

ANNUAL REPORT 2002 - 2003



AURO LABORATORIES LIMITED

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AURO LABORATORIES LIMITED

BOARD OF DIRECTORS

Sharat Deorah
Siddhartha Deorah
Meena Deorah
Murarilal Sharma
Goverdhandas Aggarwal

Managing Director
Director
Director
Director
Director

AUDIT COMMITTEE

Murarilal Sharma
Goverdhandas Aggarwal
Meena Deorah

Chairman
Member
Member

REGISTERED OFFICE & FACTORY

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

ADMINISTRATIVE OFFICE :

314, 3rd Floor, T. V. Industrial Estate,
S. K. Ahire Marg, Worli, Mumbai-400 025.

AUDITORS

M/s. Sarda & Pareek
Chartered Accountants

BANKERS

Allahabad Bank - Mumbai

REGISTRAR & SHARE TRANSFER AGENT SHAREX (INDIA) PRIVATE LIMITED

Dena Bank Building, 2nd Floor,
Horniman Circle, Fort, Mumbai - 400 023.

AURO LABORATORIES LIMITED

NOTICE TO THE MEMBERS

NOTICE is hereby given that the 14th Annual General Meeting of the members of AURO LABORATORIES LIMITED will be held on Thursday, September 25, 2003 at 10.30 A. M. at the registered office of the Company at K-56, M.I.D.C. Industrial Area, Tarapur, Boisar, Dist. Thane, Maharashtra - 401 506 to transact, with or without modification(s) the following businesses :

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Profit and Loss Account for the year ended March 31, 2003 and the Balance Sheet as on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Sharat Deorah, who retires from office by rotation, and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Goverdhandas Aggarwal, who retires from office by rotation, and being eligible offers himself for re-appointment.
4. 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 authorise the Board to fix their remuneration.

SPECIAL BUSINESS :

5. To consider, and if thought fit, to pass with or without modifications, the following resolution **AS A SPECIAL RESOLUTION:**

"RESOLVED THAT approval of the Company be and is hereby accorded for keeping the Register of Members, Index of Members, other related books and copies of all Annual Returns prepared under section 159 of the Companies Act, 1956 and other applicable provisions, if any, of the Companies Act, 1956, together with the copies of the certificates and other documents required to be annexed thereto under section 161 of the Companies Act, 1956 and other applicable provisions, if any, of the Companies Act, 1956, or any one or them at the office of **M/s. SHAREX [INDIA] PRIVATE LIMITED**, Dena Bank Building, 2nd Floor, Horniman Circle, Fort, Mumbai - 400 023.

Registered Office:

K-56, M.I.D.C. Industrial Area,
Tarapur, Boisar,
Thane - 401506

For & on behalf of the Board
For AURO LABORATORIES LIMITED

**[SHARAT DEORAH]
MANAGING DIRECTOR**

Dated : July 31, 2003

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NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

THE INSTRUMENT APPOINTING A PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY DULY COMPLETED NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

2. The Register of Members and the Share Transfer Books of the Company will remain closed from 19/09/2003 to 25/09/ 2003 (both days inclusive).
3. Members desirous of seeking any information concerning the Accounts of the Company are requested to address their queries in writing to the Company at least seven days before the date of the meeting so that the requested information can be made available at the time of the meeting.
4. Members / Proxies are requested to please bring their copies of the Annual Report to the meeting since copies of the Annual Report will not be distributed at the meeting.
- 5 a) In view of Circular issued by the SEBI for appointing common agency for both mode of transfers i.e. Physical as well as Demat, the Company has appointed M/s. SHAREX [INDIA] PRIVATE LIMITED as Registrar & Transfer Agent of the Company. Members are therefore requested to send their grievances to them for early disposal at the address given below.

b) Members holding Shares in physical form are requested to notify immediately any change in their address with PIN CODE to the Registrar and Transfer Agent of the Company at the address given below AND in case their shares are held in demat, this information should be passed on directly to their respective Depository Participants and not to the Company.

M/s. SHAREX [INDIA] PRIVATE LIMITED
[Unit : AURO LABORATORIES LIMITED]
Dena Bank Building, 2nd Floor,
Horniman Circle, Fort, Mumbai - 400 023,
Tel: 022 2270 2483/2270 2485

6. All documents referred to in the Notice are open for inspection at the registered office of the Company during office hours on all working days except public holidays between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.

AURO LABORATORIES LIMITED

7. Members/Proxies holding their Shares in Physical mode are requested to fill the enclosed attendance slip and handover the same at the entrance with signature. In the absence thereof, they may not be admitted to the meeting venue.
8. Members who are holding shares in dematerialised form are requested to bring their Client ID and DP Id numbers for easy identification at the meeting.
9. In all correspondence with the Company, members are requested to quote their Folio No. and in case their shares are held in demat form, they must quote their DP ID and client ID Number.
10. The relevant explanatory Statement pursuant to Section 173[2] of the Companies Act, 1956 in respect of the special business is enclosed herewith.

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For & on behalf of the Board
For **AURO LABORATORIES LIMITED**

Dated : July 31, 2003

[SHARAT DEORAH]
MANAGING DIRECTOR

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EXPLANATORY STATEMENT U/S. 173 OF THE COMPANIES ACT, 1956

ITEM NO. 5:

In view of the SEBI Circular, all the listed Companies are required to have a common agency for both mode of transfers i.e. physical and demat. During the year the Company had taken over the Share transfers related activities both physical and demat from M/s. R & D Consultants Limited and appointed M/s. Sharex [India] Private Limited as new Registrar & Share Transfer Agent for both mode of transfers i.e. physical as well as demat mode.

Section 163 of the Companies Act, 1956 provides that the Register of Members, Index of Members, other related books and copies of all Annual Returns prepared under section 159 of the Companies Act, 1956 and other applicable provisions, if any, of the Companies Act, 1956, together with the copies of the certificates and other documents required to be annexed thereto under section 161 of the Companies Act, 1956 and other applicable provisions, if any, of the Companies Act, 1956, are to be kept at the registered office of the Company. However these may be kept at a place other than the registered office of the Company if the said place is authorised by members by way of special resolution.

As the Company now has to keep and maintain all the above records at the office of M/s. SHAREX [INDIA] PRIVATE LIMITED, Dena Bank Building, 2nd Floor, Horniman Circle, Fort, Mumbai - 400 023, members permission is sought as required under Section 163 of the Companies Act, 1956.

The Board recommends the resolution to be passed.

None of the Directors of the Company are concerned or interested in the Resolution.

Registered Office:

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For & on behalf of the Board
For AURO LABORATORIES LIMITED

**[SHARAT DEORAH]
MANAGING DIRECTOR**

Dated : July 31, 2003

AURO LABORATORIES LIMITED

LISTING REQUIREMENTS:

As required under Clause 49 [vi] of the Listing Agreement, given below are the details of the Director(s) who retire by rotation and are eligible for re-appointment (Resolution at Item Nos. 2&3):

A. Name	: MR. SHARAT DEORAH.
Age	: 53 [02.06.1950].
Qualifications	: B.Com

Mr. Sharat Deorah is associated with the Company since inception and is looking after whole affairs of the Company. He has an experience of over 25 years.

Other Directorships: Name of the Company

1. Auro Impex Pvt. Ltd.

Committee Memberships : NIL.

B. Name	: MR. GOVERDHANDAS AGGARWAL
Age	: 53.5 [02.10.1949].
Qualifications	: Graduate.

Mr. Goverdhandas Aggarwal is associated with the Company since June 11, 2001. He is a Graduate and has experience of over 25 years in the field of Finance and marketing.

Other Directorships : Name of the Company

1. Hoare Miller & Co. Ltd.
2. Serampore Industries Pvt. Ltd

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DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors have great pleasure in presenting 14th Annual Report together with the Audited accounts for the year ended March 31, 2003.

FINANCIAL RESULTS:	Year ended 31.03.2003 Rs. In Lacs	Year ended 31.03.2002 Rs. In Lacs
Gross Sales	133.90	116.97
Profit before depreciation & taxation	(-) 36.23	[-] 10.34
Depreciation	16.57	14.91
Net Profit/Loss before tax	(-) 52.80	[-] 25.25

OPERATIONS:

Turnover of the company was Rs. 133.90 lacs as against Rs. 116.97 lacs in the earlier year. Due to reduction in sales volume, your company reported Loss before Depreciation at Rs. 36.23 lacs in comparison with loss of Rs. 10.34 lacs in the previous year. After providing depreciation of Rs. 16.57 lacs, net Loss for the year amounted to Rs. 52.80 lacs.

DIVIDEND :

Due to losses, your Board do not propose any Dividend for the year ended March 31, 2003.

RESEARCH & DEVELOPMENT:

The R&D department of the company has been arduously working to provide quality and value for money to the customer in keeping with market trends.

FIXED DEPOSITS:

Your Company has not accepted any deposit within the meaning of section 58A of the Companies Act, 1956 from Public and the rules made thereunder.

BOARD OF DIRECTORS:

As per the Provisions of the Companies Act, 1956 and in terms of the Articles of Association of the Company, Mr. Sharat Deorah and Mr. Goverdhandas Aggarwal, Directors of the Company retire by rotation and being eligible, offer themselves for re-appointment.

AURO LABORATORIES LIMITED

CORPORATE GOVERNANCE:

The Company has taken proactive steps to ensure that the conditions of Corporate Governance stipulated in Clause 49 of the Agreement for Listing with the Stock Exchange are complied with. A separate report on Corporate Governance together with Auditors' Certificate on its compliance are included in this Annual Report.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to Section 217(2AA) of the Companies Act, 1956 the Directors confirm that:

1. In the preparation of the annual accounts, the applicable accounting standards have been followed except "AS-15" Accounting for Retirement benefit, "AS-13" Accounting for Investment and "AS-6" depreciation on leasehold land.
2. Appropriate policies have been selected and applied consistently and judgments and estimates wherever made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2003.
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The annual accounts have been prepared on a going concern basis.

AUDITORS:

M/s. Sarda & Pareek, Chartered Accountants, Auditors of the Company are retiring at the ensuing Annual General Meeting. They are eligible for re-appointment and have expressed their willingness to act as auditors, if re-appointed. The Company has received a certificate from them that they are qualified under section 224 (1) of the Companies Act, 1956, for appointment as Auditors of the Company. Members are requested to consider their appointment at a remuneration to be decided by the Board of Directors for the financial year ending March 31, 2004 as set out in the Notice convening the Meeting.

AUDITORS' OBSERVATIONS:

The observations of the auditors contained in their Report have been adequately dealt with in the Notes to the Accounts given in Schedule "U" which are self explanatory and, therefore, do not call for any further comments.

AUDIT COMMITTEE:

In accordance with the provisions of the Companies Act, 1956 and Listing Agreement and Corporate Governance the Company has constituted an Audit Committee. The Audit Committee acts in accordance with the terms of reference specified from time to time by the Board.

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DEPOSITORY SERVICES:

The Company's Equity Shares have been admitted to the depository mechanism of the National Securities Depository Limited (NSDL) and also the Central Depository Services Limited (CDSL). As a result the investors have an option to hold the shares of the Company in a dematerialised form in either of the two Depositories. The Company has been allotted ISIN No. INE292C01011.

Shareholder's therefore are requested to take full benefit of the same and lodge their holdings with Depository Participants [DP's] with whom they have their Demat Accounts for getting their holdings in electronic form.

CHANGE IN REGISTRAR & TRANSFER AGENT :

During the year the Company has changed the Registrar & Transfer Agent and has appointed M/s. Sharex [India] Private Limited as new Registrar and Share Transfer Agent.

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

The information pursuant to section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules 1988 are given in Annexure "A" to this report.

PARTICULARS OF EMPLOYEES :

None of the employees of the Company came within the purview of the information required u/s 217 (2A) of the Companies Act, 1956 read with the Companies (particulars of Employees) Rules, 1975 as amended.

SAFETY, ENVIRONMENTAL CONTROL AND PROTECTION:

The Company has taken all the necessary steps for safety and environmental control and protection at the plant.

ACKNOWLEDGMENT:

The Directors wish to convey their appreciation to the Company's shareholders, customers, suppliers, bankers and distributors for the support they have given to the Company and the confidence, which they have reposed in its management and the employees for the commitment and dedication shown by them.

Registered Office:

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Thane - 401506

For & on behalf of the Board
For AURO LABORATORIES LIMITED

[SHARAT DEORAH]
MANAGING DIRECTOR

Dated : July 31, 2003