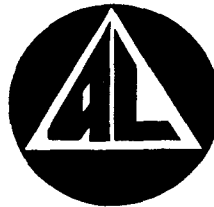


# ANNUAL REPORT 2009 - 2010



AURO LABORATORIES LIMITED

## AURO LABORATORIES LIMITED

### BOARD OF DIRECTORS

Sharat Deorah  
Siddhartha Deorah  
Kailash Chandra Bubna  
Goverdhandas Aggarwal

Managing Director  
Director  
Director  
Director

### AUDIT COMMITTEE

Kailash Chandra Bubna  
Goverdhandas Aggarwal  
Siddhartha Deorah

Chairman  
Member  
Member

### REGISTERED OFFICE & FACTORY

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

### ADMINISTRATIVE OFFICE:

314,3<sup>rd</sup> Floor, T. V. Industrial Estate,  
S. K. Ahire Marg, Worli, Mumbai 400 030.

### AUDITORS

M/s. Kothari Jain & Associates  
Chartered Accountants

### BANKERS

Allahabad Bank Mumbai

### REGISTRAR & SHARE TRANSFER AGENT

M/s. SHAREX DYNAMIC [ INDIA ] PRIVATE LIMITED  
[ Unit : AURO LABORATORIES LIMITED]  
Unit No. 1, Luthra Industrial Premises, Near Safed Pool,  
Andheri Kurla Road, Andheri [ East]. Mumbai - 400 072  
Tel : 022 2851 5644/2851 5606

# ANNUAL REPORT 2009-2010

## NOTICE TO THE MEMBERS

**NOTICE** is hereby given that the 21st Annual General Meeting of the members of AURO LABORATORIES LIMITED will be held on September 17, 2010 at 11 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, 2010 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. Siddhartha Deorah, who retires from office by rotation, and being eligible offers himself for re-appointment.
3. 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:

To consider and if thought fit, to pass with or without modification(s), the following Resolutions:

#### **4. AS AN ORDINARY RESOLUTION:**

“RESOLVED THAT Mr. Kailash Chandra Bubna who was appointed as an Additional Director of the Company with effect from 14/07/2009 pursuant to Section 260 of the Companies Act, 1956 and who holds office up to the date of the Annual General Meeting and being eligible offers himself for re-appointment and in respect of whom the Company has received a notice in writing from a member Under Section 257 and other applicable provisions, if any, of the Companies Act, 1956, proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company.”

#### **5. AS AN ORDINARY RESOLUTION:**

“RESOLVED THAT subject to such approvals, consents and sanctions as may be necessary and further subject to such terms, conditions, stipulations and restrictions as may be imposed by the authorities while granting such approvals, consents, and sanctions, the consent of the Members be and it is hereby accorded pursuant to the provisions of Sections 198, 269, 309, Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 to the re-appointment of Mr. Sharat Deorah, Managing Director of the Company for a period of Five Years w.e.f. October 1, 2009 on the terms and conditions including the remuneration payable to him as Managing Director and the minimum remuneration payable to him in the event of absence or inadequacy of profits in any year, as set out in the agreement entered into by the Company with Mr. Sharat Deorah.

FURTHER RESOLVED THAT the Board of Directors be and it is hereby authorised to take all such steps and do all such acts and deeds as may be necessary to give effect to the above Resolution.”

# AURO LABORATORIES LIMITED

## 6. AS AN ORDINARY RESOLUTION:

**RESOLVED THAT** subject to such approvals, consents and sanctions as may be necessary and further subject to such terms, conditions, stipulations and restrictions as may be imposed by the authorities while granting such approvals, consents, and sanctions, the consent of the Members be and it is hereby accorded pursuant to the provisions of Sections 198, 269, 309, Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 to the re-appointment of Mr. Siddhartha Deorah, Executive Director of the Company for a period of Five Years w.e.f. October 1, 2009 on the terms and conditions including the remuneration payable to him as Executive Director and the minimum remuneration payable to him in the event of absence or inadequacy of profits in any year, as set out in the agreement entered into by the Company with Mr. Siddhartha Deorah.

**FURTHER RESOLVED THAT** the Board of Directors be and it is hereby authorised to take all such steps and do all such acts and deeds as may be necessary to give effect to the above Resolution."

Registered Office:

For and on behalf of the Board

K-56, M.I.D.C. Industrial Area,  
Tarapur,  
Boisar,  
Thane - 401 506.  
May 31, 2010.

For AURO LABORATORIES LIMITED

SHARAT DEORAH  
Managing Director

# ANNUAL REPORT 2009-2010

## 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 FORTYEIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

2. The Register of Members and the Share Transfer Books of the Company will remain closed from 14/09/2010 to 17/09/2010 (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. The Company has listed its shares on The Bombay Stock Exchange Limited, Mumbai.

6 a. The Company has appointed M/s. SHAREX DYNAMIC (INDIA) PRIVATE LIMITED as Common Registrar & Transfer Agent of the Company for physicals as well as demat mode of transfers. 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 DYNAMIC (INDIA) PVT. LTD.**

Unit : { AURO LABORATORIES LIMITED }

Unit No. 1, Luthra Ind. Premises, Andheri Krula Road,  
Safed Pool, Andheri (East), MUMBAI - 400 072.

**Tel: 022 2851 5606 / 2851 5644**

7. 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.

8. 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.

9. 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.

10. 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.

# 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):

A. Name : MR. SIDDHARTHA DEORAH  
Age : 32 [21/09/1978].  
Qualifications : MBA

Mr. Siddhartha Deorah is associated with the Company since August 01, 1999 and look after Purchase and Sales aspects of the Company. He has an experience of over 8 years in the field of drugs and pharmaceuticals.

### Other Directorships:

1. Auro Real Estate Private Limited.
2. Auro Impex Private Limited.

Shareholding in the Company - 296780 Shares

Other Committee Memberships: Nil.

B. Name : MR. KAILASH CHANDRA BUBNA  
Age : 56 [16/12/1954].  
Qualifications : B.com.

Mr. Kailash Chandra Bubna is associated with the Company since July 14, 2009 and look after overall administration and marketing of the Company. He has an experience of over 20 years in the field of administration.

Other Directorships: : Nil  
Shareholding in the Company: : Nil  
Other Committee Memberships: : Nil.

Registered Office:

For and on behalf of the Board

K-56, M.I.D.C. Industrial Area,  
Tarapur,  
Boisar,  
Thane - 401 506.  
May 31, 2010.

For AURO LABORATORIES LIMITED

SHARAT DEORAH  
Managing Director

# ANNUAL REPORT 2009-2010

## EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956.

### Item Nos. 4.

Mr. Kailash Chandra Bubna was appointed as an Additional Director on the board of the Company w.e.f. July 14, 2009. Under Section 260 of the Companies Act, 1956, Mr. Kailash Chandra Bubna will hold Office till the conclusion of this Annual General Meeting.

The Company has received notice in writing from member together with requisite deposit under Section 257 of the Companies Act, 1956 signifying his intention to propose Mr. Kailash Chandra Bubna as a candidate for the Office of Director.

Mr. Kailash Chandra Bubna is widely experienced in different fields. Therefore, it will be in the interest of the Company to draw on the valuable expertise and Guidance of Mr. Kailash Chandra Bubna by appointing him as regular Director on the Board of the Company.

The Board recommends the Resolution mentioned at item No. 4 for the approval of the members.

None of the Directors except Mr. Kailash Chandra Bubna are concerned or interested in the said resolution.

### Item No. 5.

Mr. Sharat Deorah was appointed as Managing Director of the Company by the Board and by the members for a period of 5 years w.e.f. October 1, 2005 and his remuneration was approved by the members.

The Board at its meeting held on May 31, 2010 has re-appointed him as Managing Director w.e.f. October 1, 2009 for a period of 5 [FIVE] years on the following terms. Mr. Sharat Deorah looks after day to day affairs of the Company and is working for the Company since inception.

Salary in the scale of Rs. 10,000/- to Rs. 50,000/- per month as may be decided by the board from time to time. In addition to salary Mr. Sharat Deorah shall be entitled to benefits and perquisites as per the rules of the Company.

The Board is authorized to alter and vary the terms and conditions of the appointment provided however that the remuneration payable shall not exceed the limits specified in Schedule XIII of the Companies Act, 1956 as existing or as amended, modified or re-enacted from time to time.

# AURO LABORATORIES LIMITED

## MINIMUM REMUNERATION:

The remuneration as above including perquisites shall nevertheless be paid as minimum remuneration in the event of absence or inadequacy of profits in any financial year subject to the condition that the remuneration shall not without the approval of the Central Government, if required, exceed the limits specified in Section II or Part II of Schedule XIII of the Companies Act, 1956 computed on the basis of the effective capital of the Company as defined in the explanation under Para 3 of Section II to Schedule XIII of the Companies Act 1956 as in force for the time being or as amended in the future.

The Remuneration Committee has also cleared the above remuneration.

The Board recommends the resolution as above for the approval of members.

This may be treated as an abstract of the terms of the appointment pursuant to section 302 of the Companies Act, 1956.

Mr. Sharat Deorah may be deemed to be interested in the resolution as the same is related to his own appointment. Mr. Siddhartha Deorah may be deemed to be interested being related to Mr. Sharat Deorah.

## **Item No. 6.**

Mr. Siddhartha Deorah was appointed as an Executive Director of the Company by the Board and by the members for a period of 5 years w.e.f. August 1, 2005 and his remuneration was approved by the members.

The Board at its meeting held on May 31, 2010 has re-appointed him as an Executive Director w.e.f. October 1, 2009 for a period of 5 [FIVE] years on the following terms. Mr. Siddhartha Deorah looks after Purchase and Sales aspects of the Company and is working for the Company since August 1, 1999 and got experience of about 8 years to his credit.

Salary in the scale of Rs. 10,000/- to Rs. 50,000/- per month as may be decided by the board from time to time. In addition to salary Mr. Siddhartha Deorah shall be entitled to benefits and perquisites as per the rules of the Company.

The Board is authorized to alter and vary the terms and conditions of the appointment provided however that the remuneration payable shall not exceed the limits specified in Schedule XIII of the Companies Act, 1956 as existing or as amended, modified or re-enacted from time to time.



# ANNUAL REPORT 2009-2010

## MINIMUM REMUNERATION:

The remuneration as above including perquisites shall nevertheless be paid as minimum remuneration in the event of absence or inadequacy of profits in any financial year subject to the condition that the remuneration shall not without the approval of the Central Government, if required, exceed the limits specified in Section II or Part II of Schedule XIII of the Companies Act, 1956 computed on the basis of the effective capital of the Company as defined in the explanation under Para 3 of Section II to Schedule XIII of the Companies Act 1956 as in force for the time being or as amended in the future.

The Remuneration Committee has also cleared the above remuneration.

The Board recommends the resolution as above for the approval of members.

This may be treated as an abstract of the terms of the appointment pursuant to section 302 of the Companies Act, 1956.

Mr. Siddhartha Deorah may be deemed to be interested in the resolution as the same is related to his own appointment. Mr. Sharat Deorah may be deemed to be interested being related to Mr. Siddhartha Deorah.

Registered Office:

For and on behalf of the Board

K-56, M.I.D.C. Industrial Area,  
Tarapur,  
Boisar,  
Thane - 401 506.  
May 31, 2010.

For **AURO LABORATORIES LIMITED**

**SHARAT DEORAH**  
Managing Director

# AURO LABORATORIES LIMITED

## DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors have great pleasure in presenting 21st Annual Report together with the Audited accounts for the year ended March 31, 2010.

| FINANCIAL RESULTS:               | Year ended<br>31.03.2010<br>Rs. In Lacs | Year ended<br>31.03.2009<br>Rs. In Lacs |
|----------------------------------|---|---|
| Sales & Other Income             | 1215.81                                 | 1088.21                                 |
| Profit before depreciation & tax | 42.14                                   | 34.37                                   |
| Profit after Depreciation        | 8.13                                    | 8.44                                    |
| Profit / Loss after tax          | 8.13                                    | 7.89                                    |
| Balance brought forward          | -189.26                                 | -197.15                                 |
| Balance carried forward          | -181.13                                 | -189.26                                 |

## OPERATIONS:

In the current financial year the company has achieved sales of Rs. 12.16 crores which is 12 % more than the previous year. The production capacity has increased and the product mix has got good demand with our domestic and overseas customers. New machineries have been installed which will further boost performance of the Company. The company proposed to achieve a further increase in the sales from the current level.

## DIVIDEND:

Due to carry forward losses, your Directors do not recommend any dividend for the year ended March 31, 2010.

## RESEARCH & DEVELOPMENT:

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

## FIXED DEPOSITS:

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

## BOARD OF DIRECTORS:

It is proposed to appoint Mr. Kailash Chandra Bubna as regular Director of the Company. Necessary Resolution is placed in the Notice calling Annual General Meeting.

Mr. Siddhartha Deorah retire by rotation and being eligible offer himself for reappointment.

Mr. Sharat Deorah and Mr. Siddhartha Deorah are proposed to be re-appointed as Managing Director and Executive Director respectively. Necessary resolutions are proposed and put up for members approvals.

During the year Mr. Murari Lal Sharma resigned due to other preoccupations. Your board places its appreciations for the services rendered by him during the tenure of directorship.