 18 Cash and Bank Balance

Particulars	As at 31st March 2016	As at 31st March 2015
	Rupees	Rupees
Cash in Hand	614,365	981,780
<b>Bank Balances</b>		
- Current Account	26,513,746	16,405,292
- Bank OD account	10,687	10,887
Fixed Deposit Account maturing within less than 12 months	60,895,939	48,006,190
Margin Money Account	46,250	46,250
Unclaimed Dividend Accounts	1,009,652	814,945
<b>Total</b>	<b>89,090,639</b>	<b>66,265,344</b>

### Note :19 Short Terms Loans and Advances

(Unsecured, Considered Good)

Particulars	As at 31st March 2016	As at 31st March 2015
	Rupees	Rupees
Advance to Suppliers	1,816,814	700,511
Loan given	81,000,000	53,084,375
Advance Tax	48,000,000	19,500,000
TDS Receivable	1,775,756	1,814,644
Advance To staff	92,261	389,736
Balance with Revenue Departments	9,442,875	7,165,280
Other Loans & Advances	3,729,653	1,381,584
<b>Total</b>	<b>145,857,359</b>	<b>84,036,130</b>

### Note : 20 Revenue from Operations

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
Sale of products	748,385,173	591,443,599
Sale of Services	2,258,905	5,330,230
Other Operating Income	35,349,061	14,058,435
<b>Total</b>	<b>785,993,139</b>	<b>610,832,264</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS



### Note : 21 Other Income

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
Discount Received	-	85,226
Interest Received	15,773,438	12,824,840
Foreing Exchange Fluctuation	9,400,515	7,882,027
Rent Income	1,809,991	3,808,160
Other Income	1,941,770	1,339,200
<b>Total</b>	<b>28,925,714</b>	<b>25,939,453</b>

### Note : 22 Cost of Material Consumed

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
<b>Raw Material Consumed:</b>	-	-
Opening Stock	42,212,303	36,415,403
Add : Purchase (Net )	286,902,485	216,251,734
	329,114,788	252,667,137
Less : Inter Unit Transfer / Sales of RM	338,053	466,151
Less : Closing Stock	55,389,320	42,212,303
<b>(a)</b>	<b>273,387,415</b>	<b>209,988,683</b>
<b>Packing Material Consumed:</b>		
Opening Stock	31,350,515	22,767,960
Add : Purchase (Net )	179,490,994	150,127,717
	210,841,509	172,895,677
Less : Inter Unit Transfer / Sales of PM	276	(32,314)
Less : Closing Stock	40,989,198	31,350,515
<b>(b)</b>	<b>169,852,035</b>	<b>141,577,476</b>
<b>Trading Purchases:</b>	2,412,075	4,491,103
<b>(c)</b>	<b>2,412,075</b>	<b>4,491,103</b>
<b>Total (a+b+c)</b>	<b>445,651,525</b>	<b>356,057,262</b>

### Note : 23 Change in Inventories

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
<b>Opening Stock</b>		
Stock In Prograss	10,412,524	3,405,343
Finished Goods	16,674,767	16,493,231
Stock in Trade	111,900	111,900
<b>(a)</b>	<b>27,199,191</b>	<b>20,010,474</b>
<b>Closing Stock</b>		
Stock In Prograss	6,814,250	10,412,524
Finished Goods	23,129,189	16,674,767
Stock in Trade	-	111,900
<b>(b)</b>	<b>29,943,439</b>	<b>27,199,191</b>
<b>Total (a-b)</b>	<b>(2,744,248)</b>	<b>(7,188,717)</b>



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### Note : 24 Employment Benefit Expenses

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
Salary, Wages, Bonus & Incentives	44,519,509	38,277,743
Gratuity	417,780	569,493
Directors Remuneration	2,535,168	490,065
Contribution to Employee benefit funds	2,127,226	1,763,723
Staff Welfare & Other Amenities	1,685,517	1,520,829
<b>Total</b>	<b>51,285,200</b>	<b>42,621,853</b>

### Note : 25 Financial Cost

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
Interest Expense	823,485	205,628
CC Renewal Charges	1,850	-
<b>Total</b>	<b>825,335</b>	<b>205,628</b>

### Note : 26 Other Administrative Expenses

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
Power & Fuel	14,464,425	13,365,738
Manufacturing Expenses	25,370,737	14,364,317
Repairs & Maintenance	6,921,451	6,419,971
Stores & Spares	1,637,739	989,030
Rent, Rates & Taxes	5,897,630	3,036,137
Sales Tax	763,868	269,633
Insurance	458,491	600,704
Auditors Remuneration	140,000	140,000
Advertisement Expenses	428,261	233,645
M R Expenses	-	395,625
Travelling Expenses	8,173,815	5,687,007
Bank Charges & Commission	1,565,070	1,281,582
Office Expenses	525,089	333,223
Postage & Telegrams	2,889,567	2,508,023
Printing & Stationery	2,950,224	2,977,411
Professional Fees	8,971,760	2,405,287
Security Expenses	1,916,574	1,886,170
Telephone Expenses	1,126,848	1,042,868
Freight Expense	5,742,501	3,010,523
Loading & Unloading Exp	1,288,456	1,091,947
Other Expenses	21,443,717	18,597,628
Prior Period Expenses	74,158	45,815
<b>Total</b>	<b>112,750,381</b>	<b>80,682,284</b>



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 27 Contingent liabilities and commitments (to the extent not provided for)

Particulars	As at 31st March 2016	As at 31st March 2015
(i) Contingent Liabilities	Nil	Nil
(ii) Commitments	Nil	Nil

### 28 Auditors Remuneration

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
Statutory Audit	125,000	125,000
Tax Audit	15,000	15,000
Branch Audit	-	-
<b>Total</b>	<b>140,000</b>	<b>140,000</b>

### 29 Earning Per Share

Particulars	As at 31st March 2016	As at 31st March 2015
Number of Equity Shares at the beginning of the year	3,572,600	3,572,600
Number of Equity Shares at the end of the year	3,572,600	3,572,600
Weighted average number of Equity Shares	3,572,600	3,572,600
Face Value of each Equity Share (₹)	10.00	10.00
Profit after Tax Available for the Equity Shareholders	123,969,281	95,702,419
Basic Earning Per Share (₹)	34.70	26.79
Diluted Earning Per Share (₹)	34.70	26.79

### 30 Related Party Disclosure

Related party Disclosures as required by AS-18, "Related Party Disclosures" are given below:

#### A. Key Management Personnel

Name	Designation
Mr. Navin B. Doshi	Chairman
Mrs. Sheela Kamdar	Director
Mr. Kishor R. Mehta	Whole Time Director
Mrs. Meeta S. Sheth	CFO
Mr. Rajesh R. Parikh	Director

#### B. Relatives of key management personnel and Enterprises over which key management personnel and their relatives are able to exercise significant influence are as follows:

Name	Designation
Coral India Finance and Housing Ltd.	Significant Influence
Adore Pharmaceuticals Private Ltd.	Significant Influence
Mr. Chetan Navin Doshi	Relative of Key Management Personnel



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

The company has identified all the related parties having transactions during the year as per details given below :

### Nature of Transactions:

#### A. Key Management Personnel

Particulars	Year ended 31st March 2016 ₹	Year ended 31st March 2015 ₹
Salaries & Perquisites	2,579,268	521,528
Sitting Fees	40,000	27,500

#### B. Relatives of key management personnel and Enterprises over which key management personnel and their relatives are able to exercise significant influence

(₹ in Lakhs)

Particulars	Year ended 31st March 2016 ₹	Year ended 31st March 2015 ₹
Salary Paid	7.75	6.76
Rent Paid	7.20	7.20
Dividend Paid	17.88	12.14
Labour Charges Paid	47.88	43.74
Purchases	6.60	2.97

#### Balances of Related Parties

(₹ in Lakhs)

Particulars	As at 31st March 2016 ₹	As at 31st March 2015 ₹
Investment		
Coral India Finance & Housing Ltd	115.87 (Dr)	115.87 (Dr)
Adore Pharmaceuticals Pvt. Ltd.	7.86 (Cr)	23.44 (Dr)



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

### 31. Material Consumed

(All figures in thousands)

Raw Materials	Year ended 31st March 2016 (Rs.)	Year ended 31st March 2015 (Rs.)
i Amoxicillin Trihydrate	28632	18210
ii Azithromycin USP	10062	8681
iii Sugar (Commercial) IH	13374	14245
iv Empty Gelatine Capsuls	7926	4695
v Ibuprofen BP 2010	2852	15598
vi Propylene Glycol I.P	6239	6750
vii Cephalexine Monohydrate Compacted B	30329	-
viii Others	173975	141809
<b>Total</b>	<b>273,388</b>	<b>209,989</b>

### 32. Finished Purchased for trading

(All figures in thousands)

Particulars	Year ended 31st March 2016 (Rs.)	Year ended 31st March 2015 (Rs.)
i Tablet & Capsules	570.00	-
ii Ointment	396	-
iii Liquid	1,445	4,491
<b>Total</b>	<b>2,412</b>	<b>4,491</b>

### 33. Sales, Closing and opening inventory of manufactured goods

(All figures in thousands)

Particulars	Sales Value (Rs.)	Closing Inventory (Rs.)	Opening Inventory (Rs.)
i Tablet & Capsules	363,273 (262,147)	10,074 (6,395)	6,395 (5,326)
ii Ointment & Powder	160,969 (35,440)	5,253 (1,206)	1,206 (1,648)
iii Liquids	218,887 (286,041)	7,802 (9,075)	9,075 (9,519)
<b>Total</b>	<b>743,129</b> <b>(583,628)</b>	<b>23,129</b> <b>(16,676)</b>	<b>16,676</b> <b>(16,493)</b>

Note : Figures in brackets represent previous year figures





**34. Sales, Closing and opening inventory of traded goods**

(All figures in thousands)

Particulars	Sales Value (Rs.)	Closing Inventory (Rs.)	Opening Inventory (Rs.)
i Tablets & Capsules	1,016 -	- -	- -
ii Ointment & Powder	729 -	- -	- -
iv Liquid	3,511 (7,816.00)	- (111.90)	111.90 (111.90)
<b>Total</b>	<b>5,256.00</b>	<b>0.00</b>	<b>111.90</b>
	<b>(7,816.00)</b>	<b>(111.90)</b>	<b>(111.90)</b>

Note : Figures in brackets represent previous year figures

**35. Closing Work in progress**

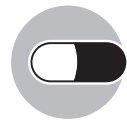
(All figures in thousands)

Particulars	As at 31st March 2016 (Rs.)	As at 31st March 2015 (Rs.)
i Tablet & Capsules	5,441	8,264
ii Ointment & Powder	408	662
iii Liquid	479	1,138
iv Others	485	349
<b>Total</b>	<b>6,813</b>	<b>10,413</b>

**36. Value of imports on C.I.F basis**

(All figures in thousands)

Particulars	Year ended 31st March 2016 (Rs.)	Year ended 31st March 2015 (Rs.)
Raw materials	866.74	1,821.85



### 37. Value of Imported and Indigenous Materials Consumed

(Rs. in lakhs)

	Year ended 31st March 2016		Year ended 31st March 2015	
Raw Materials	Value (Rs.)	% to Total Consumption	Value (Rs.)	% to Total Consumption
i Imported	808	0.30	1,793	0.85
ii Indigenous	272,580	99.70	208,195	99.15
<b>Total</b>	<b>273,387</b>	<b>100.00</b>	<b>209,988</b>	<b>100.00</b>

	Year ended 31st March 2016		Year ended 31st March 2015	
Packing Materials	Value (Rs.)	% to Total Consumption	Value (Rs.)	% to Total Consumption
i Imported	-	-	-	-
ii Indigenous	169,852	100	141,577	100
<b>Total</b>	<b>169,852</b>	<b>100</b>	<b>141,577</b>	<b>100</b>

### 38. Earnings in foreign currency

(Rs. in lakhs)

Particulars	Year ended 31st March 2016 (Rs.)	Year ended 31st March 2015 (Rs.)
FOB Value of Export	4169.83	3159.18

### 39. Expenditure in Foreign Currency

(Rs. in lakhs)

Sr. No.	Particulars	Year ended 31st March 2016 (Rs.)	Year ended 31st March 2015 (Rs.)
1	Bank Charges	8.15	7.83
2	Travelling	67.32	21.56
3	Commission	9.80	25.46
4	Exhibition	--	1.27
5	Inspection	11.34	5.60
6	Registration	14.22	15.15
7	Profession	62.29	--
8	Consultancy	1.76	--

### 40 Other Notes on Accounts

- Demand of Rs. 18.56 Lacs is raised by the Central Excise & Customs, Vadodara in pursuance of order under section 11A of Central Excise Act, 1944. The Company has preferred an appeal to the Supreme Court of India against the same.
- Company's Baroda Plant was not in operation.
- Prior Period expenditure is Rs. 74,158/- (Previous year Rs. 45,815/-)



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS

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- iv The company has proposed dividend of Rs. 10,717,800/-
  - v The accounts of debtors, creditors & advances are subject to confirmation/reconciliation. The management does not expect any material difference affecting the financial statements on reconciliation/adjustments.
  - vi In the opinion of the board, the Current Assets, Loans and advances have a value on realisation in the ordinary course of business atleast equal to the amount at which they are stated.
  - vii Figures of the previous year has been re-grouped, recast or rearranged wherever considered necessary to make them comparable with that of the current year.
- 

As per our Report of even date

For **SHAH SANGHVI & CO.**  
Chartered Accountants  
Firm Registration No. 109794W

sd/-  
**(CA. J. P. Shah)**  
Proprietor  
Membership No. 34010  
Place : Mumbai  
Date : 30th May, 2016

For and on behalf of the Board

sd/-	sd/-	sd/-
Mr. Navin B. Doshi	Mr. Kishor R. Mehta	Meeta S. Sheth
Chairman	Whole Time Director	CFO
(DIN : 00232287)	(DIN : 00235120)	

Place : Mumbai  
Date : 30th May 2016



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## AUDITORS' CERTIFICATE

To,

The Board of Directors,

**CORAL LABORATORIES LIMITED**

Sir/Madam,

We have examined the attached Cash Flow Statement of **Coral Laboratories Limited** for the year ended March 31, 2016. The statement has been prepared by the company in accordance with the requirement of Listing Agreement Clause 32 with Stock Exchange and is based on and in agreement with the corresponding Profit and Loss and Balance Sheet of the Company covered by our Report dated May 30, 2016 to the Members of the company.

For **SHAH SANGHVI & CO.**  
CHARTERED ACCOUNTANTS  
Firm Registration No. 109794W

sd/-  
**(J. P. Shah)**  
Proprietor  
M.No. 34010

Place : Mumbai  
Date : 30th May, 2016.



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## CORAL LABORATORIES LTD.

**Regd. Office & Factory :** 308/5, Village and Post Poicha (Ran), Taluka - Savli, Baroda - 391 780 (Gujarat)  
Telephone: +91-22-25005245, Fax: +91-22-22873771, Website : www.corallab.com  
Email : cs@corallab.com, CIN No. L24231GJ1997PLC031669

### FORM OF PROXY

*[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]*

CIN : L24231GJ1997PLC031669

Name of the company: **CORAL LABORATORIES LIMITED**

Registered Office: 308/5, Village and Post Poicha (Ran), Taluka - Savli, Baroda - 391 780 (Gujarat)

Name of the member (s) :	
Registered address :	
E-mail Id:	
Folio No/ Client Id :	
DP ID :	

\*Applicable for investors holding shares in Electronic form.

I/We, being the member (s) of CORAL LABORATORIES LIMITED, Shares of the above named company, hereby appoint

1. Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
E-mail Id : \_\_\_\_\_  
Signature : \_\_\_\_\_, or failing him
2. Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
E-mail Id : \_\_\_\_\_  
Signature : \_\_\_\_\_, or failing him
3. Name : \_\_\_\_\_  
Address : \_\_\_\_\_  
E-mail Id : \_\_\_\_\_  
Signature : \_\_\_\_\_

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 34th Annual General Meeting of the company, to be held on the 26th day of September, 2016 at 11.00 a.m. 308/5, Village and Post Poicha (Ran), Taluka - Savli, Baroda - 391 780 (Gujarat) and at any adjournment thereof in respect of such resolutions as are indicated below:

#### Resolution No.

1. To receive, consider and adopt the Audited Financial Statements for the year 2015-16, including report of Board of Directors' and Auditors' thereon.
2. To declare dividend @ 30% i.e. Re. 3/- per Equity Share for the financial year 2015-2016.
3. To appoint a Director in place of Mr. Navin B. Doshi (DIN: 00232287), Director of the company, who retires by rotation and being eligible offers himself for re-appointment.
4. Re-appointment of Statutory Auditors of the Company
5. Re-appointment of Cost Auditors of the Company

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2016

Signature of Proxy holder(s)

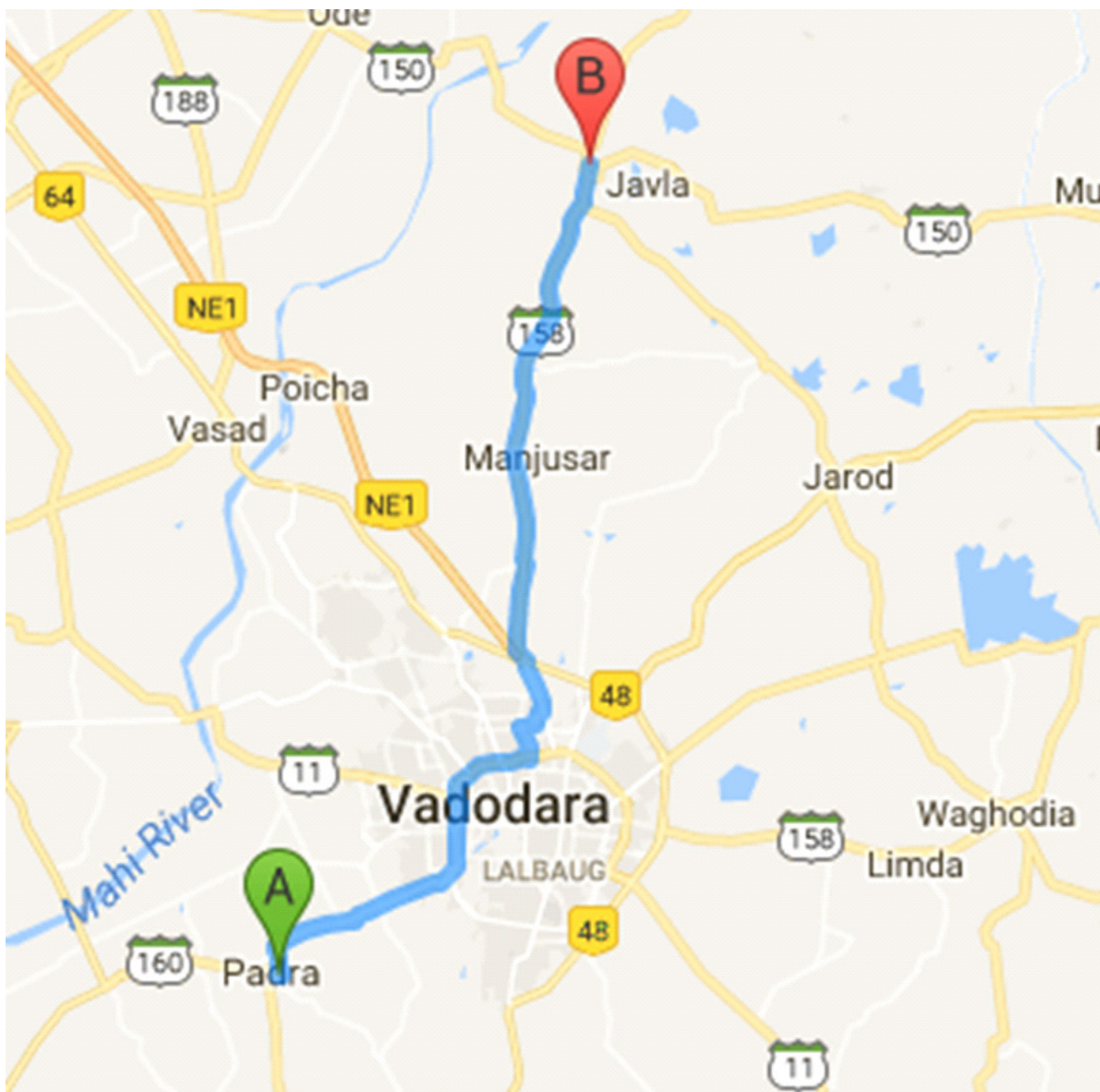
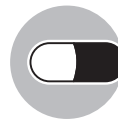
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Revenue  
Stamp

Signature of the Shareholder(s)

**Note:** This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



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If undelivered, please return to :

**Coral Laboratories Limited**

#3B, Patanwala Ind. Estate, Opp. Shreyas Cinema,  
Beside Fitness Health, L. B. S. Marg, Ghatkopar (W),  
Mumbai – 400 086.

**CORAL LABORATORIES LIMITED**

Regd. Office: 308 / 5 Village & Post Poiycha (Ran), Taluka Savli, Baroda - 391780  
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**  
**34<sup>th</sup> ANNUAL GENERAL MEETING**

**Sr No.:1**

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 34<sup>th</sup> Annual General Meeting of the Company to be held on Monday, 26<sup>th</sup> September, 2016 at 11.00 a.m. at the Registered office at 308 / 5 Village & Post Poiycha (Ran), Taluka Savli, Baroda - 391780

\_\_\_\_\_  
Member's/ Proxy's Signature

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**ELECTRONIC VOTING PARTICULARS**

REVEN (Remote E-Voting Event Number)	User ID	PAN / Seq. No
105122		

**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 Thursday, 22<sup>nd</sup> September, 2016 from 9.00 A.M. and ends on Sunday 25<sup>th</sup> September, 2016 at 5.00 P.M. The voting module shall be disabled by NSDL for voting thereafter.