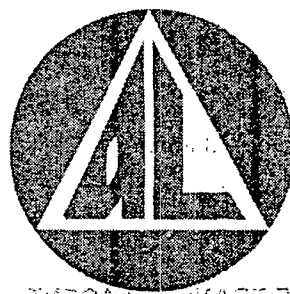


# ANNUAL REPORT 1996-97

MD	✓		BKC	✓
CS	NA		DPY	NA
RO	✓		DIV	NA
TRA	✓		AC	
AGM	✓	✓	SH	
YE	✓	✓		

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REGISTERED & SHARE TRANSFER AGENT

R & B COMMERCE LIMITED

## AURO LABORATORIES LIMITED

**ANNUAL REPORT 1996 - 97****AURO LABORATORIES LIMITED****BOARD OF DIRECTORS**

Sahadeo Lal Deorah	<i>Chairman</i>
Sharat Deorah	<i>Managing Director</i>
Satish Deorah	<i>Director</i>
Padam Kumar Khaitan	<i>Director</i>
Chandrakant I. Gandhi	<i>Director</i>
Jagdish Prasad Saria	<i>Director</i>

**REGISTERED OFFICE & FACTORY**

K-56, M.I.D.C. Industrial Area, Tarapur,  
Boisar, Dist. Thane - 401 506, Maharashtra.

**ADMINISTRATIVE OFFICE**

408, Navratan, 69, P.D'Mello Road,  
Mumbai - 400 009.

**AUDITORS**

M/s. Sarda & Pareek  
*Chartered Accountants*

**BANKERS**

Allahabad Bank - Mumbai  
Oriental Bank of Commerce - Mumbai  
Bharat Overseas Bank Ltd. - Calcutta

**REGISTRAR & SHARE TRANSFER AGENT****R & D CONSULTANTS LIMITED**

610, Dalama Tower,  
211, Nariman Point,  
Mumbai - 400 021.

# AURO LABORATORIES LIMITED

## NOTICE

NOTICE is hereby given that the Eighth Annual General Meeting of the Members of AURO LABORATORIES LIMITED will be held at the Registered Office of the Company at K-56, M.I.D.C., INDUSTRIAL AREA, TARAPUR, BOISAR, DIST. THANE - 401 506 on Tuesday, the 30th day of September, 1997 at 11.30 A.M. to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 1997 and Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Satish Deorah, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Chandrakant I. Gandhi, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s. Sarda & Pareek, Chartered Accountants, as 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.

For and on behalf of the Board

Place : Mumbai  
Dated : 28th June, 1997

SHARAT DEORAH  
Managing Director

### NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE IN THE MEETING IS ALSO ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
2. The instrument appointing proxy should however be deposited at the Registered Office of the Company not less than fortyeight hours before the commencement of the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, the 23rd September, 1997 to Tuesday, the 30th September, 1997 (both days inclusive).
4. Members are requested to intimate any change in their address registered with the Company to the Company's Registrar and Share Transfer Agent.
5. Any query related to accounts shall be notified to the Company at least 7 days before the day of Annual General Meeting.

### Registered Office :

K-56, M.I.D.C. Industrial Area,  
Tarapur, Boisar,  
Dist. Thane - 401 506.  
Maharashtra.

# ANNUAL REPORT 1996 - 97

## DIRECTORS' REPORT TO THE MEMBERS

The Directors present their Eighth Annual Report on the operations of the Company alongwith the Audited Statement of Accounts for the year ended 31st March 1997.

### FINANCIAL RESULTS :

	(Rs. in Lacs)	
	Year ended 31-03-1997	Year ended 31-03-1996
Sales & Other Income	792.56	1145.48
Profit/(Loss) before Interest, Depreciation & Tax	(7.79)	38.03
Less: Interest	11.77	13.76
Profit/(Loss) before Depreciation & Tax	(19.56)	24.27
Less: Depreciation	7.52	6.49
Profit/(Loss) before Tax	(27.08)	17.78
Less: Provision for Tax	-	0.70
Profit/(Loss) after Tax	(27.08)	17.08
Profit brought from earlier year	53.29	36.21
Balance carried to Balance Sheet	26.21	53.29

### OPERATIONS :

The Sales and other income for the financial year under review, amounted to Rs. 792.56 lacs, registering a decline of 69.19% over the previous year. The Company incurred a net loss of Rs. 27.08 lacs as compared to the Net Profit of Rs. 17.08 lacs for the previous year. The loss was mainly due to adverse market conditions and increased cost of production on account of cost of raw materials and higher manufacturing expenses.

### PERFORMANCE VS. PROSPECTIVE FORECAST (Rs. in Lacs)

PARTICULARS	PROJECTED	ACTUAL
Net Sales	2025.00	703.34
Other Income	10.00	89.21
Total Income	2035.00	792.55
Net Profit/(Loss)	299.61	(27.08)

### DIVIDEND :

In view of the loss, the Board of Directors regret their inability to recommend any dividend for the year ended 31st March 1997.

### DIRECTORS :

Mr. Satish Deorah and Mr. Chandrakant I. Gandhi, Directors of the Company, retire by rotation at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

### AUDITORS :

The Auditors M/s Sarda & Pareek, Chartered Accountants, retire at the ensuing Annual General Meeting and are eligible for re-appointment.

# AURO LABORATORIES LIMITED

## AUDITORS' REPORT :

Observations made in the Auditors' Report are self explanatory and therefore, do not call for any further comments under Section 217 (3) of the Companies Act, 1956.

## FIXED DEPOSITS :

The Company has not accepted any deposits from the public.

## PERSONNEL :

As required under Section 217 (2A) of the Companies Act, 1956 and the rules made thereunder, none of the employees was in receipt of remuneration aggregating Rs. 3,00,000/- or more per annum if employed throughout the year or Rs. 25,000/- or more per month in case employed for part of the year.

## DISCLOSURE OF PARTICULARS :

Additional information as required in terms of the provisions of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo is given hereunder :

## CONSERVATION OF ENERGY :

- a) Energy Conservation measures taken : Nil
- b) Additional investments and proposals, if any being implemented for the reduction of consumption of energy : None
- c) Impact of the measures at (a) and (b) above for the reduction of energy consumption and consequent impact on the cost of production of goods : Negligible
- d) Total energy consumption and energy consumption per unit of the production is as under :

	Year Ended 31-03-97	Year Ended 31-03-96
<b>1. ELECTRICITY</b>		
(a) Purchase of Units	155721	194966
Total Amount(Rs.)	596508	689230
Rate/Unit (Rs.)	3.83	3.54
(b) Own generation (through diesel generator)	Nil	Nil
<b>2. LIGHT DIESEL OIL (FOR PRODUCTION)</b>		
Quantity (Ltr.)	103716	73407
Total Amount (Rs.)	887157	578159
Average rate per Ltr.(Rs.)	8.55	7.88
<b>3. CONSUMPTION PER KG. OF PRODUCTION :</b>		
Products (Kg.)	37343	46776
Electricity (Rs.)	15.97	14.73
Diesel (Rs.)	23.76	12.36

**ANNUAL REPORT 1996 - 97****TECHNOLOGY ABSORPTION**

## Research &amp; Development (R&amp;D)

- |   |   |      |
|---|---|------|
| 1. Specific areas in which R&D carried out by the Company | : | None |
| 2. Benefit derived as a result of the above R&D           | : | Nil  |
| 3. Future plan of action                                  | : | None |
| 4. Expenditure on R&D                                     | : | Nil  |

## Technology absorption, adaptation and innovation :

- |   |   |      |
|---|---|------|
| 1. Efforts, in brief made towards technology absorption, adaptation and innovation                        | : | None |
| 2. Benefits derived as a result of the above efforts  | : | Nil  |
| 3. Technology imported during the last five years   | : |      |
| a) Technology imported  | : | Nil  |
| b) Year of Import   | : | N.A. |
| c) Has technology been fully absorbed   | : | N.A. |
| d) If not fully absorbed, areas where it has not taken place, reasons thereof, and future plans of action | : | N.A. |

**FOREIGN EXCHANGE EARNINGS AND OUTGO :**

	Rs.
Foreign exchange earnings	1,45,92,300
Foreign exchange outgo :	
Raw materials	2,30,34,719
Travelling	1,84,287

**INSURANCE :**

All insurable interests of the Company including inventories, building, plant and machinery and others are adequately insured.

**ACKNOWLEDGEMENT :**

The Company takes this opportunity to place on record its appreciation and gratitude to its Bankers, Maharashtra State Financial Corporation and SICOM Ltd. for the support and co-operation extended by them, to the employees at all levels for their hardwork and to all the shareholders for reposing their confidence in the company.

For & on behalf of the Board

Place : Mumbai  
Date : 28th June 1997

**SHARAT DEORAH**  
Managing Director

**SATISH DEORAH**  
Director

**Registered Office :**

K-56, M.I.D.C. Industrial Area,  
Tarapur, Boisar,  
Dist. Thane-401 506.  
Maharashtra.

## AURO LABORATORIES LIMITED

### AUDITORS' REPORT TO THE SHAREHOLDERS OF AURO LABORATORIES LTD.

We have audited the attached Balance Sheet of AURO LABORATORIES LTD, as at 31st March, 1997 and also the Profit & Loss Account of the Company for the year ended on that date annexed thereto and report that :

- 1) As required by the Manufacturing and Other Companies (Auditors Report) Order, 1988, issued by the Company Law Board in terms of section 227(4A) of the Companies Act, 1956, and in terms of the information and explanation given to us and on the basis of such checks as we considered appropriate, we annexe hereto a statement on the matters specified in paragraph 4 & 5 of the said order.
- 2) Further to our comments in the Annexure referred to in paragraph 1 above, we state that :
  - i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - ii) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of the books.
  - iii) The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of accounts.
  - iv) In our opinion , and to the best of our information and according to the explanation given to us, the said statement of accounts read with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view :
    - a) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 1997.
    - and
    - b) In the case of Profit & Loss Account, of the loss of the Company for the year ended on that date.

For SARD & PAREEK  
Chartered Accountants

Place : Mumbai  
Dated : 28th June, 1997

S. R. PAREEK  
Partner