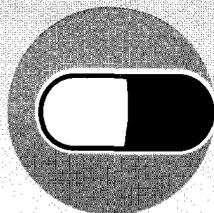
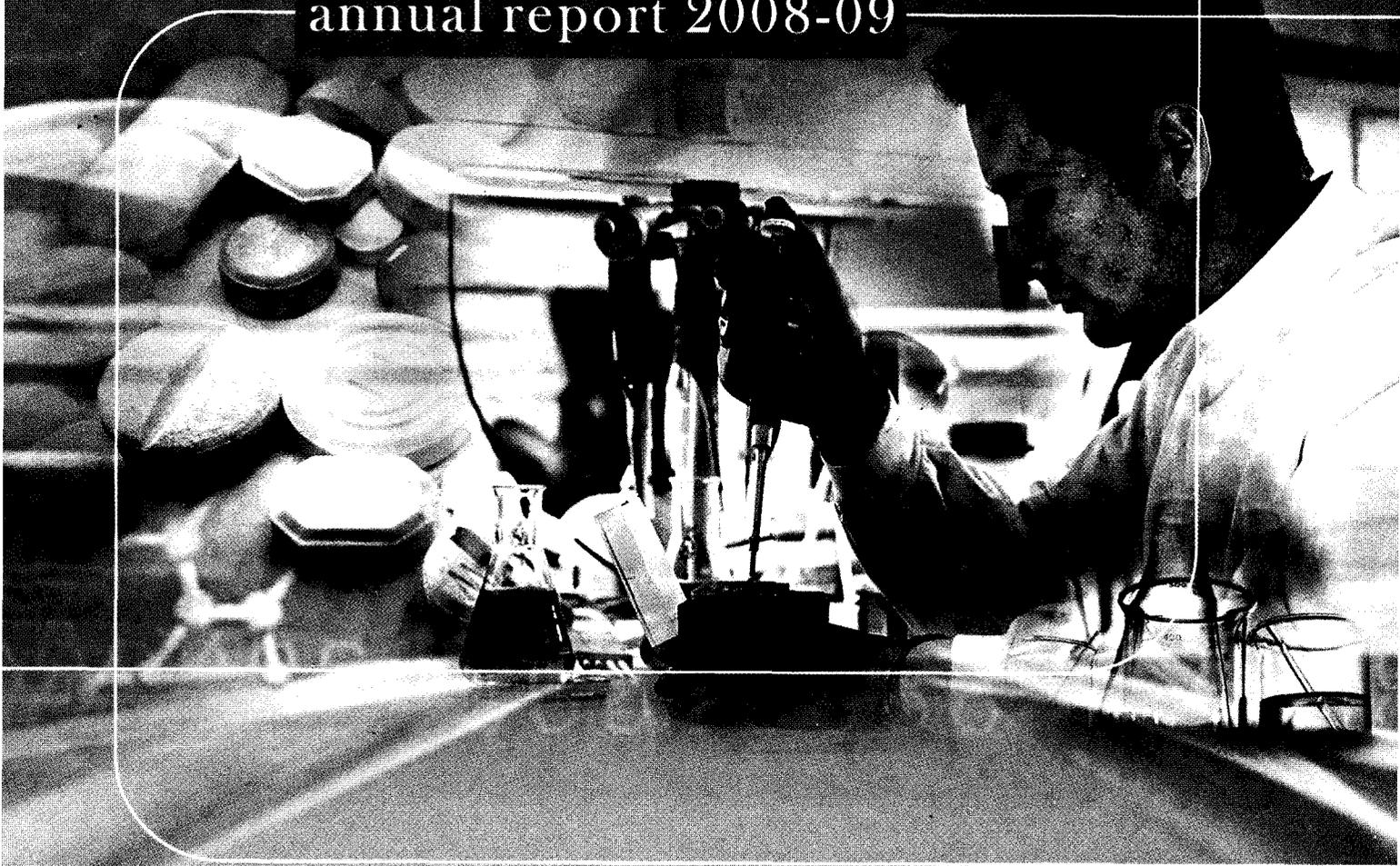


WE work for better tomorrow

annual report 2008-09



Coral Laboratories Ltd.

The
state-of-the art
manufacturing
facilities

ISO 9001:2000
certification

30 ml
APPROX
10

400

200



CORAL LABORATORIES LIMITED

BOARD OF DIRECTORS :

Mr. Navin B Doshi	:	Chairman
Mr. Priyush R Dhedhi	:	Director
Mr. Kishor R Mehta	:	Executive Director
Mr. S. Rammamurthy	:	Director
Mr Samir A Sheth	:	Director
Mr. Rajesh R Parikh	:	Director

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

BANKERS : HDFC Bank Ltd.
Bank of Baroda

**REGISTERED OFFICE
& FACTORY** : 308/5, Village & Post - Poicha (Ran), Taluka – Savli,
Baroda – 390 780. (Gujarat).

PLANTS:

1. DAMAN : Plot No. 57/1(16), Bhenslore,
Dunetha, Daman – 396 210.
2. UTTRANCHAL : Plot No. 27 & 28, Pharma City,
Selaqui, Dehradun, Uttranchal.

CORPORATE OFFICE : Patanwala Industrial Estate,
Opp. Shreyas Cinema,
Beside Fitness World, L.B.S Marg,
Ghatkopar (West), Mumbai 400 086.



NOTICE

NOTICE is hereby given that the Twenty Seventh Annual General Meeting of **CORAL LABORATORIES LIMITED**, will be held at 308/5, Village & Post Poicha (Ran), Taluka Savli, Baroda 391 780, on Wednesday, the 30th September 2009 at 3.30 p.m. to transact the following business:-

1. To receive, consider and adopt the Directors' Report, the Accounts of the Company for the year ended 31st March 2009 and the Auditor's Report thereon.
2. To declare Dividend on Equity shares for the year 2008-2009.
3. To appoint a Director in place of Mr. Sameer A Sheth who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. Rajesh R Parikh who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

By Order of the Board,

503, Dalamal House,
Jamnalal Bajaj Marg,
Nariman Point,
Mumbai 400 021.

NAVIN B DOSHI
Chairman

Place: Mumbai
Date: 29th August 2009

NOTES:

- a) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies, in order to be effective, must be received at the registered office of the Company, not later than fortyeight (48) hours before the time fixed for holding the meeting.
- b) The Register of Members and Share Transfer Books of the Company shall remain closed from 22th September 2009 to 30th September 2009 (both days inclusive).
- c) Members are requested to bring in their own copies of the Report and Accounts.

By Order of the Board,

503, Dalamal House,
Jamnalal Bajaj Marg,
Nariman Point,
Mumbai 400 021.

NAVIN B DOSHI
Chairman

Place: Mumbai
Date: 29th August 2009

1. Details of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting (in pursuance of Clause 49 of the Listing Agreement)

1. Name of the Director : Mr. Samir A Seth
Date of Birth : 28th December, 1966.
Date of Appointment : 28th August, 2006
Educational Qualifications : MS (USA).
Expertise in specific Functions areas : Experience in Pharma Production & Quality Control.
Experience : 20 years of experience in Production & Manufacturing in Pharma.
Directorship held in Other companies : Adore Pharmaceuticals Pvt. Ltd.
2. Name of Director : Mr. Rajesh A Parikh
Date of Birth : 17th April, 1973.
Date of Appointment : 28th August, 2006.
Educational Qualifications : B.Com.
Experience in specific Functions areas : Looking after the Family Business for the last 15 years.
Directorship held in Other Companies : NIL.



DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present their Twenty Seven Annual Report and Audited Statement of Accounts for the year ended 31st March, 2009. The Financial Performance for the year under review are given below:-

1. FINANCIAL PERFORMANCE

(Rs. in lacs)

	2008-2009	2007-2008
Sales & Other Income	3541.34	3307.32
Expenditure	2918.18	2765.47
Earnings Before Depreciation, Interest & Tax	623.16	541.85
Interest & Other Financial Charges	110.31	121.72
Depreciation	119.55	101.37
Earnings before Tax	393.30	318.76
Provision for Tax	40.95	36.00
Provision for Deferred Tax	2.72	0.18
Fringe Benefit Tax	4.82	4.32
Short Provision of Previous Year Income Tax	7.75	-
Earnings After Tax	337.06	278.26
Balance brought forward	1704.51	1498.04
Profit available for Appropriation	2041.57	1776.30
APPROPRIATIONS:		
Proposed Dividend	42.87	35.72
Tax on Dividend	7.28	6.07
Transfer to General Reserve	30.00	30.00
Balance carried forward to Balance Sheet	1961.42	1704.51

2. PERFORMANCE:

During the year under review, the Company posted Revenue of Rs. 3541.34 lacs as compared to previous year Rs. 3307.32 lacs. During the year, the company suspended the operations of Baroda Plant. Alongwith effective cost control measures, the Company saves operational costs and manage to park profit of Rs. 337.06 lacs as compared to previous year Rs.278.26 lacs.

A detailed Management Discussion and Analysis are annexed herewith with this Report.

3. DIVIDENDS:

The Board of Directors recommend a Dividend of 12 % which is Rs 1.20 equity share of the face value of Rs 10/-each on the current share capital base for the financial year 2008-09.

4. CAPITAL STRUCTURE:

During the financial year under review, the share capital remains the same.

5. DIRECTORS:

In accordance with provisions of the Companies Act, 1956 and the Company's Articles of the Association, Mr.Samir Seth and Mr. Rajesh Parikh retire by rotation and being eligible offers themselves for re-appointment.

6. DIRECTORS' RESPONSIBILITY STATEMENT

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

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



7. PARTICULARS OF EMPLOYEES:

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

8. FIXED DEPOSITS:

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

9. AUDITORS:

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

10. PERSONNEL:

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

11. CORPORATE GOVERNANCE:

Your Company strives to imbibe high standards of corporate governance while communicating with all its stakeholders. The Company has complied with the corporate governance code as stipulated under the listing agreement with the stock exchanges. A report on corporate governance and alongwith a certificate from the Auditors confirming the level of compliance is annexed and forms a part of the Directors' Report.

For and on behalf of the Board of Directors

Place : Mumbai
Date : 29th August 2009

NAVIN B DOSHI
Chairman

ANNEXURE - A

CONVERSATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS/OUTGO

A. Power & Fuel Consumption	2008-2009	2007-2008
1. Electricity		
Purchase Unit	1,142,047	1,234,207
Total Amount (Rs.)	6,150,647	4,461,929
Rate Per Unit	5.39	3.62
2. Furnace Oil		
Quantity (Ltrs.)	40,377	50,078
Total Cost (Rs.)	1,484,904	1,697,700
Average Rate Per Ltr. (Rs.)	36.78	33.90
3. Gas		
Quantity (Kgs)	36,630	28,545
Total Cost (Rs.)	1,829,020	1,337,518
Average Rate Per Ltr. (Rs.)	49.93	46.86
B. Expenditure on R & D	NIL	NIL
C. 1) Foreign Exchange Earnings (in lacs)	504.50	347.78
2) Foreign Exchange Used (in lacs)	10.63	5.97

By the order of the Board

NAVIN B DOSHI
Chairman

Mumbai, 29th August, 2009 :
503, Dalamal House,
Jamnalal Bajaj Road,
Nariman Point, Mumbai-400021.



REPORT ON CORPORATE GOVERNANCE

A. MANDATORY REQUIREMENTS

1. Company's Philosophy on code of Governance :

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

2. Board of Directors

Name of Director	No. of Board Meetings Attended*	Attended last AGM/EGM**	No. of Membership of Board Committees	No. of Chairmanship of Board Committees
Mr. N.B.Doshi	6	Yes	3	1
Mr. Kishor R Mehta	6	Yes	1	-
Mr. S.Rammamurthy	6	Yes	3	2
Mr. Priyush R Dhedhi	4	Yes	1	-
Mr. Rajesh R Parikh	5	Yes	-	-
Mr. Samir A Sheth	5	Yes	2	-

* The Board of Directors met 6 times during the year on the following dates:
30th June 2008, 30th July 2008, 30th September 2008, 24th October 2008,
31st January 2009 and 25th February 2009.

** Annual General Meeting (AGM) held on 30th September, 2008.

3. Audit Committee

The Audit Committee comprise of :

1. Mr. Ramamurthy
 - Non Executive Director
 - Chairman of the Committee
2. Mr. Priyush R Dhedhi
 - Non Executive Director
 - Member of the Committee
3. Mr. Kishor R Mehta
 - Executive Director
 - Member of Committee.

Date of Meeting	Committee Strength	No. of Directors Present
30 th June, 2008	3	3
30 th July, 2008	3	3
30 th September, 2008	3	3
24 th October, 2008	3	3
31 st January, 2009	3	3

The terms of reference specified by the Board to the Audit Committee are as contained under Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956. These include overseeing of the Company's financial reporting process and disclosure of financial information, review of annual and quarterly financial statements with management before submission to the Board of Directors, review of the adequacy of internal control systems with management, external and internal auditors and review of the Company's financial risk and management policies. The Committee also recommends to the Board the appointment of external Auditors.



4. Remuneration Committee

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

The Company pays sitting fees to all Directors other than Executive Director at the rate Rs.1800/- for each Board meeting and Rs.1000/- for each committee meeting.

5. Transfer Shareholders'/Investors' Grievance Committee

The Committee comprises of Mr. S. Ramamurthy and Mr. Priyush R Dhedhi. All shares have been transferred and returned in 21 days from the date of receipt, so long as the documents have been clear in all respects. The Share Committee generally meets once a fortnight.

6. General Body Meeting

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

Year	Location	Date	Time	No. of Special Resolutions Passed
2005- 2006	308/5, Village & Poicha(Ran) Taluka Savli, Baroda-391780	29.09.2006	3.30 p.m.	One
2006-2007	As Above	29.09.2007	3.30 p.m.	NIL
2007-2008	As Above	30.09.2008	3.30 p.m.	NIL

7. Means of Communication

The Company has published its quarterly results in Economic Times, Western Standard (English) and Gujarat Samachar (Gujarathi).

8. General Shareholder Information

(a) Annual General Meeting:

- Date and Time : 30th September 2009
at 3.30 p.m.
- Venue : 308/5, Village & Poicha
(Ran) Savli, Baroda-391 780

(b) Financial Calendar:

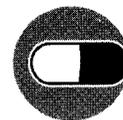
- Annual General Meeting : 30th September 2009
- Results for the quarter ending:
 - i) June 30th, 2009 : 31st July 2009
 - ii) September, 30th, 2009 : Last week of October 2009
 - iii) December 31st, 2009 : Last week of January 2010
 - iv) March 31st, 2010 : Last week of April 2010

(c) Book Closure : 22nd September 2009 to 30th
(both days inclusive) September 2009

(d) Equity Shares are Listed on : Mumbai, Vadodara,
Stock Exchanges at Ahmedabad & Kolkata

(e) Demat ISIN Numbers in : Equity Shares
NSDL & CDSL INE683E001017

(f) Registrar and Transfer Agents : Link Intime India Pvt Ltd
C-13, Pannalal Silk Mills
Compound, L.B.S.Marg,
Bhandup (West)
MUMBAI 400 078.



(g) Stock Market Data : Bombay Stock Exchange (BSE)

Month	Year	High Price	Low Price
April	2008	79.90	67.10
May	2008	81.40	61.58
June	2008	78.00	54.90
July	2008	63.90	41.50
August	2008	49.80	44.00
September	2008	46.65	35.10
October	2008	40.00	25.65
November	2008	37.35	26.30
December	2008	36.00	27.55
January	2009	37.95	29.00
February	2009	30.95	27.60
March	2009	29.40	23.30

(h) Dematerialization of Share : Trading in Equity Shares of the Company is permitted only in dematerialized form with effect from 1st January 2002 as per notification issued by the Securities and Exchange Board of India (SEBI). Approximately 52.76 % of outstanding share have been dematerialized upto 31st March 2009.

(i) According to categories of shareholders as at 31st March 2009

	No. of Shares	%
Promoters, Directors & Relatives	2186562	61.20
International Investors (NRI/FIIs)	84205	2.36
Body Corporate	163650	4.58
Others	113818	31.86

k) Distribution of Share Holding:

Distribution of Shareholding as on 31 st March 2009	No. of Shareholders	No. of Shares	% of Shareholders
Upto 5000	2411	400082	11.20
5001 - 10000	172	137861	3.85
10001 - 20000	77	114528	3.20
20001 - 30000	28	72155	2.01
30001 - 40000	7	24051	0.67
30001 - 40000	11	52514	1.47
50001 - 100000	17	129935	3.63
100001 and above	29	2641474	73.97
TOTALS	2752	3572600	100.00

For and on behalf of the Board of Directors

Place : Mumbai
Date : 29th August 2009

NAVIN B DOSHI
Chairman



MANAGEMENT'S DISCUSSION AND ANALYSIS

1) Industry Structure and Developments:

Rising prevalence of chronic diseases in rural areas are expected to give an excellent acceleration in the pharma market in the ensuing years. With increase in, disposable incomes even in the middle class households and aggressive penetration in the market will accelerate the Indian Pharma Sector.

2) Performance Review:

During the year, the sales grew by 7% as compared to the previous year. The company is continuously putting effort in the domestic market to penetrate Selected Market. The Company could achieve export sales of Rs 504 lacs as against Rs. 347 lacs and expected to grow further in the ensuing years.

3) Outlook:

The Company commenced the operations of Non-Betalutum from Dehradun Plant during the year.

4) Opportunities:

The Company is in the process of looking forward opportunities such as Joint Ventures, Contract Manufacturing and Manufacturing under Neutral Label , Acquisitions and Mergers , Generic and branded export

5) Regulatory Approvals:

The Company registered the products in Srilanka, Malwai, Nigeria, Ghana, Kenya, Combida, Vintnam and Listho. The Company is in the process of Registering the products in Chilli,Peru, Dominican Republic, Costarica, Philippines, Myanmar,Ukraine and South Africa.

6) Threats & Concerns:

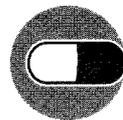
The competition to your Company is continued to be significant factor which is to be taken care of while formulating the growth plan and strategies. Given its strong technological base, wide market range of products, we are equipped to meet the challenges.

7) Internal controls:

The internal audit department reviews key business process and controls. The business risks and its control procedures are reviewed periodically.

8) Human Resources:

Your Company continued to have cordial relations with its employees.



AUDITORS' CERTIFICATE

TO THE MEMBERS OF CORAL LABORATORIES LIMITED

We have examined the compliance conditions of Corporate Governance by Coral Laboratories Limited, for the year 2008-2009 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange.

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

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 above mentioned Listing Agreement.

We state that no investor grievance is pending for a period exceeding one month against the Company as per records maintained by Share Registrars and reviewed by the Shareholder's/Investors' Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor efficiency or effectiveness the affairs of the Company.

**For SHAH SANGHVI & CO.,
CHARTERED ACCOUNTANTS**

(J.P. SHAH)
Proprietor
M.No. 34010

Place : Mumbai
Date : 29th August 2009



AUDITORS' REPORT

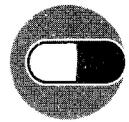
To,
The Members,
CORAL LABORATORIES LIMITED

1. We have audited the attached Balance Sheet of **CORAL LABORATORIES LIMITED** as at 31st March 2009 and also the Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto which we have signed under reference to this report. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 as amended by Companies (Auditors' Report) (Amendment) Order, 2004 (together the 'Order') issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, and on the basis of such checks as we considered appropriate and according to the information and explanation given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - a) We have 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 appears from our examination of those books.
 - c) The Balance Sheet and Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d) In our opinion and to the best of our information, the Balance Sheet and Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of The Companies Act, 1956.
 - e) On the basis of written representations received from the directors, as on 31st March, 2009, and taken on record by the Board of Directors, we report that none of the directors of the Company is disqualified as on 31st March 2009 from being appointed as a director, in terms of clause (g) of sub section (1) of Section 274 of the Companies Act, 1956.
 - f) In our opinion and to the best of our information and according to explanations given to us, the said financial statement together with the notes there on and attached thereto give in the prescribed manner the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i) In the case of the Balance sheet, of the state of affairs of the company as at 31st March, 2009, and
 - ii) In the case of the Profit and Loss Account, of the profit of the company for the year ended on that date and
 - iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For SHAH SANGHVI & CO.,
CHARTERED ACCOUNTANTS

(J.P. SHAH)
Proprietor
M.No. 34010

Place : Mumbai
Date : 29th August 2009



ANNEXURE TO THE AUDITORS' REPORT

THE ANNEXURE REFERRED TO IN THE AUDITORS' REPORT TO THE MEMBERS OF CORAL LABORATORIES LIMITED FOR THE YEAR ENDED 31ST MARCH 2009.

1. (a) The company is maintaining proper records showing particulars including quantitative details and situation of fixed assets.
(b) These fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
(c) According to the information and explanation given to us, the company has not disposed off substantial part of fixed assets during the year.
2. (a) The inventory (excluding stocks with third parties) has been physically verified during the year by the management. In respect of inventory lying with third parties, these have substantially been confirmed by them. In our opinion, the frequency of verification is reasonable.
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the management were found reasonable and adequate in relation to the size of the company and nature of its business.
(c) On the basis of our examination of records of inventory, in our opinion, the company has maintained proper records of inventory and the discrepancies noticed on physical verification between the physical stock and book records were not material in relation to the operations of the company.
3. (a) The company has taken loan from one such person covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 547.00 Lacs and the year end balance of the loan taken from such company was Rs. 207.00 Lacs. There is no party covered in the register maintained under section 301 of the Companies Act, 1956, to which the company has granted loans.
(b) In our opinion, the rate of interest and other terms and conditions on which loan has been taken by the company are, prima facie, not prejudicial to the interest of the company.
(c) In our opinion, terms and conditions of repayment of the loan taken by the company from the party listed in the register maintained under section 301 of the Companies Act, 1956 are not stipulated. The payment of interest has been regular.
(d) As far as the regularity in repayment of the principal amounts is concerned we are unable to express our opinion as the terms and conditions of the same are not stipulated.
(e) Regarding overdue amount of the loan taken from the company listed in the register maintained under section 301 of the Companies Act, 1956 we are unable to express our opinion as repayment terms are not stipulated.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to the purchase of inventory and fixed assets and with regards to the sale of goods. Further on the basis of our examination of the books and records of the Company carried out in accordance with the Accounting Standards generally accepted in India and according to the information and explanation given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
5. According to the information and explanations given to us,
 - (a) We are of the opinion that transactions that need to be entered into a register in pursuance of section 301 of the Act have been so entered;
 - (b) The transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
6. The company has not accepted any deposit from the public within the meaning of sections 58A and 58AA of the Companies Act, 1956 and the rules framed there under.
7. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.



8. We have broadly reviewed the books of accounts relating to material, labour and other items of cost maintained by the company, pursuant to the rules made by the Central Government for the maintenance of the cost records under Section 209 (1)(d) of the Companies Act, 1956 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.
9. In respect of Statutory Dues:
- (a) According to the information given to us and the records of the Company examined by us, in our opinion, the company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess and other material statutory dues applicable with the appropriate authorities.
- (b) According to the information and explanations given to us there is no undisputed amounts payable in respect of, Income-tax, Sales-tax, Wealth Tax, Custom Duty, Excise Duty, Cess were in arrears, as at 31.03.2009, for a period of more than six months from the date they become payable.
- (c) According to the information and explanations given to us, details of the disputed statutory dues on account of sales tax, service tax, excise duty and income tax which have been not deposited with the appropriate authorities are as under:

Nature of Dues	Amount (Rs. in Lacs)	Forum where dispute is pending
Sales Tax 97-98	1.04	Joint Commissioner Appeal, Baroda
Sales Tax 99-00	0.74	Joint Commissioner Appeal, Baroda
Service Tax 97-98 & 98-99	0.42	Custom, Excise & Gold (Control) Appellate Tribunal, WZB, Ahmedabad.
Excise Duty 02-03, 03-04 & 04-05	18.56	Supreme Court
Income Tax 03-04	10.04	Commissioner of Income Tax (Appeals), Mumbai.
Income Tax 04-05	3.81	Commissioner of Income Tax (Appeals), Mumbai.
Excise Duty 04-05	1.69	Appellate Tribunal, Ahmedabad
Excise Duty 05-06	10.20	Appellate Tribunal, Ahmedabad

10. The company does not have any accumulated losses as at March 31, 2009 and has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
11. In our opinion and according to the information given to us, the company has not defaulted in repayment of dues to bank. The company has not taken any loans from the financial institutions during the year and nor has issued any debentures.
12. In our opinion and according to the information given to us, the company has not granted any loans or advances on the basis of any security. Accordingly, the provisions of clause 4(xii) of the Companies (Auditors' Report) Order, 2003 are not applicable to the company.
13. In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditors' Report) Order, 2003 are not applicable to the company.
14. In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditors' Report) Order, 2003 are not applicable to the company.
15. According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions. Accordingly, the provisions of Clause 4(xv) of the Companies (Auditors' Report) Order, 2003 are not applicable to the company.
16. In our opinion, and according to the information given to us, on an overall basis, the term loans have been applied for the purposes for which they were raised;



17. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the company has not used any funds raised on short-term basis for long-term investment.
18. The company has not made any preferential allotment of shares to the parties and companies covered in the register maintained under section 301 of the Act. Accordingly, the provisions of clause 4(xviii) of the Companies (Auditors' Report) Order, 2003 are not applicable to the company.
19. The company had not issued any debentures in respect of which any security was required to be created. Accordingly, the provisions of clause 4(xix) of the Companies (Auditors' Report) Order, 2003 are not applicable to the company.
20. The company did not raise any money by public issue during the year. Accordingly, the provisions of clause 4(xx) of the Companies (Auditors' Report) Order, 2003 are not applicable to the company.
21. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

**For SHAH SANGHVI & CO.,
CHARTERED ACCOUNTANTS**

(J.P. SHAH)
Proprietor
M.No. 34010

Place : Mumbai
Date : 29th August 2009



BALANCE SHEET AS AT 31ST MARCH, 2009

	Schedule	As at 31st March 2009 Rupees	As at 31st March 2008 Rupees
I. SOURCES OF FUND			
1. Shareholder's Fund			
a) Share Capital	A	35,726,000	35,726,000
b) Reserves & Surplus	B	219,642,160	190,951,514
		255,368,160	226,677,514
2. Loan Funds			
a) Secured Loans	C	38,540,756	41,674,811
b) Unsecured Loans	D	20,700,000	54,700,000
		59,240,756	96,374,811
3. Deffered Tax Liability (Net) [Refer Note No. 14 of Schedule N]		6,024,379	5,752,070
		320,633,295	328,804,395
II APPLICATION OF FUNDS			
1. Fixed Assests (At Cost) E			
a) Gross Block		294,843,522	281,724,626
b) Less: Depreciation		52,367,667	40,467,719
c) Net Block		242,475,855	241,256,907
Capital Work in Process		7,244,626	4,336,401
2. Investments (At Cost) F		11,682,889	11,682,865
3. Current Assests, Loans & Advances G			
a) Inventories		77,460,265	84,383,258
b) Sundry Debtors		24,227,475	33,648,448
c) Cash and Bank Balances		2,545,277	3,604,740
d) Loans & Advances		34,571,616	36,339,116
		138,804,633	157,975,562
Less: Current liabilities & Provisions H			
a) Current Liabilities		63,313,992	71,717,546
b) Provisions		16,260,716	14,730,794
		79,574,708	86,448,340
NET CURRENT ASSETS		59,229,925	71,527,222
		320,633,295	328,803,395
ACCOUNTING POLICIES AND NOTES TO ACCOUNTS	N		

As per our Report of even date attached

For **SHAH SANGHVI & CO.**
Chartered Accountants

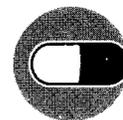
(J. P.SHAH)
Proprietor
Membership No. 34010

Place : Mumbai
Date : 29th August 2009

For and behalf of the Board

MR. NAVIN B DOSHI - Chairman
MR. KISHOR R MEHTA - Executive Director
MR. S. RAMMAMURTHY - Director
MR SAMIR A SHETH - Director

Date : 29th August 2009



PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

	Schedule	Year Ended 31st March 2009 Rupees	Year Ended 31st March 2008 Rupees
INCOME			
Sales		350,586,884	344,028,579
Less: Excise Duty		(5,854,802)	(17,548,692)
		344,732,082	326,479,887
Other Income	I	9,402,830	4,252,816
		354,134,912	330,732,703
EXPENDITURE			
Cost of Sales	J	206,127,472	185,592,336
Employees Emoluments	K	36,441,117	37,902,511
Operating and Other Expenses	L	49,250,216	53,052,159
Financial Charges	M	11,030,653	12,171,897
		302,849,458	288,718,903
Profit before Depreciation & Tax		51,285,454	42,013,800
Depreciation		11,954,565	10,137,066
Profit before Tax		39,330,889	31,876,734
Provision for Taxation		4,095,000	3,600,000
Frindge Benefit Tax		482,478	432,207
Short Provsion Previous Year Income Tax		774,740	-
Deferred Taxation		272,309	17,904
NET PROFIT FOR THE YEAR		33,706,362	27,826,623
Balance Brought Forward		170,450,041	149,803,212
PROFIT AVAILABLE FOR APPROPRIATION		204,156,403	177,629,835
Appropriations			
Trasfer to General Reserve		3,000,000	3,000,000
Proposed Dividend		4,287,120	3,572,600
Tax on Dividend		728,596	607,194
		196,140,687	170,450,041
ACCOUNTING POLICIES AND NOTES TO ACCOUNTS	N		

As per our Report of even date attached

For **SHAH SANGHVI & CO.**
Chartered Accountants

(J. P.SHAH)
Proprietor
Membership No. 34010

Place : Mumbai
Date : 29th August 2009

For and behalf of the Board

MR. NAVIN B DOSHI - Chairman
MR. KISHOR R MEHTA - Executive Director
MR. S. RAMMAMURTHY - Director
MR SAMIR A SHETH - Director

Date : 29th August 2009



SCHEDULES FORMING THE PART OF THE ACCOUNTS

	Year Ended 31st March 2009 Rupees	Year Ended 31st March 2008 Rupees
SCHEDULE - A		
A) SHARE CAPITAL	<u>100,000,000</u>	<u>100,000,000</u>
AUTHORISED CAPITAL		
10,000,000 Equity Shares Rs.10/-each		
ISSUED,SUBSCRIBED AND PAID UP	<u>35,726,000</u>	<u>35,726,000</u>
3,572,600 Equity Shares of Rs.10/- each Fully paid up	<u>35,726,000</u>	<u>35,726,000</u>
SCHEDULE - B		
B) RESERVES & SURPLUS		
General Reserve		
As per last Balance Sheet	20,501,473	17,501,473
Add: Transfer from Profit & Loss account	<u>3,000,000</u>	<u>3,000,000</u>
Total	<u>23,501,473</u>	<u>20,501,473</u>
Profit & Loss Account	<u>196,140,687</u>	<u>170,450,041</u>
	<u>219,642,160</u>	<u>190,951,514</u>
SCHEDULE - C		
LOAN FUNDS		
Secured Loans		
a) Rupee Term Loan - HDFC BANK LTD	13,537,580	23,027,953
b) Cash Credit Loan - HDFC BANK LTD (Secured by hypothecation of stocks, book debts,other current assets and movable fixed assets of the company. These are further secured by equitable mortgage of title deeds of the company's Office Premises situated at 503,Dalmal House, Nariman Point, Mumbai 400 021 and Factory Building and Plant & Machinery situated at Plot No 27&28, Pharma City,Selaqui,Dedhradhun.)	24,600,974	17,745,630
c) Car Loan - HDFC BANK LTD (Secured against hypothecation of Vehicle Purchased there against).	402,202	901,228
	<u>38,540,756</u>	<u>41,674,811</u>
SCHEDULE - D		
Unsecured Loans		
Coral India Finance and Housing Ltd (Inter Corporate Deposit)	20,700,000	54,700,000
	<u>20,700,000</u>	<u>54,700,000</u>



SCHEDULES FORMING THE PART OF THE ACCOUNTS

SCHEDULE - E FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 01.04.08	Addition during year	Deletion during year	As At 31.03.09	As At 01.04.08	For the Year	Deduction	As At 31.03.09	As At 31.03.09	As At 31.03.08
Land & Land Development	9,339,964	-	-	9,339,964	-	-	-	-	9,339,964	9,339,964
Building	113,064,418	7,754,951	-	120,819,369	10,160,387	3,631,505	-	13,791,892	107,027,477	102,904,031
Plant & Machinery	140,594,128	5,693,857	495,988	145,791,997	22,629,424	6,889,260	54,617	29,464,067	116,327,930	117,964,704
Furniture & Fixture	10,261,959	22,776	-	10,284,735	4,000,490	650,372	-	4,650,862	5,633,873	6,261,469
Vehicle	3,308,722	69,900	-	3,378,622	839,336	319,058	-	1,158,394	2,220,228	2,469,386
Computers	3,831,384	31,800	-	3,863,184	2,420,210	393,856	-	2,814,066	1,049,118	1,411,174
Office Equipment	1,324,051	41,600	-	1,365,651	417,872	70,514	-	488,386	877,265	906,179
Total	281,724,626	13,614,884	495,988	294,843,522	40,467,719	11,954,565	54,617	52,367,667	242,575,855	242,475,855
Previous Year	236,382,786	45,410,640	68,800	281,724,626	30,351,479	10,137,067	20,827	40,467,719	241,256,907	

	Year Ended	Year Ended
	31st March 2009	31st March 2008
	Rupees	Rupees

SCHEDULE - F

INVESTMENTS (AT COST)

Trade Investments (Quoted)

Coral India Finance & Housing Ltd.,

1299200 Equity Shares of Rs.10/- each fully paidup

(Market Value - Rs. 21,943,488/-)

Gujarat State Financial Coporation Limited

4700 Equity Shares of Rs.10/-

each fully paid up at a premium of Rs.10/- each.

(Market Value - Rs. 17,740/-)

OTHER INVESTMENTS

National Saving Certificates

	11,587,169	11,587,169
	94,000	94,000
	1,720	1,696
	<u>11,682,889</u>	<u>11,682,865</u>

SCHEDULE - G

CURRENT ASSETS, LOANS & ADVANCES

a) Inventories

(As taken, Valued and certified by the Management)

Raw Materials

Materials GIT

Packing Materials

Work in Process

Finshed Goods

Stores and Spares

	27,073,960	27,296,532
	125,012	
	15,529,848	17,700,470
	2,789,280	4,789,340
	30,934,389	33,605,797
	1,007,777	991,119
	<u>77,460,266</u>	<u>84,383,258</u>



SCHEDULES FORMING THE PART OF THE ACCOUNTS

	Year Ended 31st March 2009 Rupees	Year Ended 31st March 2008 Rupees
b) Sundry Debtors (unsecured considered good unless otherwise Specified) Debt outstanding for a period exceeding Six Months Other Debts	5,593,370 18,634,105 <u>24,227,475</u>	5,518,557 28,129,891 <u>33,648,448</u>
c) Cash & Bank Balances Cash on hand Balance with Schedule Banks - In Current Account	179,354 2,365,923 <u>2,545,277</u>	182,939 3,421,801 <u>3,604,740</u>
d) Loans & Advances Advances recoverable in cash or in kind or for value to be received Deposits Advance to Staff Income Tax	11,618,594 1,863,176 797,105 20,292,741 <u>34,571,616</u>	11,153,300 2,025,225 794,456 22,366,135 <u>36,339,116</u>
SCHEDULE - H		
CURRENT LIABILITIES & PROVISIONS		
a) Current Liabilities Statutory Liabilities Creditors for Goods Creditors for Expenses Creditors for Capital Goods	16,861,320 30,553,248 8,889,425 7,009,999 <u>63,313,992</u>	9,091,211 45,965,775 7,694,512 8,966,048 <u>71,717,546</u>
b) Provisions Provision for Taxation Proposed Dividend Tax on Dividend	11,245,000 4,287,120 728,596 <u>16,260,716</u>	10,550,000 3,573,600 607,194 <u>14,730,794</u>
SCHEDULE - I		
OTHER INCOME Discount Received Interest Received DEPB Licence Sold Labour Charges Rent Received Other Receipts	36,579 687,093 772,198 4,101,058 540,000 3,265,902 <u>9,402,830</u>	6,293 111,744 899,257 1,899,455 540,000 796,067 <u>4,252,816</u>



SCHEDULES FORMING THE PART OF THE ACCOUNTS

	As at 31st March 2009 Rupees	As at 31st March 2008 Rupees
SCHEDULE - J		
COST OF SALES		
a) Cost of Sales		
Raw Materials Consumed	126,001,198	122,574,497
Packing Materials Consumed	70,068,711	63,754,033
Purchase of Finished Goods	5,386,092	8,471,703
	201,456,001	194,800,233
Opening Stock		
(i) Finished Goods	33,605,800	20,280,953
(ii) Work in Process	4,789,340	8,906,288
	38,395,140	29,187,241
Less: Closing Stock		
(i) Finished Goods	(30,934,389)	(33,605,798)
(ii) Work in Process	(2,789,280)	(4,789,340)
	(33,723,669)	(38,395,138)
	206,127,472	185,592,336
SCHEDULE - K		
EMPLOYEES' EMOLUMENTS		
Salaries, Wages, & Allowances	33,212,928	35,989,456
Company Contribution to Provident Fund	1,140,878	656,300
Welfare & Other Amenities	2,087,311	1,256,755
	36,441,117	37,902,511
SCHEDULE - L		
OPERATING AND OTHER EXPENSES		
i) Power & Fuel	9,937,917	8,459,116
ii) Manufacturing Expenses	5,653,845	5,826,649
iii) Repairs To:		
a) Building	11,813	44,191
b) Plant & Machinery	2,323,216	2,337,517
c) Others	1,227,301	1,275,029
Total Rs.	3,562,330	3,656,737
iv) Stores & Spares	289,618	300,556
v) Rent, Rates & Taxes	730,820	1,084,548
vi) Sales Tax	35,733	50,246
vii) Insurance	509,476	1,157,753
viii) Auditors' Remuneration	125,500	113,501
ix) Directors' Remuneration	413,739	362,247
x) Advertisement Exps.	163,968	397,249
xi) Travelling Exps.	752,109	1,836,685
xii) Bad Debts/Discount	7,351	
xiii) Other Expenses	11,227,027	11,324,370
xiv) Marketing Expenses	12,905,643	15,352,136
xv) Distribution Expenses	2,935,140	3,130,366
	30,096,124	35,109,657
	49,250,216	53,052,159
SCHEDULE - M		
FINANCIAL CHARGES		
Interest		
i) Bank Term Loan	2,641,029	3,253,044
ii) Cash Credit	1,292,630	590,722
iii) Others	5,637,718	7,948,071
Bank charges and Commission	1,459,276	380,060
	11,030,653	12,171,897



SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH 2009

SCHEDULE - N

SIGNIFICANT ACCOUNTING POLICIES, NOTES ON ACCOUNTS AND INFORMATION PURSUANT TO PROVISIONS OF SCHEDULE VI OF THE COMPANIES ACT, 1956

I. SIGNIFICANT ACCOUNTING POLICIES

The Financial statements are prepared under the historical cost convention, in accordance with applicable accounting standards and relevant requirements of the Companies Act, 1956. Significant accounting policies followed by the Company are as stated below:

1) System of Accounting

a) The Company has adopted accrual basis of accounting.

2) Fixed Assets

- a) All fixed assets are valued at cost less depreciation. Cost comprises of purchase price and any cost attributable of bringing the assets to its working condition for its intended use.
- b) Depreciation of fixed assets have been provided on straight line method in the manner and at the rates prescribed in schedule XIV of the Companies Act, 1956.

3) Investments

Investments are shown in the Balance Sheet at Cost. 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 a permanent nature and therefor not provided in the books of accounts.

4) Inventories

- a) Inventories are valued at lower of cost and 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.
- b) In Dehradun 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.

5) Sales and Purchase

- a) Sales include excise duty (wherever applicable) but exclude sales tax. Excise duty deducted from turnover (gross) and not the entire amount of liability arisen during the year.
- b) Export Incentive under the Duty Entitlement Pass Book Scheme has been recognised on the cash basis.
- c) The cost of purchase consists of purchase price including duties and taxes and other expenditure directly attributable to the acquisition but net of Cenvat.

6) Retirement Benefits

- a) Gratuity in respect of eligible employees has been provided for on the basis of actuarial valuation. As per AS15 the actuarial valuation is considered 5% has salary escalation and average 2% has attritions rate and the retirement age is considered as 60 years.
- b) Leave Encashment is not provided in books of accounts but is accounted for on cash basis.

7) Taxation

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. Deferred Tax has been recognized for timing differences in respect of the differences between taxable income and accounting income.

8) Foreign Currency Transactions

Foreign currency transactions during the year are accounted at the rate of exchange prevailing on the date of transactions. Receivable in the foreign currency as at the balance sheet date are translated into rupees at the rates of exchange prevailing on the date of the balance sheet. All exchange differences are dealt with in the statement of profit and loss.



II. NOTES ON ACCOUNTS

- 1) The Central Excise & Customs, Service Tax Cell have raised a notice for the purpose of depositing service tax for the period 16.11.1997 to 01.06.1998 for Goods Transport Operators' service provided. The Company has filed appeal against the same.
- 2) 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 Custom , Excise & Service Tax (Appellate) Tribunal, WZB Ahmedabad against the same.
- 3) The Central Excise & Customs, Vapi and Daman raised a Demand of Rs. 31.74 lacs pursuance of section of 4A and 11A Central Excise Act,1944 on account of clearance of samples to the customers. The Company had already deposited with Excise under protest Rs.19.85 lacs. However the management has explained that in case the demand becomes payable ,the same will be recovered from debtors and hence there will not be any effect in profit and loss account.
- 4) The Income Tax department has raised demand of Rs. 3.81 lacs for the Assessment Year 2004-05. The Company has preferred and appeal before the Appellate Tribunal, Mumbai, against the same.
- 5) Company's Baroda Plant operation was suspended from 30th September 2008.
- 6) Company has not included Excise Duty in stock of Raw Material and Packing Material to comply with the AS – 2. The same is reduced from purchases. However, this has no effect on the profit of the Company.
- 7) Capital commitment not provided for Rs. 17.72 lacs (Previous Year Rs.165.76 lacs)
- 8) In the absence of relevant information from the suppliers the company has not determined the amount payable to SSI undertakings separately.

9) Remuneration to the Director

	Current Year Rupees	Previous Year Rupees
Salaries	3,86,040	3,36,000
Perquisites	27,699	24,357
Total	413,739	3,60,357

10) Remuneration to the Auditor

	Current Year Rupees	Previous Year Rupees
Statutory Audit	1,00,000	1,00,000
Tax Audit	5000	5,000
Total	1,05,000	1,05,000

11) Segment Reporting

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

12) Computation of Earning per Share

	31.03.2009	31.03.2008
Net Profit after Taxation as per Profit & Loss Account	33,706,362	27,826,623
Basic/Weighted Average number of Equity Shares outstanding during the year	3,572,600	35,72,600
Nominal Value of Equity Share	10.00	10.00
Basic Earning Per share	9.44	7.79
Diluted Earning Per Share	9.44	7.79



13) Related Party Disclosure

- a) Key Management Personnel
 Mr. Navin B Doshi - Chairman
 Mr. Priyush R Dhedhi - Director
 Mr. K.R. Mehta – Executive Director
 Mr. S. Ramamurthy - Director
 Mr Samir A Sheth - Director
 Mr Rajesh R Parikh - Director
- b) Relatives of Key Management Personnel
 Mrs. Meeta Samir Sheth
- c) Enterprises over which key management personnel and their relatives are able to Exercise significant influence:
1. Coral India Finance and Housing Ltd
 2. Adore Pharmaceuticals Private Ltd.,

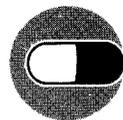
The Company has identified all the related parties having transactions during the year as per details given below. During the year, there was no amount written off or written back from such parties.

Nature of transactions

a) Key management Personnel	31.03.2009	31.03.2008
- Sitting Fees	Rs. 64,800	Rs.83,000
b) Relatives of Key Management Personnel	Rs.4,00,080	Rs.1,73,460
c) Enterprise over which key management personnel and their relatives are able to exercise significant influence		
- Loan Granted	Nil	Nil
- Loan Received	Rs. 207.00 lacs	Rs. 547.00lacs
- Interest Received	Nil	Nil
- Interest Paid	Rs. 54.28 lacs	Rs. 75.86lacs
- Dividend Paid	Rs. 6.06 lacs	Rs. 9.09 lacs
- Labour Charges Paid	Rs. 13.69 lacs	Rs. 9.53 lacs
- Purchases	Rs. 4.98 lacs	Rs. 24.50 lacs

Balances with related Parties:

Particulars	As at 31.03.2009	At at 31.03.2008
Loan Taken		
Coral India Finance & Housing Ltd	Rs. 207.00 lacs	Rs.547.00 lacs
Investment		
Coral India Finance & Housing Ltd	Rs.115.87 lacs	Rs.115.87 lacs



14) Deferred Tax

Deferred Tax Liabilities on taking into account the impact of timing difference between financial statements and estimated taxable income. The break-up of Deferred Tax Liability is as under:

	31.03.2009	31.03.2008
A. Deferred Tax Liability		
Tax effect of excess Net Block of Fixed Assets as per the books of accounts over written down value as per Income Tax Computation	63,34,264	62,46,231
Total –A	63,34,264	62,46,231
B. Deferred Tax Asset		
Tax effect on Provision for Gratuity	1,92,469	3,31,691
Tax effect on Disallowance under section 43B		
- Sales Tax	34,694	60,400
- Bonus	82,722	1,02,070
Total –B	2,69,400	4,94,161
C. Balance (A-B)	60,24,379	57,52,070

15) Figures of the previous year have been regrouped and/or recast wherever considered necessary.

III. ADDITIONAL INFORMATION PURSUANT TO THE PROVISIONS OF 3, 4C & D OF PART II OF SCHEDULE VI OF THE COMPANIES ACT, 1956.

- Particulars in respect of Licensed and installed capacities.
(As certified by the Management)

INSTALLED CAPACITY (Single Shift Basis)

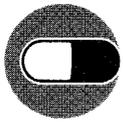
	Units Current Year	Capacity Previous Year	Capacity
Tablet	Nos.	14660 lacs	14660 lacs
Capsule	Nos.	6510 lacs	6510 lacs
Dry Powder	Kgs.	1.92 lacs	1.92 lacs
Liquids	Ltrs.	35 lacs	35 lacs
Ointments	Kgs.	3.57 lacs	3.57 lacs

- Particulars in respect of opening and closing stock of finished goods produced.

(All Figures in Thousands)

Class	Unit	Opening stock		Production	Turnover		Closing Stock	
		Qty (‘000)	Value (‘000)	Qty (‘000)	Qty (‘000)	Value (‘000)	Qty (‘000)	Value (‘000)
Tablet & Capsules	Nos.	63,302 (25160)	19,694 (9702)	229,868 (330451)	262,862 (292309)	158,876 (167432)	30,308 (63302)	18,872 (19694)
Ointment & Powder	Kgs.	1 (8)	650 (2117)	47.67 (41)	43.93 (48)	13,946 (14590)	4.74 (1)	1,686 (650)
Liquids	Ltrs.	69 (35)	9,130 (4336)	1227.41 (780)	1243.29 (746)	167,922 (147290)	53.12 (69)	8,378 (9130)

Note: Previous year figures are shown in bracket. Turnover Quantity includes Free issues.



3. Traded Goods

(Value in Rupees in thousands)

	Current Year	Previous Year
	Finished Goods	Finished Goods
DOMESTIC		
Opening Stock	4,132	4,126
Purchase	5,386	8,471
Sales	9,843	14,716
Closing Stock	1,999	4,132

4. Raw Material Consumed

(Value in Rupees)

Particulars	UOM	Qty	Value	Qty	Value
Amoxicillin Trihydrate	Kgs	10,967	1,63,20,766	11,567	21,382,811
Azthromycin USP	Kgs	1,183	88,73,995	476	2,485,297
Ciprofloxacin HCL IP	Kgs	2,752	24,39,273	3,461	4,139,797
Paracetamol IP	Kgs	17,969	28,54,663	38,269	5,423,682
Sugar (Commercial) IH	Kgs	3,40,292	63,77,865	365,039	5,594,336
Empty Gelatine Capsules	Ths	47,662	35,81,334	77,092	3,481,842
Others			85,553,302		80,066,732
Total Consumption			126,001,198		122,574,497

Value of Imported and Indigenous Raw Material and Stores consumed and percentage thereof

(Rs. in Lacs)

	Current Year		Previous Year	
	Value	%	Value	%
Raw Material				
- Imported	24.56	2.01	Nil	Nil
- Indigenous	1235.45	97.99	1225.74	100.00
Stores & Spares				
- Imported	-		-	
- Indigenous	2.81	100.00	3.01	100.00



5. Expenditure in Foreign Currency

(Rs. in Lacs)

	Current Year	Previous Year
Registration, Inspection Fees & Exhibition Exp.	10.09	4.03
Bank Charges	1.81	0.95
Traveling	Nil	0.99

6. Earnings in Foreign Currency

	Current Year	Previous Year
FOB value of Exports	504.50	347.78

For **SHAH SANGHVI & CO.**
Chartered Accountants

(J. P.SHAH)
Proprietor
Membership No. 34010

Place : Mumbai
Date : 29th August 2009

For and behalf of the Board

MR. NAVIN B DOSHI - Chairman
MR. KISHOR R MEHTA - Executive Director
MR. S. RAMMAMURTHY - Director
MR SAMIR A SHETH - Director

Date : 29th August 2009



AUDITORS' CERTIFICATE

To
The Board of Directors
Coral Laboratories Limited

Sir/Madam,

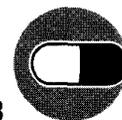
We have examined the attached Cash Flow Statement of **Coral Laboratories Limited** for the year ended 31st March 2009. The Statement has been prepared by the company in accordance with the requirements of Listing Agreement Clause 32 with Stock Exchange and is based on and in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our Report dated 29th August, 2009 to the Members of the company.

For **SHAH SANGHVI & CO.**
Chartered Accountants

Place : Mumbai
Date : 29th August, 2009

(J.P.SHAH)
Proprietor
M.No. 34010

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2008



PARTICULARS	YEAR ENDED 31ST MARCH 2009 Rupees	YEAR ENDED 31ST MARCH 2008 Rupees
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax and Extra Ordinary items	39,330,890	31,876,734
Adjustments for:		
Depreciation	11,954,564	10,137,066
Profit on sale of Assets	-	39,974
Operating Profit before working capital changes	51,285,454	42,053,774
Adjustments for:		
Trade & Other Receivables	9,115,079	3,493,852
Inventories	6,922,992	2,580,416
Trade & Other Payables	(8,403,554)	(10,105,158)
Cash generation from operations	7,634,517	(4,030,890)
Direct Taxes Paid	(2,638,464)	(8,480,216)
Dividend & Corporate Dividend Tax Paid	(4,179,794)	(6,269,645)
Cash Flow before Extraordinary items	816,259	(18,780,751)
NET CASH FLOW OPERATING ACTIVITIES (A)	52,101,713	23,273,023
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(16,027,121)	(46,738,974)
Sale of Investments		
Sales of Fixed Assets	-	8,000
NET CASH FLOW INVESTING ACTIVITIES (B)	(16,027,121)	(46,738,974)



PARTICULARS	YEAR ENDED	YEAR ENDED
	31ST MARCH 2009	31ST MARCH 2008
	Rupees	Rupees
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of Share Capital	-	-
Proceeds from issue of Long Term Borrowings	(37,134,055)	22,678,542
NET CASH FLOW FINANCING ACTIVITIES (C)	(37,134,055)	22,678,542
Net Increase in Cash and Cash Equivalent (A+B+C)	(1,059,463)	(787,409)
Cash and Cash Equivalents (Opening Balance)	3,604,740	4,384,149
Cash and Cash Equivalents (Closing Balance)	2,545,277	3,604,740
	1,059,463	779,409

For **SHAH SANGHVI & CO.**
Chartered Accountants

(J. P.SHAH)
Proprietor
Membership No. 34010

Place : Mumbai
Date : 29th August 2009

For and behalf of the Board

MR. NAVIN B DOSHI - Chairman
MR. KISHOR R MEHTA - Executive Director
MR. S. RAMMAMURTHY - Director
MR SAMIR A SHETH - Director

Date : 29th August 2009



Statement Pursuant to Part IV of Schedule VI to the Companies Act, 1956
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. REGISTRATION DETAILS

Registration No.

0	4	-	3	1	6	6	9		
---	---	---	---	---	---	---	---	--	--

 State Code

0	4
---	---

Balance Sheet Date

3	1	-	0	3	-	2	0	0	9
---	---	---	---	---	---	---	---	---	---

II. CAPITAL RAISED DURING THE YEAR (AMOUNT Rs. IN THOUSANDS)

Public Issue

N	I	L		
---	---	---	--	--

 Bonus Issue

N	I	L		
---	---	---	--	--

Rights Issue

N	I	L		
---	---	---	--	--

 Private Placement

N	I	L		
---	---	---	--	--

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (AMOUNT Rs. IN THOUSANDS)

Total Liabilities

3	2	0	6	3	3
---	---	---	---	---	---

 Total Assets

3	2	0	6	3	3
---	---	---	---	---	---

SOURCES OF FUNDS

Paid up Capital

3	5	7	2	6
---	---	---	---	---

 Reserves & Surplus

2	1	9	6	4	2
---	---	---	---	---	---

Secured Loans

3	8	5	4	1
---	---	---	---	---

 Unsecured Loans

2	0	7	0	0
---	---	---	---	---

Deferred Tax Liability (Net)

6	0	2	4
---	---	---	---

APPLICATION OF FUNDS

Net Fixed Assets

2	4	9	7	2	1
---	---	---	---	---	---

 Investment

1	1	6	8	2
---	---	---	---	---

Net Current Assets

5	9	2	3	0
---	---	---	---	---

 Misc. Expenditure

0	0	0		
---	---	---	--	--

Accumulated Losses

N	I	L		
---	---	---	--	--

IV. PERFORMANCE OF THE COMPANY (AMOUNT Rs. IN THOUSANDS)

Turnover (Gross)

3	5	4	1	3	4
---	---	---	---	---	---

 Total Expenditure

3	1	4	8	0	3
---	---	---	---	---	---

Profit Before Tax

3	9	3	3	0
---	---	---	---	---

 Profit After Tax

3	3	7	0	6
---	---	---	---	---

Earnings per Share (Rs.)

0	9	.	4	4
---	---	---	---	---

 Dividend Rate

1	2	%		
---	---	---	--	--

V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY (AS PER MONETARY TERMS)

Item Code No. (ITC Code)

3	0	0	4	9	0	8	9
---	---	---	---	---	---	---	---

Product Description ZEST SYRUPS/CAPS/DROPS

Item Code No. (ITC Code)

3	0	0	4	1	0	0	4
---	---	---	---	---	---	---	---

Product Description MOXBRO CAPS/TABS/DRY SYRUPS

Item Code No. (ITC Code)

3	0	0	4	2	0	1	2
---	---	---	---	---	---	---	---

Product Description DEDOXY/DOXYCYCLINE CAPSULES

For and behalf of the Board

MR. NAVIN B DOSHI - Chairman
MR. KISHOR R MEHTA - Executive Director
MR. S. RAMMAMURTHY - Director
MR SAMIR A SHETH - Director

Date : 29th August 2009



CORAL LABORATORIES LTD.

Regd. Office & Factory : 308/5, Village & Post - Poicha (Ran), Taluka – Savli, Baroda – 391 780 (Gujarat).

FORM OF PROXY

L.F. No.
No. of Shares held

I/We _____ of _____
 in the District of _____ being a member/members of CORAL LABORATORIES
 LIMITED hereby appoint _____ of _____
 the District of _____ in the failing him _____ of
 _____ in the District of _____ as my/our
 proxy to attend and vote for me/us and on my/our behalf at the 27th Annual General Meeting of the Company to
 be held 308/5, Village & Post Poicha (Ran), Taluka - Savli, Baroda - 391 780, on Wednesday, the 30th
 September 2009 at 3.30 p.m. and at any adjournment thereof.

Signed this _____ day of _____ 2009

Affix Re. 1 Revenue Stamp

Signature of the Shareholder(s)

Note : The proxy form duly completed must reach the Registered Office of the Company not less than forty-eight hours before the time for holding the Meeting.

CORAL LABORATORIES LTD.

Regd. Office & Factory : 308/5, Village & Post - Poicha (Ran), Taluka – Savli, Baroda - 391 780 (Gujarat).

ATTENDANCE SLIP

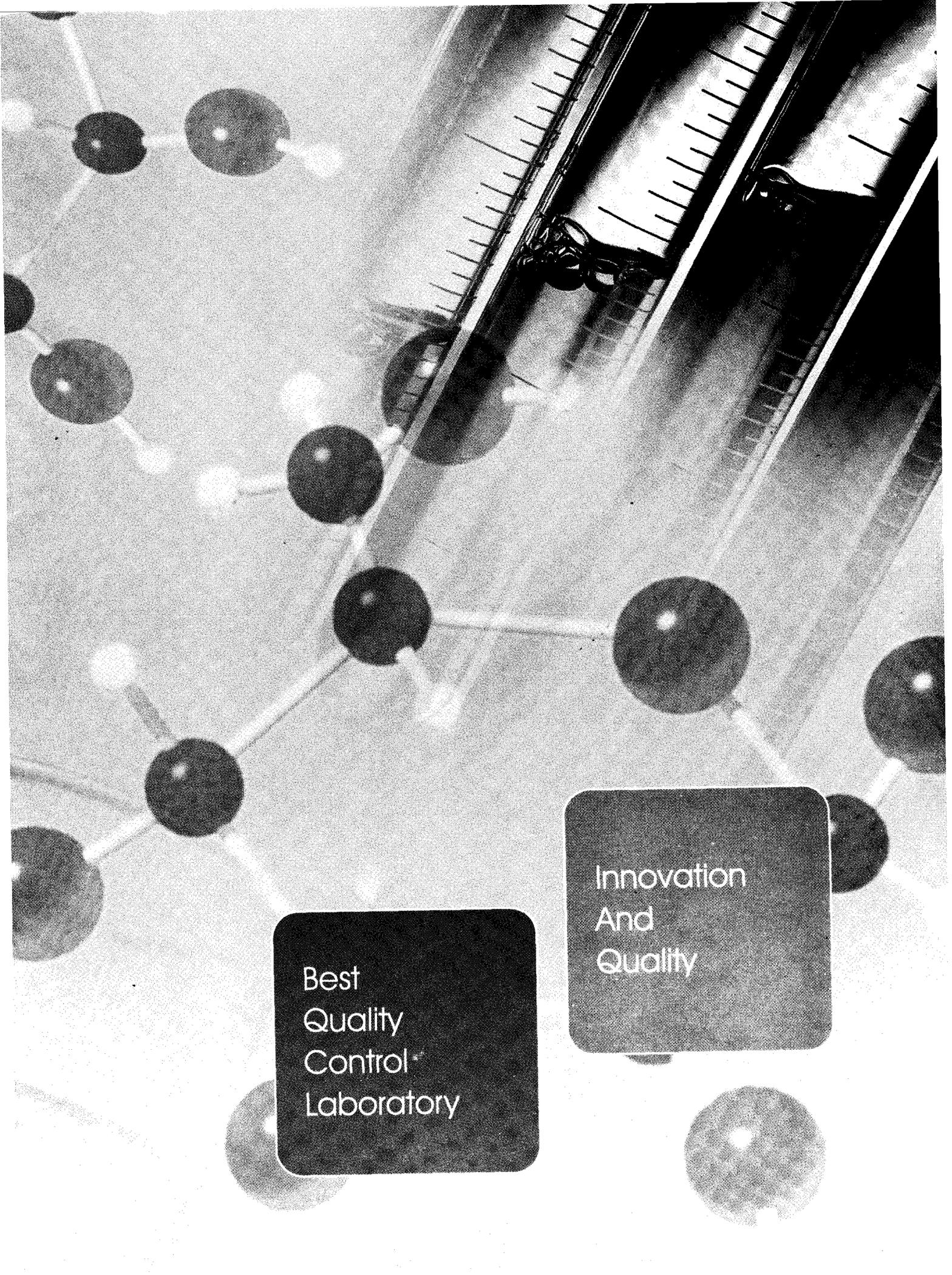
(TO BE HANDED OVER AT THE ENTRANCE OF THE MEETING HALL)

NAME OF THE ATTENDING MEMBER/PROXY (IN BLOCK LETTERS)	L.F. NO.

I hereby record my presence at the 27th Annual General Meeting of the Company at 308/5, Village & Post Poicha (Ran), Taluka - Savli, Baroda - 391 780, on Wednesday, the 30th September 2009 at 3.30 p.m.

If Shareholder, please sign here	If Proxy, please sign here

- Notes : i) Shareholders/Proxy are requested to bring the Attendance Slip with them duly completed when they come to the Meeting and hand them over at the gate after affixing their signature on them. No duplicate Attendance Slips will be issued at the venue of the Meeting.
- ii) Joint Shareholders may obtain additional Attendance Slips on request.
- iii) Kindly bring your copy of the Annual Report with you.



Best
Quality
Control
Laboratory

Innovation
And
Quality

Book-Post

If undelivered please return to:

LINK INTIME INDIA PVT. LTD

Unit: Coral Laboratories Limited, C/13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (W), Mumbai 400 078.