



Auro Laboratories Limited

314, T. V. Industrial Estate, S.K. Ahire Marg,
Worli, Mumbai - 400 030. India
Tel. : + 91 22 6663 5456
Fax : +91 22 6663 5460
E-mail : auro@aurolabs.com
Web : www.aurolabs.com

Reg. Off. / Mfg. Unit :
K-56, M. I. D. C. Tarapur,
Dist. Palghar, Maharashtra - 401506.
CIN No. L33125MH1989PLC051910

June 24, 2022

The Listing Department
BSE Limited
Phiroz Jeejeebhoy Towers
Dalal Street, Mumbai - 400 001

Ref: Security Code No. 530233

Dear Sir / Madam,

Sub: Submission of electronic copy of the Annual Report for the Financial Year 2021-2022 including Notice of the 33rd Annual General Meeting

In terms of the requirement of Regulation 34(1) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, please find enclosed the Annual Report of the Company for the Financial Year 2021-2022 along with the Notice of the 33rd Annual General Meeting being sent to the members through electronic mode.

The said Annual Report containing the Notice is also uploaded on the Company's website at www.aurolabs.com.

This is for your information and records.

Thanking you

For, Auro Laboratories Limited

(Siddhartha Deorah)
Whole Time Director
DIN: 00230796



Encl: A/a

ANNUAL REPORT 2021-2022





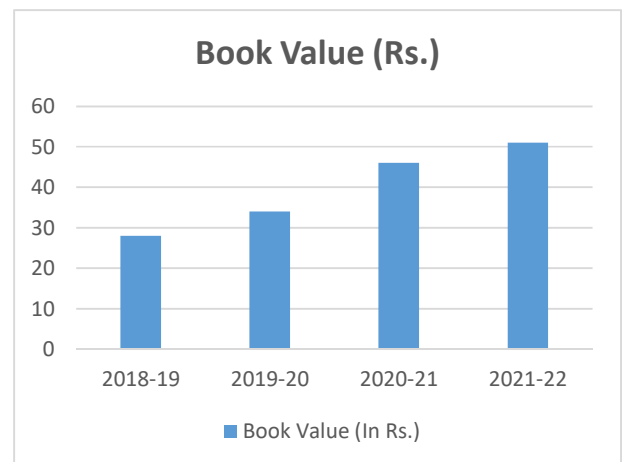
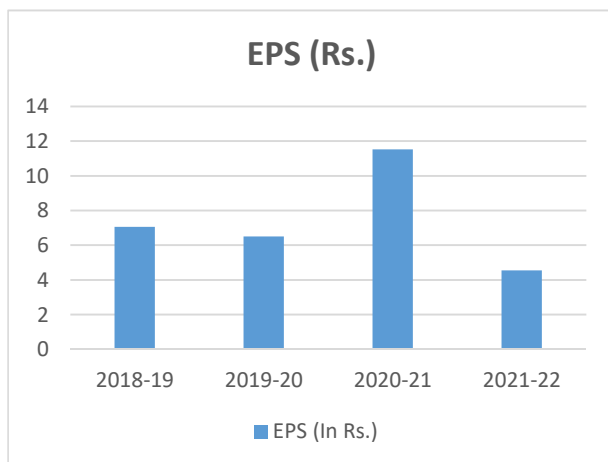
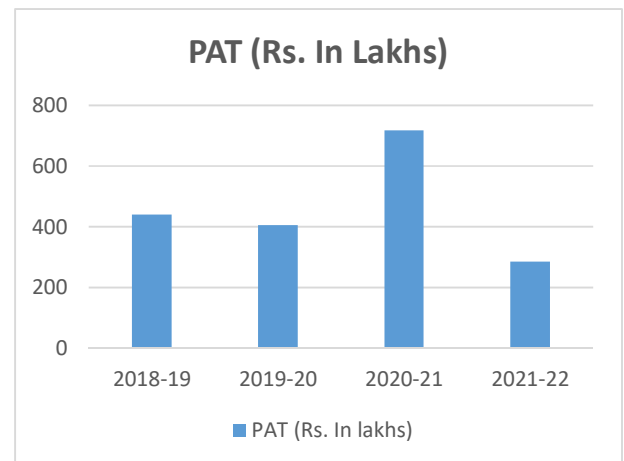
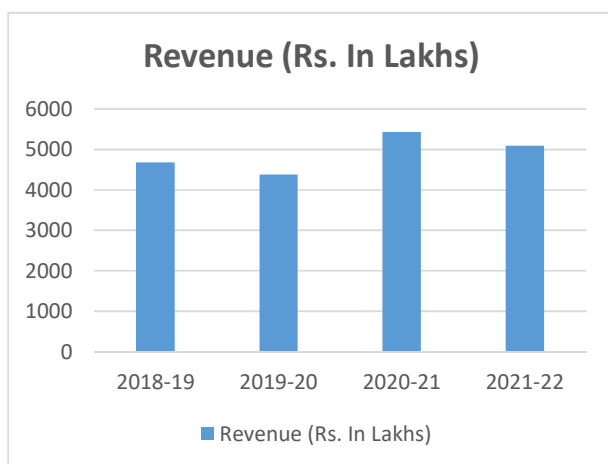
API Products

Metformin Hydrochloride

Chlorzoxazone

Chlorphenamine Maleate

Performance Indicators



Corporate Information

Board of Directors:

Mr. Sharat Deorah

Chairman & Managing Director

Mr. Siddhartha Deorah

Whole Time Director

Mr. Kiran Suresh Kulkarni

Whole Time Director

(w.e.f May 24, 2021)

Ms. Kavita Vijayakant Sharma

Independent Non-Executive Director

Mr. Govardhan Das Agarwal

Independent Non-Executive Director

Mr. Kailash Chand Bubna

Independent Non-Executive Director

Chief Financial Officer

Mr. Amit Mahipat Shah

Company Secretary & Compliance Officer:

CS Sweta Agarwal

Auditors:

Statutory Auditors:

Khurdia Jain & Co.

Chartered Accountants

Cost Auditors:

Poddar & Co.

Cost Accountants

Secretarial Auditors:

GMJ & Associates

Company Secretaries

Administrative Office:

314, 3rd Floor, T.V Industrial Estate,

S.K. Ahire Marg, Worli,

Mumbai – 400 030

Tel. No. 022-66635456

Fax No. 022-66635460

Email: auro@aurolabs.com

Registered Office & Factory Address:

K-56 MID C Tarapur Industrial Area,

Thane, Dist. Palghar,

Maharashtra– 401 506

CIN:

L33125MH1989PLC051910

Website:

www.aurolabs.com

Registrar & Share Transfer Agent:

Purva Shareregistry (India) Private Limited

Unit no.9 Shiv Shakti Industrial Estate ,

J. R. Boricha Marg, Lower Parel (E),

Mumbai, Maharashtra 400 011

Tel: 91-22-2301 2518 / 6761

Email: support@purvashare.com

Web: www.purvashare.com

Bankers

Indian Bank

Fort Branch, Mumbai

Listing of Equity Shares

BSE Limited

Phiroze Jeejeebhoy Towers,

Dalal Street, Mumbai - 400 001

(Scrip Code : 530233)

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Notice of the 33rd Annual General Meeting

NOTICE is hereby given that the 33rd Annual General Meeting (AGM) of the Members of **Auro Laboratories Limited** will be held on **Wednesday, July 20, 2022 at 12.30 PM (IST)** through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact, with or without modification(s) the following business:

ORDINARY BUSINESS:

1. **To receive, consider and adopt the Audited Financial Statements of the Company for the year ended March 31, 2022, together with the reports of the Board of Directors and the Auditors thereon**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT the Audited Financial Statements of the Company for the year ended March 31, 2022, together with the reports of the Board of Directors and the Auditors thereon be and is hereby received and adopted."

2. **To appoint a Director in place of Mr. Kiran Suresh Kulkarni (DIN 09175595) who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, the approval of members of the Company, be and is hereby accorded to reappoint Mr. Kiran Suresh Kulkarni (DIN 09175595) as a director, who is liable to retire by rotation."

3. **To re-appoint M/s. Khurdia Jain & Co., Chartered Accountants (Registration No. 120263W) as Statutory Auditors of the Company and to fix their remuneration.**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT in accordance with the provisions of Sections 139 and 142 of the Companies Act, 2013 and pursuant to the recommendations of the Audit Committee and the Board of Directors of the Company, M/s. Khurdia Jain & Co., Chartered Accountants (Registration No. 120263W), Mumbai, be and are hereby re-appointed as the Statutory Auditors of the Company for a period of 5(five) consecutive years, who shall hold office from the conclusion of the 33rd Annual General Meeting till the conclusion of the 38th Annual General Meeting to be held in the year 2027, at such remuneration as may be decided by the Audit Committee and the Board of Directors in consultation with the Statutory Auditors of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company, (including its committees thereof), be and are hereby authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms or submission of documents with any authority or accepting any modifications to the clauses as required by such authorities, for the purpose of giving effect to this resolution and for matters connected therewith, or incidental thereto."

SPECIAL BUSINESS:**4. To ratify the remuneration payable to M/s. Poddar & Co., Cost Auditors for the Financial Year 2022-2023:**

To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration of ₹ 50000/- (excluding Taxes plus out of pocket expenses at actual), as approved by the Board of Directors and set out in the explanatory statement annexed to the notice convening this Meeting, to be paid to M/s. Poddar & Co., Cost Auditors, to conduct the audit of cost records of the Company for the financial year ending March 31, 2023, be and is hereby ratified.

RESOLVED FURTHER THAT the Directors and/or Company Secretary of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to the aforesaid resolution.”

5. Amendment of the object clause of the Memorandum of Association of the Company to align with the Companies Act, 2013

*To consider and if thought fit to pass with or without modification(s), the following resolution as **Special Resolution**:*

“RESOLVED THAT pursuant to the provisions of Section 4 and 13 of the Companies Act, 2013 (“the Act”) read with the Companies (Incorporation) Rules, 2014 and all other applicable provisions, if any, of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force), consent of the shareholders of the Company be and is hereby accorded for the modification, substitution, addition and deletion in Clause III i.e. the Objects Clause of the Memorandum of Association of the Company as follows:

- a) The existing sub-heading under Clause III(A) be substituted with the new sub-heading “III(A)- The Objects to be pursued by the Company on its incorporation are”;
- b) Substitute the entire existing Clause III(B) with the new clause “III(B) - Matters which are necessary for furtherance of the Objects specified in Clause III (A)”; and
- c) Delete in entirety the “Clause III(C)- Other Objects”

RESOLVED FURTHER THAT the Directors and/or Company Secretary of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to the aforesaid resolution.”

6. Amendment to the liability clause of the Memorandum of Association of the Company to align with the Companies Act, 2013

*To consider and if thought fit to pass with or without modification(s), the following resolution as **Special Resolution**:*

“RESOLVED THAT pursuant to the provisions of sections 4, 13 and other applicable provisions if any, of the Companies Act, 2013 and rules made thereunder (including any statutory amendment(s) or modification(s) or re-enactment(s) thereof for the time being in force) consent of the shareholders of the Company be and is hereby accorded for altering Clause IV i.e. the Liability Clause of the Memorandum of Association of the Company by substituting the existing Clause IV with the following:

"IV. The liability of the member(s) is limited and this liability is limited to the amount unpaid, if any, on the shares held by them."

RESOLVED FURTHER THAT the Directors and/or Company Secretary of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to the aforesaid resolution."

7. Amendment to the Capital clause of the Memorandum of Association of the Company to align with the Companies Act, 2013

*To consider and if thought fit to pass with or without modification(s), the following resolution as **Ordinary Resolution**:*

"RESOLVED THAT pursuant to the provisions of sections 4, 13 and other applicable provisions if any, of the Companies Act, 2013 and rules made thereunder (including any statutory amendment(s) or modification(s) or re-enactment(s) thereof for the time being in force) consent of the shareholders of the Company be and is hereby accorded for altering Clause V i.e. the Capital Clause of the Memorandum of Association of the Company by substituting the existing Clause V with the following:

"V. The share capital of the company is Rs.7,00,00,000/-(Rupees Seven Crores Only), divided into 7000000(Seventy lakhs) equity shares of Rs.10/-(Rupees Ten only) each."

RESOLVED FURTHER THAT the Directors and/or Company Secretary of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to the aforesaid resolution."

For and on behalf of the Board of Directors
Auro Laboratories Limited

CIN No. L33125MH1989PLC051910
Mumbai, June 21, 2022

(Sharat Deorah)
Chairman and Managing Director
DIN: 00230784

NOTES:

1. Pursuant to the General Circulars 2/2022 and 19/2021, other circulars issued by the Ministry of Corporate Affairs (MCA) and Circular SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 issued by SEBI (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold AGM through VC, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC.
2. Since this AGM is being held pursuant to the MCA circulars through VC/OAVM, physical attendance of Members has been dispensed. Accordingly, the facility for appointment of proxies by the Members will not be available for this AGM and hence the **PROXY FORM, ATTENDANCE SLIP AND ROUTE MAP** for the AGM are not annexed to this Notice.
3. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
4. Institutional Members are encouraged to attend and vote at this AGM through VC/OAVM. Institutional/ Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc.) are required to send a scanned copy (PDF/ JPG Format) of its Board or governing body Resolution/ Authorization etc., authorizing its representative to attend the AGM through VC/ OAVM or to vote through remote e-voting. The said Resolution/ Authorization shall be sent to the Company at agm@aurolabs.com or upload on the VC portal /e-voting portal.
5. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('Act') setting out material facts concerning the business under Item Nos. 2 to 7 set out above and details under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') and Paragraph 1.2.5 of the Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of the Directors seeking appointment/re-appointment at the AGM are annexed hereto.
6. As per the provisions of Clause 3.A.III of the General Circular No. 20/ 2020 dated 5th May 2020 issued by MCA, the matters of Special Business as appearing at Item Nos. 4 to 7 of the accompanying Notice, are considered to be unavoidable by the Board and hence, forming part of this Notice.
7. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors, etc. shall be allowed to attend the meeting without restriction.
8. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, further extended by MCA General Circular no. 2/2022 dated May 05, 2022 and SEBI Circular SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, the Notice of the AGM along with the Annual Report 2021- 22 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories, unless any Member has requested for a physical copy of the same.

Notice calling the AGM has also been uploaded on the website of the Company at www.aurolabs.com The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM i.e. www.evotingindia.com

Members who have not registered their email addresses are requested to register the same for receiving all communication from time to time including Annual Report, Notices, Circulars, etc. from the Company electronically.

- a. For Members holding shares in physical form, please send scanned copy of a signed request letter mentioning your folio number, complete address, email address to be registered along with scanned self- attested copy of the PAN and any document (such as Driving License, Passport, Bank Statement, AADHAR) supporting the registered address of the Member, by email to the RTA at: agm@aurolabs.com or support@purvashare.com
 - b. For the Members holding shares in demat form, please update your email address through your respective Depository Participant/s.
9. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
10. The Company is not required to close Register of Members and Share Transfer Books for the purpose of AGM.

11. Dematerialization:

Shares held in dematerialized form have several advantages like immediate transfer of shares, faster settlement cycle, faster disbursement of non-cash corporate benefits like rights, etc., lower brokerage, ease in portfolio monitoring, etc. Besides risks associated with physical certificates such as fake certificates, bad deliveries, loss of certificates in transit, get eliminated. Since there are several benefits arising from dematerialization, we sincerely urge you to dematerialize your shares at the earliest, if you are still holding the shares in physical form.

As per Regulation 40 of the Listing Regulations, as amended, transfer of securities of listed entities can be processed only in dematerialized form, with effect from 1st April 2019.

Pursuant to SEBI circular dated 25th January 2022, securities of the Company shall be issued in dematerialized form only while processing service requests in relation to issue of duplicate securities certificate, renewal / exchange of securities certificate, endorsement, sub-division / splitting of securities certificate, consolidation of securities certificates/folios, transmission and transposition.

12. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, mandates, nominations, power of attorney, change of address, change of name and email address, etc., to their Depository Participants only and not to Company's Registrar and Transfer Agent. Changes intimated to the Depository Participant will then be automatically reflected in the Company's records which will help the Company and Registrar to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to the Registrar.

The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to the Depository Participants with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Registrar /Company.

13. SEBI vide circular dated 3rd November 2021 has mandated the listed companies to have PAN, KYC, bank details and Nomination of all shareholders holding shares in physical form. Folios wherein any one of the cited details / documents are not available with us, on or after 1st April 2023, shall be frozen as per the aforesaid SEBI circular.

The investor service requests forms for updation of PAN, KYC, Bank details and Nomination viz., Forms ISR-1, ISR-2, ISR-3, SH-13, SH-14 and the said SEBI circular are available on our website www.aurolabs.com In view of the above, we urge the shareholders to submit the Investor Service Request form along with the supporting documents at the earliest.

14. 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.
15. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the registrar, the details of such folios together with the share certificates and self-attested copies of PAN card of the holders for consolidating their holding in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.
16. The Company's shares are listed on BSE Limited, Mumbai.
17. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, and other relevant documents referred to in the Notice and in the Explanatory Statements will be available for inspection by the members in electronic mode. Members who wish to inspect the documents are requested to write to the company by sending e-mail at agm@aurolabs.com. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write well in advance to the Company at agm@aurolabs.com and the same will be replied by the Company suitably.

PURVA SHAREGISTRY (INDIA) PRIVATE LIMITED

[Unit: Auro Laboratories Limited]

Unit no. 9 Shiv Shakti Ind. Estt.

J. R. Boricha Marg, Lower Parel (E) Mumbai 400 011

Tel: 91-22-2301 2518 / 6761

Email: support@purvashare.com Web: www.purvashare.com

18. In all correspondence with the Company, members are requested to quote their Folio Number and in case their shares are held in demat form, they must quote their DP ID and Client ID Number.
19. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Instructions and other information relating to e-voting are given in this Notice under Note No. 22 & 23. The Company will also send communication relating to remote e-voting which inter alia would contain details about User ID and password along with a copy of this Notice to the members, separately.
20. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
21. The Company has appointed CS Mahesh Soni (FCS: 3706, COP: 2324) and/or CS Sonia Chettiar ACS: 27582 COP: 10130), Partners of GMJ & Associates, Company Secretaries as the scrutinizer for conducting e-voting process in a fair and transparent manner.

22. The voting facility through electronic voting system shall be made available during the AGM and members attending the meeting through VC who have not cast their vote by remote e-voting shall be able to exercise their right during the meeting through electronic voting system. The process and manner for e-voting and process of joining meeting through video conferencing along with other details also forms part of the Notice.

23. THE INTRUCTIONS OF SHAREHOLDERS FOR REMOTE E-VOTING AND E-VOTING DURING AGM AND JOINING MEETING THROUGH VC/OAVM ARE AS UNDER:

- a) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholder's/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- b) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.
- c) The voting period begins on **July 17, 2022 Start Time: 9:00 a.m. (IST)** and ends on **July 19, 2022 End Time: 5:00 p.m. (IST)**. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. **July 13, 2022** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- d) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- e) Pursuant to above said SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual **shareholders holding securities in Demat mode** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	1) Existing Users who have opted for Easi / Easiest <ol style="list-style-type: none"> Visit URL: https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon Select New System Myeasi. Login through their existing user id and password The User will see the e-Voting menu, Click on e-Voting Service Provider name to cast your vote.

	<p>2) User not registered for Easi/Easiest</p> <ol style="list-style-type: none"> Option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Proceed with completing the required details Follow the steps given in Point 1. <p>3) Alternatively, by directly accessing e-Voting website of CDSL</p> <ol style="list-style-type: none"> Visit www.cdslindia.com Provide your demat account number and PAN System will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	<p>1) USER already registered for NSDL IDeAS facility</p> <ol style="list-style-type: none"> Visit https://eservices.nsdl.com Click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. On the new screen, enter your User ID and Password. After successful authentication, click on “Access to e-Voting” under e-Voting services Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. <p>2) User not registered for IDeAS e-Services</p> <ol style="list-style-type: none"> To register click on https://eservices.nsdl.com Select “Register Online for IDeAS” Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp Proceed with completing the required details Follow the steps given in Point 1. <p>3) Alternatively, by directly accessing e-Voting website of NSDL</p> <ol style="list-style-type: none"> Open URL: https://www.evoting.nsdl.com/ Click on icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name On successful selection, you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	<ol style="list-style-type: none"> You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at above mentioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

f) Login method for e-Voting and joining virtual meeting for **shareholders other than individual shareholders holding in Demat form & physical shareholders.**

- 1) The shareholders should log on to the e-voting website www.evotingindia.com
- 2) Click on "Shareholders" module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	For Shareholders holding shares in Demat Form other than individual and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- g) After entering these details appropriately, click on "SUBMIT" tab.
- h) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- i) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- j) Click on the EVSN for the relevant AURO LABORATORIES LIMITED on which you choose to vote.
- k) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- l) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- m) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- n) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- o) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- p) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- q) Facility for **Non – Individual Shareholders and Custodians –Remote Voting**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
 - Alternatively, Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; agm@aurolabs.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

24. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.

4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance atleast **7 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/ MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

ANNEXURE TO THE NOTICE**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013, SECRETARIAL STANDARD-2 ON GENERAL MEETINGS AND REGULATION 36 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015****ITEM NO. 3:**

This explanatory statement is in terms of Regulation 36(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), however, the same is strictly not required as per Section 102 of the Act.

M/s. Khurdia Jain & Co., Chartered Accountants, were appointed as Statutory Auditors of the Company at the 28th Annual General Meeting ('AGM') held on September 29, 2017 for a period of 5 years, i.e. up to the conclusion of 33rd AGM and are retiring at the ensuing AGM completing a block of five years.

The Board of Directors of the Company, based on the recommendation of the Audit Committee, had in their meeting held on June 21, 2022, recommended for the approval of the members, re-appointment of M/s. Khurdia Jain & Co, Chartered Accountants, Mumbai, as the Statutory Auditors of the Company for a period of five years from the conclusion of 33rd AGM till the conclusion of the 38th AGM.

M/s. Khurdia Jain & Co., Chartered Accountants, have given their consent for re-appointment as Statutory Auditors of the Company and has also issued certificate confirming that their appointment, if made, will be within the limits prescribed under the provisions of Section 139 of the Companies Act, 2013 ('the Act') and the rules made thereunder.

The Board of Directors has approved a remuneration of ₹ 100000/- (Rupees One Lakh Only) for conducting the audit for the financial year 2022-2023, excluding applicable taxes and reimbursement of out-of-pocket expenses on actuals. The remuneration proposed to be paid to the Statutory Auditors during this term would be in line with the existing remuneration paid and is commensurate with the services to be rendered by them during the said tenure.

The Board of Directors in consultation with the Audit Committee may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors.

The Audit Committee considered various parameters like experience of the Auditors, more specifically in the Company's operating segment, market standing of the firm, clientele served, technical knowledge etc., and found M/s. Khurdia Jain & Co., Chartered Accountants, to be best suited to handle the scale and complexity associated with the audit of the financial statements of the Company.

M/s. Khurdia Jain & Co., Chartered Accountants, are registered with the Institute of Chartered Accountants of India and have confirmed that they are eligible for the proposed re-appointment under the Act, the Chartered Accountants Act, 1949 and the rules or regulations made thereunder. M/s. Khurdia Jain & Co., Chartered Accountants, holds the 'Peer Review' certificate as issued by 'ICAI'. As confirmed to Audit Committee, the Auditors have reported their independence from the Company according to the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') and the ethical requirements relevant to audit.

The Board recommends the resolution set out at Item No. 3 of the Notice for approval by the Members by way of an Ordinary Resolution.

None of the Directors or Key Managerial Personnel of the Company or their relatives are interested or concerned, financially or otherwise, in the resolution.

ITEM NO 4:

Upon the recommendation of the Audit Committee, the Board has approved the re-appointment of M/s. Poddar & Co., Cost Auditors to conduct the audit of the cost records maintained by the Company for the products manufactured at its Factory situated at K-56, MIDC Tarapur for the financial year ending March 31, 2023 at a remuneration of ₹ 50000/- (excluding Taxes plus out of pocket expenses at actual).

In accordance with the provisions of section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board, has to be ratified by the members of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No.4 of the notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2023.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution.

The Board of Directors of your Company recommends the passing of resolution as set out at Item No.4 as an Ordinary Resolution.

ITEM NO. 5, 6 & 7

The Companies Act, 2013, has prescribed a format of Memorandum of Association ("MOA") for companies limited by shares. In view of the same, it is perceived to be in the best interest of the Company to align the Memorandum of Association of the Company as per the provisions of Table A of the Schedule I and in accordance with Section 4 and 13 of the Companies Act, 2013 and make necessary changes therein.

Accordingly, the Board of Directors has proposed for approval of the members of the Company, the amendment in the Memorandum of Association of the Company with respect to the following:

Clause	Alteration	Explanation/Reason
Object Clause	a) The existing sub-heading under Clause III(A) be substituted with the new sub-heading "III(A)- The Objects to be pursued by the Company on its incorporation are"; b) Substitute the entire existing Clause III(B) with the new clause "III(B) - Matters which are necessary for furtherance of the Objects specified in Clause III(A)"; and c) Delete in entirety the entire "Clause III(C)- Other Objects"	In order to align the object clause as per the Table A of the Schedule I of the Companies Act, 2013
Liability Clause	The existing liability clause be substituted in line of new clause provided as per Companies Act, 2013 <i>"IV. The liability of the member(s) is limited and this liability is limited to the amount unpaid, if any, on the shares held by them."</i>	In order to align the liability clause with the requirements under Section 4(1)(d) of the Companies Act, 2013.
Capital Clause	The existing capital clause be substituted in line of new clause provided as per Companies Act, 2013. <i>V. The share capital of the company is Rs.7,00,00,000/- (Rupees Seven Crores Only), divided into 7000000(Seventy lakhs) equity shares of Rs.10/- (Rupees Ten only) each.</i>	In order to align the capital clause as per the Table A of the Schedule I of the Companies Act, 2013. The additional rights as mentioned in the earlier clause are already covered in the Articles of Association of the Company.

In terms of Section 4 and 13 of the Companies Act, 2013, the consent of the Members is required for proposed amendments in the Memorandum of Association of the Company. Your Directors recommend passing of resolution at item No. 5 and 6 by way of a special resolution and resolution at item no. 7 by way of ordinary resolution.

The draft of the amended Memorandum of Association proposed for approval, are available for inspection by the shareholders of the Company during normal business hours at the Registered office of the Company and also at the place of the meeting on the meeting day. A copy of the same is also made available for inspection by the Shareholders in electronic mode on the website of the Company at www.aurolabs.com

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution.

ITEM NO. 2

ADDITIONAL INFORMATION ON DIRECTOR SEEKING RE-APPOINTMENT AT THE AGM AS PER ITEM NO. 2 OF THE NOTICE OF THE 33RD ANNUAL GENERAL MEETING

Explanation: Based on the terms of appointment, Mr. Kiran Suresh Kulkarni (DIN 09175595), Whole Time Director who was initially appointed on May 24, 2021 and last appointed on August 31, 2021, is subject to retirement by rotation. Mr. Kiran Suresh Kulkarni (DIN 09175595), whose office is liable to retire at the ensuing AGM, being eligible, seeks reappointment. Based on performance evaluation and the recommendation of the Nomination and Remuneration Committee, the Board recommends his reappointment.

A. Details of Directors seeking re-appointment at the AGM pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with clause 1.2.5 of Secretarial Standard-2 on General Meetings:

The Directors have furnished the requisite consents / declarations for their appointment/re-appointment.

Particulars	Mr. Kiran Suresh Kulkarni
Directors Identification Number (DIN)	09175595
Designation	Whole Time Director
Date of Birth & Age	June 09, 1971, 51years
Qualification	M.Sc. (Organic Chem) from North Maharashtra University, Jalgaon in 1994. B.Sc. (Chemistry) from Poona University in 1992.
Brief resume & Nature of expertise in specific functional areas	He has an experience of more than 20 years in QC/QA department of API manufacturing companies. He looks after the quality control and general management functions at the manufacturing facility of the Company.
Date of first Appointment	May 24, 2021
Terms and Conditions of re-appointment	Re-appointment upon retirement by rotation
Remuneration last Drawn	Kindly refer to the Corporate Governance report of the Annual report
Remuneration sought to be paid	Rs.20.00 Lakhs Per Annum
Number of Meetings of the Board attended during the year	4(four) Board meetings attended
Disclosure of relationship between directors inter-se	Not Applicable
Names of listed entities in which the person also holds the directorship	No other Directorship held
No. of Shares held in the Company	10 equity shares
Membership & Chairmanships of Committees of the Board*	No such position held

*In terms of the provisions of Regulation 26 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Memberships/ Chairmanships in only two committees viz. Audit Committee and Stakeholders Relationship Committee (known by whichever name) are considered.

The Board recommends the resolution set forth in Item No. 2 subject to the approval of the Members at the ensuing Annual General Meeting.

For and on behalf of the Board of Directors
Auro Laboratories Limited

CIN No. L33125MH1989PLC051910
Mumbai, June 21, 2022

(Sharat Deorah)
Chairman and Managing Director
DIN: 00230784

Report of the Board of Directors

Dear Members,

Your Directors have great pleasure in presenting the 33rd Annual Report together with the Audited Financial Statements of the Company for the financial year ended March 31, 2022.

STATE OF AFFAIRS

1. Financial Highlights

The audited financial statements of the Company as on March 31, 2022 are prepared in accordance with the relevant applicable IND AS and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and provisions of the Companies Act, 2013 ("Act").

[Amount in Lakhs except EPS]

Particulars	For the Year ended	
	March 31, 2022	March 31, 2021
Revenue from operation	5086.58	5425.18
Other Income	109.25	75.79
Total Income	5195.83	5500.97
Profit before Finance Cost, Depreciation, Tax	571.76	1199.94
Less: Finance Cost	82.64	45.83
Less: Depreciation & Amortization expenses	101.72	103.56
Profit Before Tax	387.40	1050.55
Provision for -- Current Tax	106.69	320.09
-- Deferred Tax	-3.76	12.49
Net Profit After Tax	284.47	717.97
Other Comprehensive Income (Net of tax)	11.14	1.76
Total Comprehensive Income After Tax	295.61	719.73
Earning Per Share (Basic & Diluted)	4.56	11.52

2. Overview of company's financial performance and state of affairs:

Gross revenue declined to Rs. 5195.83 Lakhs, against Rs. 5500.97 Lakhs in the previous year. Profit after tax declined to Rs. 284.47 Lakhs, against Profit of Rs. 717.97 Lakhs in the previous year.

Capital expenditure on tangible assets- During the year, additions to tangible assets was Rs.106.86 Lakhs, which comprises Rs.106.39 Lakhs in infrastructure and Rs. 0.47Lakhs for investment in computer equipment.

The company's financial position was impacted on account of rising COVID-19 cases and uncertainties and adverse market conditions, substantial rise in the pricing of raw materials and shipping cost almost throughout the year, which the Company was not able to pass to the customers immediately due to constraints in increase of selling price. In addition to this, during the financial year 2021-2022, the Government of India withdrew Exports incentives like MEIS and RoDTEP for Pharmaceuticals Sector which caused further strain to the margin.

Your Company is undertaking expansion plan in existing unit to increase production capacity and undertaking active efforts towards accelerating the growth speed and is optimistic about better performance in the future.

3. Dividend

To consolidate the financial position of the Company, the Board does not propose any dividend for the year ended March 31, 2022.

4. Transfer to reserves

As permitted under the provisions of the Companies Act, 2013, the Board does not propose to transfer any amount to general reserve.

5. Insurance

All properties and insurable interests of the Company including building, plant and machinery and stocks have been fully insured.

EFFECTS OF COVID-19 ON THE BUSINESS OF THE COMPANY

During fiscal 2022, India saw second and third waves of COVID-19 driven by the highly transmissible Delta and Omicron COVID variants respectively. Covid-19's impact on the pharma sector has been unlike anything else of late. It was chaotic in the beginning of the pandemic, but most firms found their feet in a few months. Global supply chain and logistics disruption, container capacity constraints and geo-political tensions resulted in an increase in the freight costs and delivery times and higher commodity prices. Despite such situation, the Company being engaged in Pharma Business, its business operations continued smoothly.

CAPITAL STRUCTURE OF THE COMPANY

1. Authorized Share Capital:-

The Authorized Share Capital of the Company as at March 31, 2022 was Rs.7,00,00,000/- (Rupees Seven Crores only) divided into 70,00,000 (Seventy Lakhs) Equity shares of 10/- each.

2. Issued, Subscribed & Paid-up share Capital:-

The Paid up Equity share Capital, as at March 31, 2022 was Rs.6,23,25,000/- (Rupees Six Crores Twenty-Three Lakhs Twenty-Five Thousand only) divided into 62,32,500 (Sixty-Two Lakhs Thirty-Two Thousand Five Hundred) Equity shares, having face value of Rs.10/- each fully paid up. There was no change in the paid-up share capital of the Company during the FY 2021-2022.

During the year under review, the Company has not issued any shares with differential voting rights nor granted any stock neither options nor sweat equity.

CREDIT RATING

The Company has obtained the Credit ratings 'CRISIL BBB-/Stable' for Company's Fund based facilities and 'CRISIL A3' for Company's non-fund based facilities from Crisil Ratings Limited (A Subsidiary of Crisil Limited) vide their letter dated November 29, 2021.

MANAGEMENT

1. Composition of Board of Directors:

As on March 31, 2022 the Board of Directors consists of Six (6) members. Besides the Chairman & Managing Director, who is an Executive Director, the Board comprises of Two (2) *Executive Directors*, Three (3) *Independent Directors (including one Woman Director)* as on March 31, 2022. The composition of the Board is in conformity with the Companies Act, 2013 and Listing Regulations enjoining specified combination of Executive and Non-Executive Directors with at least one Women Independent Director and not less than fifty per cent of the Board comprising of Independent Directors.

In the opinion of the Board, all our Independent Directors possess requisite qualifications, experience, expertise and hold high standards of integrity for the purpose of Rule 8(5)(iii)(a) of the Companies (Accounts) Rules, 2014. List of key skills, expertise and core competencies of the Board, including the Independent Directors, forms part of the corporate governance report annexed to this report.

2. Changes during the year:

During the financial year under review, the following persons were appointed/re-appointed with the approval of the shareholders at the Annual General Meeting:

Name	Designation	Appointment/ Re-appointment	Effective date	Resolution passed by
Mr. Sharat Deorah (DIN: 00230784)	Chairman & Managing Director	Re-appointment	April 1, 2022	Shareholders
Mr. Siddhartha Deorah (DIN: 00230796)	Whole Time Director	Re-appointment u/s 152(6)	August 31, 2021	Shareholders
		Re-appointment	April 1, 2022	Shareholders
Mr. Kiran Suresh Kulkarni (DIN: 09175595)	Additional Director	Appointment	May 24, 2021	Board of Directors
	Whole Time Director	Change in designation		
	Whole Time Director	Regularisation and approval	August 31, 2021	Shareholders

3. Retirement by Rotation

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Kiran Suresh Kulkarni, Whole Time Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, has offered himself for re-appointment. The Board recommends his re-appointment.

More details about the Directors are either given in the Corporate Governance Report or in the Notice of the ensuing Annual General Meeting being sent to the shareholders along with the Annual Report.

4. Key Managerial Personnel:

As on March 31, 2022, the following persons were the Key Managerial Personnel of the Company in accordance with the provisions of Section 2(51) read with Section 203 of the Act:

Name of Personnel	Designation
Mr. Sharat Deorah	Chairman and Managing Director
Mr. Siddhartha Deorah	Whole-time Director
Mr. Amit Mahipat Shah	Chief Financial Officer
Mrs. Shanu Nag	Company Secretary

Mrs. Shanu Nag will relinquish her position as Company Secretary and Compliance Officer of the Company at the close of business hours on May 30, 2022 and Mrs. Sweta Agarwal will take the position of the Company Secretary and Compliance officer of the Company w.e.f May 31, 2022.

5. Declaration of Independence by Independent Directors & adherence to the Company's Code of Conduct for Independent Directors:

All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Act and Regulation 16(1) (b) of the SEBI (LODR) Regulations, 2015 ("Listing Regulations"). In the opinion of the Board, the Independent Directors, fulfill the conditions of independence specified in Section 149(6) of the Act and Regulation 16(1) (b) of the Listing Regulations.

All Independent Directors have affirmed compliance to the code of conduct for independent directors as prescribed in Schedule IV to the Companies Act, 2013.

6. Meeting of the Board of Directors

During the year, five (5) meetings of the Board of Directors were held, the details of which are given in the Corporate Governance Report that forms part of this Report.

7. Directors' responsibility statement

Pursuant to Section 134 (3) (c) of the Companies Act, 2013 the Directors confirm that:

- (a) In the preparation of the Annual Accounts, the applicable accounting standards had been followed along with proper explanation relating to material departure, if any;
- (b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The Directors had prepared the annual accounts on a going concern basis;
- (e) The Directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively;
- (f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

8. Committees of the board:

The Board has the following Committees:

1. Audit Committee
2. Nomination & Remuneration Committee
3. Stakeholders Relationship Committee and
4. Corporate Social Responsibility Committee (Dissolved w.e.f May 30, 2022)

The Board of Directors in their meeting held on May 30, 2022, resolved that in terms of the amended provisions of Section 135 (9) of the Companies Act, 2013, the existing CSR Committee be dissolved and the powers and functions of the Committee shall be vested upon the Board of Directors of the Company.

Further details of the Committees along with their composition, number of meetings and attendance at the meetings are provided in the Corporate Governance Report.

9. Audit Committee Recommendations

All recommendations of Audit Committee were approved by the Board of Directors during the year.

10. Independent directors' meeting:

Independent Directors met 1 (one) time during the year on January 28, 2022 and the meeting was attended by all Independent Directors. The disclosure under this heading forms part of the Corporate Governance report.

11. Performance evaluation of the board, its committees and directors:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015 the company has implemented a system of evaluating performance of the Board of Directors and of its Committees and individual directors on the basis of evaluation criteria suggested by the Nomination and Remuneration Committee and the SEBI (LODR) Regulations, 2015. Accordingly, the Board has carried out an evaluation of its performance after taking into consideration various performance related aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, remuneration, obligations and governance. The performance evaluation of the Board as a whole, Chairperson and Non-Independent Directors was also carried out by the Independent Directors in their meeting held on January 28, 2022.

Similarly, the performance of various committees, individual Independent and Non Independent Directors was evaluated by the entire Board of Directors (excluding the Director being evaluated) on various parameters like engagement, analysis, decision making, communication and interest of stakeholders.

The Board of Directors expressed its satisfaction with the performance of the Board, its committees and individual directors.

COMPANY'S POLICIES

1. Policy on directors' appointment and remuneration and other details:

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Companies Act, 2013 has been disclosed in the Corporate Governance Report, which is a part of this report and is also available on www.aurolabs.com.

2. Policy on performance evaluation

The Nomination & Remuneration Committee pursuant to Section 178(2) of the Companies Act, 2013 has devised a policy on performance evaluation of the Board as a whole, Committee of the Board and Directors of the Company. The Policy on performance evaluation is available on the Company's website: www.aurolabs.com

3. Board diversity

The Company recognizes and embraces the importance of a diverse board in its success. The Board has adopted the Board Diversity Policy which sets out the approach to diversity of the Board of Directors. The Board Diversity Policy is available on the Company's website: www.aurolabs.com

4. Code of conduct:

Your Company is committed to conducting its business in accordance with the applicable laws, rules and regulations and highest standards of business ethics. In recognition thereof, the Board of Directors has implemented a Code of Conduct for adherence by the Directors (including Independent Directors), Senior Management Personnel and Employees of the Company. This will help in dealing with ethical issues and also foster a culture of accountability and integrity. The Code has been posted on the Company's www.aurolabs.com.

All the Board Members and Senior Management Personnel have confirmed compliance with the Code.

5. Insider Trading Regulations

Pursuant to the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time, the Company has formulated a Code of Conduct for Prevention of Insider Trading ("Insider Trading Code"), a Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive Information ("UPSI") and a policy & procedure for enquiry in case of leak/suspected leak of Unpublished Price Sensitive Information ("UPSI"). The Code of Practices and Procedures for fair disclosure of UPSI is available on the website of the Company at www.aurolabs.com.

6. Related party transactions:

Your Company has formulated a policy on related party transactions which is also available on Company's website www.aurolabs.com. This policy deals with the review and approval of related party transactions. The Board of Directors of the Company has approved the criteria for making the omnibus approval by the Audit Committee within the overall framework of the policy on related party transactions.

Prior omnibus approval is obtained for related party transactions which are of repetitive nature and entered in the ordinary course of business and on an arm's length basis. All related party transactions are placed before the Audit Committee for review and approval. No material related party transactions

were entered during the Financial Year by your Company. Accordingly, no disclosure is made in respect of related party transactions, as required under Section 134(3)(h) of the Act in Form AOC-2. Members may refer to note no. 23 of the financial statements which sets out related party disclosures pursuant to INDAS-24.

7. Vigil mechanism / whistle blower policy:

The Company has adopted a Whistle Blower Policy to provide a formal mechanism to the Directors and Employees to report their concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct or Ethics Policy. The policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairperson of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.

The Whistle Blower Policy is available on the website of your Company www.aurolabs.com.

8. Corporate Social Responsibility ("CSR")

The brief outline of the Corporate Social Responsibility (CSR) policy of the Company and the initiatives undertaken by the Company on CSR activities during the year under review are set out in **Annexure 'A'** of this report. The Corporate Social Responsibility Policy can be accessed from the Company's website www.aurolabs.com.

ANNUAL RETURN

Pursuant to Section 92(3) and Section 134(3) (a) of the Companies Act, 2013, the Company has placed a copy of the Annual Return as at March 31, 2022 on its website at www.aurolabs.com.

AUDIT AND AUDITORS

a) Statutory Auditor

M/s. Khurdia Jain & Co., Chartered Accountants, were appointed as Statutory Auditors of the Company at the 28th Annual General Meeting ('AGM') held on September 29, 2017 for a period of 5 years, i.e. up to the conclusion of 33rd AGM and are retiring at the ensuing AGM completing a block of five years.

The Board of Directors of the Company at their meeting held on June 21, 2022, based on the recommendation of the Audit Committee, recommended for the approval of the members, the re-appointment M/s. Khurdia Jain & Co., Chartered Accountants, Mumbai (FRN. 120263W), as the Statutory Auditors of the Company for a period of five years from the conclusion of 33rd AGM till the conclusion of the 38th AGM.

M/s. Khurdia Jain & Co, Chartered Accountants, have given their consent for their re-appointment as Statutory Auditors of the Company and has also issued certificate confirming that their appointment, if made, will be within the limits prescribed under the provisions of Section 139 of the Companies Act, 2013 ('the Act') and the rules made thereunder.

The Board recommends their appointment to the shareholders and an agenda item for approval of members shall be included in the notice of the 33rd AGM of the Company.

Report of the Statutory Auditor for the Financial Year 2021-2022:

M/s. Khurdia Jain & Co., Chartered Accountants, have submitted their Report on the Financial Statements of the Company for the FY 2021-2022, which forms part of the Annual Report. There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Auditors in the Audit Reports issued by them which call for any explanation from the Board of Directors.

b) Internal Auditor

Pursuant to the provisions of Section 138 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, the Board on recommendation of the Audit Committee has appointed M/s. Pokharna and Associates, as internal auditors of the Company for the financial year 2022-2023.

c) Secretarial Auditor

M/s GMJ & Associates, Company Secretaries, were appointed as Secretarial Auditors of the Company for the financial year 2021-2022 pursuant to section 204 of the Act. The Secretarial Audit Report submitted by them in the prescribed form MR- 3 is attached as '**Annexure B**' to this report.

In addition to Secretarial Audit Report, M/s GMJ & Associates, Company Secretaries has issued the Secretarial Compliance Report under Regulation 24A of SEBI LODR Regulations, 2015 for the financial year 2021-2022.

Observations in Secretarial Compliance Report:

The Company has not devised a structural digital database for maintaining all information under Regulation 3(5) of the SEBI (Prohibition of Insider Trading) Regulations, 2015.

Reply:

The Board has maintained the requisite information required under Regulation 3(5) of the SEBI Insider Trading Regulations, 2015 in Microsoft Excel during the financial year. The Company is in process of purchasing the requisite software.

Other than as disclosed above, there are no qualifications or observations or adverse remarks or disclaimer of the Secretarial Auditors in the Report issued by them for the financial year 2021-2022 which call for any explanation from the Board of Directors.

In terms of Section 204 of the Act, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors, on the recommendation of the Audit Committee, have re-appointed M/s. GMJ & Associates, Company Secretaries as the Secretarial Auditors of the Company in relation to the financial year 2022-2023. The Company has received their written consent that the appointment is in accordance with the applicable provisions of the Act and rules framed there under.

d) Cost auditor:

The Board of Directors, on the recommendation of the Audit Committee, has appointed M/s. Poddar & Co., Cost Accountants as the Cost Auditors of the Company for the Financial Year 2022-2023 at a remuneration of Rs.50,000/- (Rupees Fifty Thousand Only) plus applicable taxes and out of pocket expenses.

Pursuant to Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies (Accounts) Rules, 2014, the remuneration payable for the year 2022-2023 to the Cost Auditors of the Company is subject to ratification by the shareholders at the ensuing Annual General Meeting. The remuneration to the Cost Auditors is commensurate with the size of the Company, work involved and scope of audit. Your Directors recommend the same for approval by the Members at the ensuing Annual General meeting.

Cost records and audit

The Company has duly prepared and maintained the cost records of the business activities carried out by the Company during the financial year 2021-2022 as required pursuant to the provisions of section 148(1) of the Companies Act 2013 read with Companies (Cost Records and Audit) Rules 2014.

The Cost audit report for the financial year 2021-2022 will be filed with Central Government in the due course.

e) Reporting of frauds by auditor and other matters under Section 143(12) of the Act

During the year under review, the Statutory Auditors, Cost Auditors or Secretarial Auditors of the Company have not reported any frauds to the Audit Committee or to the Board of Directors under section 143(12) of the Act, including rules made there under.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined by the Audit Committee. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee of the Board & to the Managing Director.

The Internal Audit monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company.

Based on the report of internal auditor, the Company undertakes corrective action in their respective areas and thereby strengthens the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

HUMAN RESOURCE MANAGEMENT

1. Particulars of employees

The information required under Section 197(12) of the Act read with Rule 5(1), 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, including amendment thereto, is provided in the Annexure forming part of the Report. In terms of the second proviso to Section 136(1) of the Act, the Report and Accounts are being sent to the shareholders excluding the aforesaid Annexure. The said information is available for inspection by the members at the registered office of the Company during working hours on working days up to the date of the Annual General Meeting and if any member is interested in obtaining as copy thereof, such member may write to the Company Secretary and Compliance Officer at auro@aurolabs.com.

2. Prevention and prohibition of sexual harassment

The Company has in place a Policy on prohibition, prevention and redressal of sexual harassment of women at workplace and matters connected therewith or incidental thereto covering all the aspects as contained under "The Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013". A copy of the same is available on the website of your Company www.aurolabs.com.

During the year, there were no complaints received relating to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

An Internal Complaint Committee has been set up with majority women. Committee has a full access to the Board of Directors and during the year under review, there were no reported instances pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

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

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo pursuant to Section 134(3) (m) of the Companies Act, 2013, read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 is given as under:

A. Conservation of energy:

1. the steps taken or impact on conservation of energy:

During the year, Company continued to focus on minimizing the energy consumption and the measures taken are summarised below:

a) Due consideration has been given to energy consumption while procuring equipment's.

- As a responsible Corporate Citizen and in adherence to our climate change strategy, the Company is continuously taking effective steps to conserve energy and to reduce methane and other Green Houses Gases (GHG) emissions, wherever feasible.
- Except the emergency lights, all lights and electrical gadgets are turned off after working hours and on holidays at office premises of the Company to help in minimising the energy consumption.

b) Total energy consumption and under energy consumption per unit of the production as

Particulars	March 31, 2022	March 31, 2021
I. ELECTRICITY		
a. Purchase Unit (in Lakhs)	17.41	16.17
i. Total Amount (Rs. In Lakhs)	154.12	145.90
ii. Rate / Unit (Rs.)	8.85	9.02
b. Own generation (through diesel Generator)	NIL	NIL
II. LIGHT DIESEL OIL LDO/ FURNACE OIL / BRIQUETTE	March 31, 2022	March 31, 2021
(For Production) Quantity (Ltr./kg. In Lakhs)		
a. LDO Ltr.	0.05	0.07
b. FURNACE OIL Ltr.	0.40	0.74
c. BRIQUETTES Kg.	22.02	18.36
Total Amount (Rs. In Lakhs)		
a. LDO	4.80	5.69
b. FURNACE OIL	16.99	23.12
c. BRIQUETTES	175.97	123.68
Average rate per Ltr. /Kg. (Rs.)		
a. LDO Ltr.	96.00	81.28
b. FURNACE OIL Ltr.	42.48	32.51
c. BRIQUETTES Kg.	7.99	6.73
III. CONSUMPTION PER KG. OF PRODUCTION		
a. Products (Kg.)	1242051	1624000
b. Electricity (Rs.)	12.41	8.98
c. Diesel / FO / Briquette (Rs.)	15.92	9.38

c) The steps taken by the Company for utilising alternate sources of energy: Not Applicable

d) The capital investment on energy conservation equipment's: Not Applicable

B. Technology absorption

Technology absorption, adaptation and innovation: **Not Applicable**

- i. the efforts made towards technology absorption during the year under review are:
- ii. the benefits derived like product improvement, cost reduction, product development or import substitution:
- iii. in case of imported technology (imported during the last three years reckoned from the beginning of the financial year):
 - a. the details of technology imported,
 - b. the Year of import
 - c. whether the technology been fully absorbed;
- iv. During the year Company has incurred R&D Expenditure

C. Foreign exchange earnings and outgo:

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows:

(Rs. In Lakhs)

Particulars	March 31, 2022	March 31, 2021
Foreign Exchange outgo		
-CIF Value of Import:	1975.61	1132.35
-Foreign travelling expenses:	0.11	5.28
Foreign Exchange earned		
-FOB/CIF / CNF Value of export:	3717.96	4549.78

RISK MANAGEMENT

Your Company recognizes that risk is an integral part of business and is committed to managing the risks in a proactive and efficient manner; your Company periodically assesses risks in the internal and external environment, along with the cost of treating risks and incorporates risk treatment plans in the strategy, business and operational plans.

The Company has in place a Risk Management Policy (a) to ensure that all the current and future material risk exposures of the Company are identified, assessed, quantified, appropriately mitigated, minimized and managed i.e. to ensure adequate systems for risk management. (b) to establish a framework for the company's risk management process and to ensure its implementation. (c) to enable compliance with appropriate regulations, wherever applicable, through the adoption of best practices (d) to assure business growth with financial stability. A copy of the same is available on the website of your Company www.aurolabs.com.

There are no risks which threaten the existence of the Company.

QUALITY MANAGEMENT CERTIFICATION

The Company has also obtained various GMP Certifications.

HEALTH, SAFETY & ENVIRONMENT

The Company is committed to:

- Maintain an organizational culture of Health, Safety & Environmental excellence by conducting its business in a manner that will promote consistent development.
- Safe work, resource conservation, waste management and emergency response measures for continual improvement in performance.
- Design, construct, operate & maintain its facilities while assuring the best material and service quality and operate in a way that mitigates and minimizes risks and hazards.
- Prevention of ill-health, injuries and pollution by adopting best practices, carrying out periodic risk assessments, audits, reviews, inspections and providing awareness to employees and concerned stakeholders.

LISTING

The Company's Shares are listed on BSE Limited, Mumbai. The Company has paid Listing Fees for the year 2022-2023.

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 (India) Limited (CDSL). As a result the investors have an option to hold the shares of the Company in dematerialized form in either of the two Depositories. The Company has been allotted ISIN No. INE292C01011.

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

CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS REPORTS

The Company adheres to the requirements set out by the Securities and Exchange Board of India's Corporate Governance practices and has implemented all the stipulations prescribed. The Company has implemented several best corporate governance practices.

The Corporate Governance and Management Discussion & Analysis Report, which form an integral part of this Report, are set out as "**Annexure C**" and "**Annexure D**", together with the Certificate from the Secretarial Auditors of the Company regarding compliance with the requirements of Corporate Governance as stipulated in Listing Regulations.

BUSINESS RESPONSIBILITY REPORTING

The Business Responsibility Reporting as required by Regulation 34(2) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, is not applicable to the Company for the financial year ending March 31, 2022.

OTHER DISCLOSURES

- a) Your Company has not accepted any deposits from the public within the meaning of Chapter V of the Act and as such, no amount of principal or interest was outstanding as on the balance sheet date.
- b) During the year under review, no application was made or any proceeding was pending under the Insolvency and Bankruptcy Code, 2016 (31 of 2016).
- c) During the year under review, no one time settlement was done with any of the Banks or Financial Institutions.
- d) Your Company has complied with all the applicable Secretarial Standards during the year.
- e) There were no material changes and commitments, affecting the financial position of the Company which have occurred after the end of the Financial Year of the Company i.e. March 31, 2022 till the date of this report.
- f) There are no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.
- g) The Company does not have any subsidiaries, joint ventures & associate companies. The Company is also not a subsidiary of any other company
- h) During the year under review, the Company has not given any loans, or made investments or provided guarantees or securities, hence the provisions of Section 186 of the Companies Act, 2013 were not attracted during the financial year.
- i) There were no changes in the nature of business of the Company during the financial year.
- j) The Company does not have any Benami Property, nor any proceeding have been initiated or pending against the Company for holding any Benami Property.
- k) The Company has not been declared as a wilful defaulter as prescribed by the Reserve Bank of India.
- l) There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).

- m) During the year under review, the Company had not entered into any transaction with any company which was struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 2013.
- n) All charges were registered with the Registrar of Companies, Maharashtra within the prescribed timeline.

APPRECIATION

Your Directors would like to express their sincere appreciation to the company's Shareholders, Vendors including Banks, Government authorities, other business associates, who have extended their valuable sustained support and encouragement during the year under review. Your Directors also wish to place on record their appreciation for the hard work, solidarity, cooperation and support of employees at all levels.

For and on behalf of the Board of Directors
Auro Laboratories Limited

CIN No. L33125MH1989PLC051910
Mumbai, June 21, 2022

(Sharat Deorah)
Chairman and Managing Director
DIN: 00230784

Annexures:

- A. Annual report on Corporate Social responsibility
- B. Secretarial Audit Report
 - a. Letter
- C. Report On Corporate Governance
 - a. Declaration of Compliance with the Code of Conduct
 - b. PCS certificate for non-disqualification of Directors
 - c. CEO / CFO Certification
 - d. PCS Certificate on Corporate Governance
- D. Management Discussion And Analysis

ANNEXURE 'A' TO THE REPORT OF BOARD OF DIRECTORS
Annual Report on Corporate Social Responsibility (CSR) Activities
1. Brief outline on CSR Policy of the Company: -

The Board of Directors of Auro Laboratories Limited, after taking into account the recommendations of the CSR Committee, has approved this CSR Policy for the Company. As required under section 135(4) of the Companies Act, 2013, this policy is uploaded on the company's website www.aurolabs.com. As per the CSR policy, Rural Transformation, Health, Education, Environment and Disaster Response, are the focus areas for CSR engagement.

2. Composition of CSR committee:

Name of Director	DIN	Designation in Committee	Number of meeting of CSR Committee during the year	
			held	attended
Mr. Kailash Chand Bubna (Non-Executive Independent Director)	01877773	Chairperson	1	1
Mr. Govardhan Das Agarwal (Non-Executive Independent Director)	00545428	Member	1	1
Mr. Siddhartha Deorah (Whole Time Director)	00230796	Member	1	1

The Board of Directors in their meeting held on May 30, 2022 resolved to dissolve the CSR Committee in terms of the provisions of Section 135(9) of the Companies Act, 2013 and approved vesting of all powers & functions of the Committee with the Board of Directors.

3. Web-link of website where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed

<http://www.aurolabs.com/contact/index.htm>

4. Details of Impact assessment of CSR projects : Not Applicable
5. Amount available for set off in pursuance of rule 7(3) of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:
 NIL

6. Average net profit of the Company as per section 135(5): Rs.74053617/-
7. CSR Obligation

S.no.	Particulars	Amount
a.	Two percent of average net profit of the Company as per section 135(5)	1481072/-
b.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	NIL
c.	Amount required to be set off for the financial year, if any	NIL
d.	Total CSR obligation for the financial year (7a+7b-7c)	1481072/-

8. CSR Spent

(a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
1500000/-	-	-	-	-	-

(b) Details of CSR amount spent against ongoing projects for the financial year: NIL

(c) Details of CSR amount spent against **other than ongoing projects** for the financial year 2021-2022:

S. No.	Particulars	Details of CSR Amount Spend for FY 2022
1	Name of the Project	Providing support for Infrastructure facilities at Hospitals
2	Item from the list of activities in schedule VII to the Act	Health Care
3	Local area (Yes/ No)	No
4	Location of the project	Guwahati, Assam
	District, State	
5	Amount spent for the project (in Rs)	1500000/-
6	Mode of implementation (Yes/No)	
	Direct	No
	Through implementing agency	YES
7	Name & CSR Regn No. of implementing agency	Marwari Hospitals, a charitable hospital at Guwahati, Assam, under its parent organization Shree Marwari Databya Aushadhalaya (CSR Regn : CSR00007153)

(d) Amount spent in Administrative Overheads: NIL

(e) Amount spent on Impact Assessment, if applicable: NIL

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 1500000/-

(g) Excess amount for set off, if any

S. No	Particular	Amount (in Rs.)
i.	Two percent of average net profit of the Company as per section 135(5)	1481072/-
ii.	Total amount spent for the Financial Year	1500000/-
iii.	Excess amount spent for the financial year [(ii)-(i)]	18928/-
iv.	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
v.	Amount available for set off in succeeding financial years [(iii)-(iv)]	18928/-

9. (a) Details of Unspent CSR amount for the preceding three financial years: NIL

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): NIL

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: - Not applicable

Date of creation or acquisition	Amount of CSR spent for creation or acquisition	Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address	Provide details of the capital asset(s) created or acquired
NIL			

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): - Not Applicable

For and on behalf of the CSR
Committee

For and on behalf of the Board of
Directors

CIN:L33125MH1989PLC051910
Mumbai, June 21, 2022

(Kailash Chandra Bubna)
Chairman of CSR Committee
DIN: 01877773

(Sharat Deorah)
Chairman and Managing Director
DIN: 00230784

ANNEXURE 'B' TO THE REPORT OF BOARD OF DIRECTORS**FORM NO.MR-3****SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED MARCH 31, 2022**

Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

To

The Members

AURO LABORATORIES LIMITED

K-56, MIDC, Industrial Area,
Tarapur, Boisar, Dist. Palghar,
(Thane) – 401 506.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **AURO LABORATORIES LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022 complied with the statutory provisions of the applicable Acts listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **AURO LABORATORIES LIMITED** for the financial year ended on March 31, 2022 according to the provisions of:

- i. The Companies Act, 2013 ("the Act") and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment;
- v. The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:
 - (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; (except as specified in the Secretarial Compliance Report)
 - (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (d) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable to the Company during the review period)

- (e) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the review period)
 - (f) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 [Formerly known as Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014]; (Not applicable to the Company during the review period)
 - (g) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during the review period)
 - (h) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; (Not applicable to the Company during the review period)
- vi. We have also examined compliance with the applicable clauses of the following:
- a) Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India.
 - b) The Listing Agreements entered into by the Company with BSE Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, the Company is engaged in manufacturing activities of Active Pharmaceuticals Ingredients (APIs). The specific industry related acts applicable to the Company are as under:

- Drug and Cosmetics Act, 1940 and Drug and Cosmetics Rules, 1945;
- Indian Boilers Act, 1923;

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

We further report having regard to the compliance system prevailing in the Company and as per explanations and management representations obtained and relied upon by us the Company has adequate systems and processes commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines etc.

We report that the Compliance by the Company of applicable financial laws, like direct, indirect tax laws and Goods and Service Tax Act, has not been reviewed in this Audit since the same has been subject to review by statutory auditor and other designated professionals.

We further report that:

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provision of the Act.
2. That there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
3. Adequate notice is given to all directors to schedule the Board Meetings, Board Committee Meetings, agenda and detailed notes on agenda were sent well in advance and a system exists for

seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decisions are carried through while the dissenting members' views, if any, are captured and recorded as part of Minutes.

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

As informed, the Company has responded appropriately to notices received from various statutory/regulatory authorities including initiating actions for corrective measures, wherever found necessary.

For **GMJ & ASSOCIATES**
Company Secretaries

[CS SONIA CHETTIAR]
PARTNER
ACS: 27582 COP: 10130
UDIN: A027582D000404970

PLACE: MUMBAI
DATE: MAY 30, 2022.

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

ANNEXURE A TO THE SECRETARIAL AUDIT REPORT

To
The Members
AURO LABORATORIES LIMITED
K-56, MIDC, Industrial Area,
Tarapur, Boisar, Dist. Palghar,
(Thane) – 401 506.

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

1. Maintenance of secretarial records is the responsibility of management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **GMJ & ASSOCIATES**
Company Secretaries

[CS SONIA CHETTIAR]
PARTNER
ACS: 27582 COP: 10130
UDIN: A027582D000404970

PLACE: MUMBAI
DATE: MAY 30, 2022

ANNEXURE “C” TO DIRECTORS’ REPORT

Report on Corporate Governance

Report on Corporate Governance pursuant to Schedule V (C) of the SEBI (LODR) Regulations, 2015 (the Listing Regulations) and forming Part of the Directors’ Report for the year ended March 31, 2022

1. Statement on Company’s Philosophy on Code of Governance:

Auro Laboratories Limited (‘the Company’) is committed to do business in an efficient, responsible, honest and ethical manner. The core values of the Company’s Governance process include independence, integrity, accountability, transparency and fairness in all its transactions in the widest sense and meets its stakeholder’s aspirations and social expectations.

The Corporate Governance structure specifies the distribution of rights, responsibilities and powers among different participants in the corporation. All strategic decisions regarding investment, diversification, major decisions procurement, commercial and finance are forwarded ahead after approval of the Board.

The Company is also committed to enhance shareholders value in a fair and transparent manner and has been in the forefront for bench marking itself with the best business practices globally.

2. Board of Directors:

a. Composition of the Board

As on March 31, 2022 the Board of Directors consists of Six (6) members. Besides the Chairman & Managing Director, who is an Executive Director, the Board comprises of Two (2) Executive Director, Three (3) Independent Directors (including one Woman Director) as on March 31, 2022. The composition of the Board is in conformity with the Companies Act, 2013 and Listing Regulations enjoining specified combination of Executive and Non-Executive Directors with at least one Women Independent Director and not less than fifty per cent of the Board comprising of Independent Directors.

The composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business.

b. Details of Composition and category of Board, shareholding and other Directorships/ Committee memberships, Meeting of the Board of Directors, Directors’ Attendance at the meeting of the Board and Annual general meeting

During the FY 2021-22, five Board Meetings were held on May 24, 2021, June 21, 2021, August 5, 2021, November 11, 2021 and January 28, 2022 and not more than one hundred and twenty days elapsed between any two meetings. The necessary quorum was present for all the meetings with the presence of independent Directors.

The details of Board including the category, date of appointment, attendance of the Directors at the aforesaid Board Meetings and the last Annual General Meeting (“AGM”) along with the number of Directorship(s) and Committee membership(s) in other companies of Directors are as follows:

Name of Director	Category	Date of appointment	Attendance at the Board Meetings			Attendance at AGM held at August 31, 2021*	No. of #			
			Entitle to attend	Attendee	% of attendance		Other Directorship		Other Committee	
							Public	Private	Member	Chairman
Mr. Sharat Deorah (DIN: 00230784)	Executive/ MD Chairperson related to Promoter	May 26, 1989	5	5	100	P	-	3	-	-
Mr. Siddhartha Deorah (DIN: 00230796)	Promoter/ Executive/ Whole Time Director	Dec 16, 2013	5	5	100	C	-	3	-	-
Mr. Govardhan Das Agarwal (DIN: 00545428)	Non-Executive Independent	Nov 19, 2013	5	5	100	P	1	2	-	-
Mr. Kailash Chanda Bubna (DIN: 01877773)	Non-Executive Independent	Nov 19, 2013	5	5	100	P	-	-	-	-
Mrs. Kavita Vijayakant Sharma (DIN: 07139910)	Non-Executive Independent	Mar 27, 2015	5	5	100	P	-	-	-	-
Mr. Kiran Suresh Kulkarni (DIN: 09175595)	Executive/ Whole Time Director	May 24, 2021	4	4	100	P	-	-	-	-

For purpose of determination of committee position, Chairmanship and Membership of the Audit Committee and Stakeholders' Relationship Committee has been considered as per Regulation 26(1)(b) of Listing Regulations.

* C- Chairman of the meeting, P-Present, NA- Not applicable

As mandated by Regulation 26 of Listing Regulations, none of the Directors of the Company hold directorships in more than 7 Listed Companies. Further, none of the Director acts as a member of more than 10 committees or acts as a Chairperson of more than 5 committees across all Listed Companies.

None of the Directors hold the position as Director or committee member/ chairman in any other listed Companies

c. Relationships between Directors inter-se:

Mr. Sharat Deorah is related to Mr. Siddhartha Deorah as his father, with such inter-se relation between them. None of the other Directors except as aforementioned are related to each other.

d. Shareholding of Independent Directors:

As on March 31, 2022, Mr. Kailash Chand Bubna, Non-Executive Independent Director of the Company holds 1229 shares of the Company. Other than that none of the non-executive Directors hold any share in the Company.

e. Familiarisation Programme for Independent Directors:

The Company has conducted familiarisation programs for Independent Directors during the year. The details for the same have been disclosed on the website of the Company i.e. www.aurolabs.com.

f. Confirmation of Board for the independence of Independent Directors:

In the Opinion of Board, the Independent Directors fulfil the conditions specified in the Listing Regulations and are independent of the Management.

g. Independent director's databank registration and online proficiency test

Pursuant to a notification dated October 22, 2019 issued by the Ministry of Corporate Affairs, all directors have completed the registration with the Independent Directors Databank. Requisite disclosures have been received from the directors in this regard.

In terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, all the Independent Directors are exempted from the requirement to undertake online proficiency self-assessment test conducted by the Indian Institute of Corporate Affairs.

h. Chart or matrix setting out skills/expertise/competence of the Board of Directors:

Name of Director*	Core skills/ Experience/ Competence					
	Planning	Technical	Finance/ Accounts/ Taxation	Legal	Administration	Marketing/ publicity
Mr. Sharat Deorah (PD/CMD) (DIN: 00230784)	✓				✓	✓
Mr. Siddhartha Deorah (PD/WTD) (DIN: 00230796)	✓		✓	✓	✓	
Mr. Govardhan Das Agarwal (ID) (DIN: 00545428)	✓	✓			✓	✓
Mr. Kailash Chanda Bubna (ID) (DIN: 01877773)			✓	✓		
Mrs. Kavita Vijayakant Sharma (ID) (DIN: 07139910)			✓		✓	
Mr. Kiran Suresh Kulkarni (WTD) (DIN: 09175595)	✓	✓				

*PD – Promoter Director; CMD- Chairman & Managing Director, ID – Non-Executive Independent Director, WTD- Whole Time and Executive Director

i. Minimum information being placed before the Board & Board procedure:

The Board has complete access to all information with the Company.

The Board meets at regular intervals to discuss and decide on various issues, including strategy related matters pertaining to the business of the Company. The tentative calendar of Board Meetings is circulated to the Directors in advance to facilitate them and to ensure their active participation at the Meetings of the Company.

Agenda papers containing all necessary information / documents are made available to the Board in advance to enable the Board to take informed decisions and to discharge its functions effectively. Where it is not practicable to attach the relevant information as a part of agenda papers, the same are tabled at the Meeting of the Board.

The information as specified in Regulation 17(7) of the Listing Regulations is regularly made available to the Board, whenever applicable, for discussion and consideration.

The Board has an effective post meeting follow up procedure. The Action taken on the decisions taken in a meeting is discussed at the immediately succeeding meeting for information of the Board. The Compliance report in respect of applicable laws are reviewed by the Board periodically.

The performance evaluation of the Independent Directors has been carried out by the entire Board of Directors to its satisfaction. In the above evaluation process the Directors, who were subjected to evaluation did not participate.

3. Committees of Board:

To focus effectively on the issues and ensure expedient resolution of the diverse matters, the Board has constituted a set of Committees of Directors with specific terms of reference / scope. The committee operates as empowered agents of the Board. The inputs and details required for the decision is provided by the operating managers. The Minutes of the Meeting of all Committees of the Board are placed before the Board for discussions / noting.

Details of the Committees of the Board and other related information are as follows:

3.1. Audit Committee:

The Audit Committee of the Company constituted in accordance with the Regulation 18 of the Listing Regulations read with Section 177 of the Companies Act, 2013 comprises of 2 qualified Independent Directors and 1 Executive Director as member. All the members have financial and accounting knowledge.

The Committee acts as an interface between the e Statutory and Internal Auditors, the Management and the Board of Directors of the Company. The Committee focuses its attention on monitoring the financial reporting system within the Company, considering Quarterly & Annual Financial Results of the Company and submitting its observations to the Board of Directors before its adoption by the Board, review of the internal audit report & internal control system etc.

3.1.1. The terms of reference of the Audit Committee are as under:

- a) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- b) Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company;
- c) Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- d) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - ii. Changes, if any, in accounting policies and practices and reasons for the same;
 - iii. Major accounting entries involving estimates based on the exercise of judgment by management;
 - iv. Significant adjustments made in the financial statements arising out of audit findings;
 - v. Compliance with listing and other legal requirements relating to financial statements;
 - vi. Disclosure of any related party transactions;
 - vii. Modified opinions in the draft audit report;
- e) Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- f) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- g) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- h) Approval or any subsequent modification of transactions of the company with related parties;
- i) Scrutiny of inter-corporate loans and investments;
- j) Valuation of undertakings or assets of the company, wherever it is necessary;

- k) Evaluation of internal financial controls and risk management systems;
- l) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- m) Reviewing the adequacy of internal audit functions;
- n) Discussion with internal auditors of any significant findings and follow up there on;
- o) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- p) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- q) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- r) To review the functioning of the Whistle Blower mechanism;
- s) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- t) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;
- u) Management discussion and analysis of financial condition and results of operations;
- v) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management, if any;
- w) Management letters / letters of internal control weaknesses issued by the statutory auditors, if any;
- x) Internal audit reports relating to internal control weaknesses, if any;
- y) the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
- z) Statement of deviations, if any; in terms of Regulation 32(1) & 32(7) of the Listing Regulations;

3.1.2. Composition and Meetings:

The Committee met 5 times during the year and the gap between the two meetings has not exceeded one hundred and twenty days. The necessary quorum was present for all the meetings. The Chairperson of the Audit Committee attended the last AGM held during the year 2021-2022.

The Composition of the Audit Committee and details of meetings attended by its members are given below:

Name of the Members*	Status	Audit Committee Meetings Attended					No. of meeting	
		May 24, 2021	Jun 21, 2021	Aug 05, 2021	Nov 11, 2021	Jan 28, 2022	Entitled to Attend	Attended
Mr. Kailash Chanda Bubna (ID) (DIN: 01877773)	Chair person	Yes	Yes	Yes	Yes	Yes	5	5
Mr. Govardhan Das Agarwal (ID) (DIN: 00545428)	Member	Yes	Yes	Yes	Yes	Yes	5	5
Mr. Siddhartha Deorah (WTD) (DIN: 00230796)	Member	Yes	Yes	Yes	Yes	Yes	5	5

*Category- ID- Non-Executive independent Director, WTD- Whole Time Director

Head of the Finance and Accounts Department (CFO), representative of the Statutory Auditors and other executives as are considered necessary, attend meetings of the Audit Committee. The Company Secretary of the Company acts as the Secretary of the Audit Committee. Minutes of the Committee meetings are circulated to the Members and placed before Board for its noting.

3.2. Nomination and Remuneration Committee:

The Nomination and Remuneration Committee constituted in accordance with the Regulation 19 of the Listing Regulations read with Section 178 of Companies Act, 2013 comprises of 3 Non-executive Independent Director as members. Mr. Kailash Chand Bubna, Chairperson of Nomination and Remuneration Committee was present at the last Annual General Meeting held on August 31st, 2021.

3.2.1. Terms of reference and policy

The Nomination and Remuneration Committee is responsible for evaluating the balance of skills, experience, independence, diversity and knowledge on the Board and for drawing up selection criteria, ongoing succession planning and appointment procedures for both internal and external appointments.

The terms of reference of the Committee cover the matters specified for Nomination and Remuneration Committee under the SEBI Listing Regulations, 2015 and the Companies Act, 2013 and is contained in the Nomination and remuneration policy of the Company. The detailed Nomination & Remuneration policy is available on the website of the Company i.e. www.aurolabs.com

3.2.2. Composition & Meetings:

The Committee met twice during the year on May 24, 2021 and August 05, 2021. The necessary quorum was present at the meeting. The Company Secretary acts as the Secretary of the Committee.

The Composition of the NRC and the details of meetings attended by its members are given below:

Name of the Members*	Status	NRC Meeting Attended		No. of Meetings	
		May 24, 2021	Aug 05, 2021	Entitled to Attend	Attended
Mr. Kailash Chanda Bubna (ID) (DIN: 01877773)	Chairperson	Yes	Yes	2	2
Mr. Govardhan Das Agarwal (ID) (DIN: 00545428)	Member	Yes	Yes	2	2
Mrs. Kavita Vijayakant Sharma (ID) (DIN: 07139910)	Member	Yes	Yes	2	2

*category- ID- Non-Executive independent Director

3.2.3. Performance of Independent Directors was evaluated on the following criteria:

- Participation at the Board / Committee meetings
- Commitment, Impact and influence
- Effective deployment of knowledge and expertise
- Effective management of relationship with stakeholders
- Integrity and maintaining of confidentiality
- Exercise of objective independent judgment in the best interest of Company
- Ability to contribute to and monitor corporate governance practice
- Adherence to the code of conduct for independent directors

The entire Board of Directors carried out the performance evaluation of the Independent Directors on various parameters like engagement, analysis, decision making, communication and interest of stakeholders. In the evaluation process the Directors, who were subjected to evaluation did not participate.

3.3. Stakeholders Relationship Committee:

The Stakeholders Relationship Committee constituted in accordance with the Regulation 20 of the Listing Regulations read with Section 178 of the Act., comprising of 3 Director as member (i.e.2 Non-executive Independent Director and 1 Executive Director). Mr. Kailash Chand Bubna, Chairperson of Stakeholders Relationship Committee was present at the last Annual General Meeting held on August 31st, 2021.

The Company Secretary of the Company acts as the Secretary of the Stakeholders Relationship Committee. As on March 31, 2022, Mrs. Shanu Nag, Company Secretary was the Compliance Officer of the Company. Minutes of the Committee meetings are circulated to the Members and placed before Board for its noting.

The Committee shall specifically look into the mechanism of redressal of grievances of shareholders & other security holders pertaining to transfer of shares, non-receipt of declared dividends, non-receipt of Annual Report, issues concerning de-materialization etc.

The Company has designated the e-mail ID auro@aurolabs.com exclusively for the purpose of registering complaint by investors electronically. This e-mail ID is displayed on the Company's website i.e. www.aurolabs.com

3.3.1. Status Report of Investor Complaints for the year ended March 31, 2022

The following table shows the nature of complaints received from the shareholders during the year 2021-2022.

Nature of complaints	During the year 2021-2022	
	Complaints received	Complaints resolved
Non-receipt of physical shares for rejected demat	2	2
Others i.e. Non Receipt of S/C after Sub Division of Shares etc	1	1
Total	3	3

There were no complaints pending as on March 31, 2022.

3.3.2. Composition & Meetings:

The Committee met twice during the year on June 21, 2021 and August 05, 2021. The necessary quorum was present at the meeting. The Composition of the SRC and the details of meetings attended by its members are given below:

Name of the Members	Status	SRC Meeting Attended		No. of Meetings	
		Jun 21, 2021	Aug 05, 2021	Entitled to Attend	Attended
Mr. Kailash Chanda Bubna (ID) (DIN: 01877773)	Chairperson	Yes	Yes	4	4
Mr. Govardhan Das Agarwal (ID) (DIN: 00545428)	Member	Yes	Yes	4	4
Mr. Siddhartha Deorah (WTD) (DIN: 00230796)	Member	Yes	Yes	4	4

*Category- ID- Non-Executive independent Director, WTD- Whole Time Director

3.4. Corporate Social Responsibility Committee:

The Corporate Social Responsibility Committee of the Company in accordance with the provisions of Section 135 of the Act. The Committee meets as and when required. The Committee recommends to the Board activities, programs, projects to be undertaken by the company as specified in Schedule VII of the Act. The activities / programmes undertaken by the Company and the amount spent by the Company are given in the Annexure to the Directors Report. This policy can be accessed from the Company's website www.aurolabs.com

3.4.1. Composition & Meetings:

The Committee met once during the year on **August 05, 2021**. The necessary quorum was present at the meeting. The Composition of the CSR Committee and the details of meetings attended by its members are given below:

Name of the Members*	Status	CSR Meeting Attended	No. of Meetings Entitled to Attend	No. of Meetings Attended
		Aug 05, 2021		
Mr. Kailash Chanda Bubna (ID) (DIN: 01877773)	Chairperson	Yes	1	1
Mr. Govardhan Das Agarwal (ID) (DIN: 00545428)	Member	Yes	1	1
Mr. Siddhartha Deorah (WTD) (DIN: 00230796)	Member	Yes	1	1

*Category- ID- Non-Executive independent Director, WTD- Whole Time Director

The Board of Directors in their meeting held on May 30, 2022, resolved that in terms of the amended provisions of Section 135 (9) of the Companies Act, 2013, the existing CSR Committee be dissolved and the powers and functions of the Committee shall be vested upon the Board of Directors of the Company.

4. Obligation and Separate Meeting of Independent Directors:

In accordance with the provisions of Schedule IV of the Companies Act, 2013 and Regulation 25 of SEBI Listing Regulations, 1 (One) separate meeting of the Independent Directors was held during the year i.e. on January 28, 2022. In this meeting of the Independent Directors were without the attendance of Non-Independent Directors and members of management to:

- review the performance of non-independent directors and the board of directors as a whole;
- review the performance of the chairperson of the listed entity, taking into account the views of executive directors and non-executive directors;
- assess the quality, quantity and timeliness of flow of information between the management of the listed entity and the Board of Directors that is necessary for the Board of Directors to effectively and reasonably perform their duties.

Accordingly, the performance evaluation of the Chairperson and the Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

5. Remuneration paid to Directors:

The Company pays remuneration to its Chairman & Managing Director and Whole-time Directors by way of Salary, perquisites, allowances, commission etc. Salary is paid within the range as approved by the Shareholders. The Board approves all the revisions in salary, perquisites, allowances and commission subject to the overall ceiling prescribed by Section 197 and 198 of the Act and Regulation 17(6)(e) of Listing Regulations. The Non-Executive Independent Directors have not been paid any remuneration except sitting fees during the financial year 2021-2022.

The details of remuneration paid to Directors during the financial year 2021-2022 are given below:

(Amount in Rs.Lakhs)

Name of Director*	Salary	Sitting fees	Commission	Total
Mr. Sharat Deorah (P/CMD)	120.00	-	-	120.00
Mr. Siddhartha Deorah (P/WTD)	120.00	-	-	120.00
Mr. Govardhan Das Agarwal (ID)	-	0.13	-	0.13
Mr. Kailash Chanda Bubna (ID)	-	0.13	-	0.13
Mrs. Kavita Vijayakant Sharma (ID)	-	0.13	-	0.13
Mr. Kiran Suresh Kulkarni (WTD)	14.26	-	-	14.26

*PD – Promoter Director, CMD- Chairman & Managing Director, ID – Non-Executive Independent Director, WTD- Whole Time and Executive Director

No single non-executive director is paid remuneration exceeding fifty percent of the total annual remuneration paid to all the non-executive directors during the financial year 2021-2022. The Company does not have any stock option plans and hence such instrument does not form part of the remuneration package payable to any Executive Director and / or Non-Executive Director. During the period under review, none of the directors were paid any performance linked incentive.

6. General Body Meetings:

- a. Details of date, time, venue of the meeting and special resolutions passed in the previous three Annual General Meetings:

Year ended	Date, Time and Venue of the meeting	Subject matter of special resolution
March 31, 2019	September 06, 2019 at 11am at Reyansh Grand Hotel situated at P-47, Tarapur-Boisar MIDC Opp. Lavino Kapur Company, Salwad Road, Boisar(W) Dist - Palghar 401504	i. Re-appointment of Mr. Sharat Deorah as Chairman & Managing Director of the company ii. Re appointment of Mr. Siddhartha Deorah As Whole-Time Director of the company
March 31, 2020	September 28, 2020 at 11am AGM held through Video Conferencing/ Other Audio- Visual Means	No Special resolution was passed
March 31, 2021	August 31, 2021. At 11.30am AGM held through Video Conferencing/ Other Audio-Visual Means	i. Appointment of Mr. Kiran Kulkarni as the Whole time Director of the Company for a term of 3 years ii. Re-appointment of Mr. Sharat Deorah as Chairperson and Managing Director of the Company for a term of 3 years iii. Re-appointment of Mr. Siddhartha Deorah as Whole time Director of the Company for a term of 3 years

- b. During the Year, the Company has not carried out any postal ballot process.
c. There were No special resolutions proposed to be conducted through postal ballot.

7. Means of Communication:

Quarterly results	The quarterly, half-yearly and annual financial results of the Company are submitted to BSE Limited electronically & published in newspapers and uploaded on the Company's website.
Newspapers wherein results normally published	Active Times & Mumbai Lakshdeep
Website, where displayed	www.aurolabs.com
Official news releases	No official news release was made
Presentations made to institutional investors or to the analysts	No presentations made to institutional investors or analysts

8. General Shareholders Information:

a) Corporate Information:

Incorporation Date	May 26, 1989
Registered Office Address	K-56 M I D C Tarapur Industrial Area, Thane, Maharashtra 401506
Corporate Identification Number (CIN)	L33125MH1989PLC051910
Date, time and Venue of the Annual General Meeting	33rd Annual General Meeting Wednesday, July 20, 2022 at 12.30 PM IST Annual General Meeting through Video Conferencing/Other Audio Visual Means facility [Deemed Venue for Meeting: Registered Office: K-56, MIDC Tarapur Industrial Area, Thane, Maharashtra 401506]
Financial year	April 1, 2021 to March 31, 2022

Dividend Payment Date	No dividend has been proposed
Name and Address of Stock Exchange	The equity shares of the Company are listed on BSE Limited. BSE Limited Phiroze Jeejeebhoy Towers, 1st Floor, Dalal Street, Fort, Mumbai – 400 001
Stock Code	Scrip Name: AURO LABORATORIES LTD Scrip Code: 530233
Payment of Listing Fees	The Company has paid the annual listing fees for the relevant periods to BSE where its equity shares are listed.
ISIN	INE292C01011
Depository Connectivity	NSDL and CDSL
Registrar & Share Transfer Agent	PURVA SHAREGISTRY (INDIA) PVT. LTD, (UNIT: AURO LABORATORIES LTD.) Unit no. 9 Shiv Shakti Ind. Estate, J. R. Boricha Marg, Lower Parel (East), Mumbai, Maharashtra-400011. Tel: 022 - 23012518 / 6761 Email: support@purvashare.com
In Case securities are suspended from Trading	Not Applicable
Share Transfer System	RTA of the Company does verify documents, process and effect transfer of shares, transfer request received at the office of the Company/RTA. In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. April 1, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. An annual certificate of compliance with the share/debt transfer formalities as required under Regulation 40(9) of the SEBI LODR Regulations is obtained from the Company Secretary in Practice and a copy of the certificate is filed with the Stock Exchanges within the prescribed time.
Dematerialization of shares	As on March 31, 2022, 5269882 Equity Shares representing 84.55% of total equity shares were held in dematerialized form with NSDL and CDSL. The total shareholding of Promoters & Promoters Group is in held in dematerialised form in compliance with Regulation 31(2) of the Listing Regulations.
Plant Locations	K-56 MIDC Tarapur Industrial Area, Thane Maharashtra 401506 India
Address for correspondence	The Company Secretary & Compliance Officer Auro Laboratories Limited 314, 3rd Floor, T.V. Industrial Estate, S.K. Ahire Marg, Worli, Mumbai – 400 030 E-mail: auro@aurolabs.com Telephone No.-022-66635456 Registrar and Share Transfer Agents: PURVA SHAREGISTRY (INDIA) PVT. LTD, (UNIT: AURO LABORATORIES LTD.) Unit no. 9 Shiv Shakti Ind. Estate, J. R. Boricha Marg,

	Lower Parel (East), Mumbai, Maharashtra-400011. Tel: 022 - 23012518 / 6761 Email: support@purvashare.com
Commodity price risk or foreign exchange risk and commodity hedging activities	The Company carries the normal foreign exchange risk and whenever it is thought appropriate foreign exchange risk is hedged by forward contract and currency options.

b) Calendar of financial year ended 31st March, 2022:

The financial year of the Company starts from April 1 of every year to March 31 of the next year. The meetings of Board of Directors for approval of quarterly financial results during the financial year ended 31st March, 2022 were held on the following dates:

Financial Reporting for the Financial Year 2021-2022	Date of reporting
First Quarter Results	August 05, 2021
Second Quarter and Half yearly Results	November 11, 2021
Third Quarter Results	January 28, 2022
Fourth Quarter and Annual Results	May 30, 2022

c) Tentative Calendar for financial year ending 31st March, 2023

The tentative dates of meeting of Board of Directors for consideration of quarterly financial results for the financial year ending 31st March, 2023 are as follows:

Financial Reporting for the Financial Year 2022-2023	Date of reporting
First Quarter Results	On or before August 14, 2022
Second Quarter and Half yearly Results	On or before November 14, 2022
Third Quarter Results	On or before February 14, 2023
Fourth Quarter and Annual Results	On or before May 30, 2023

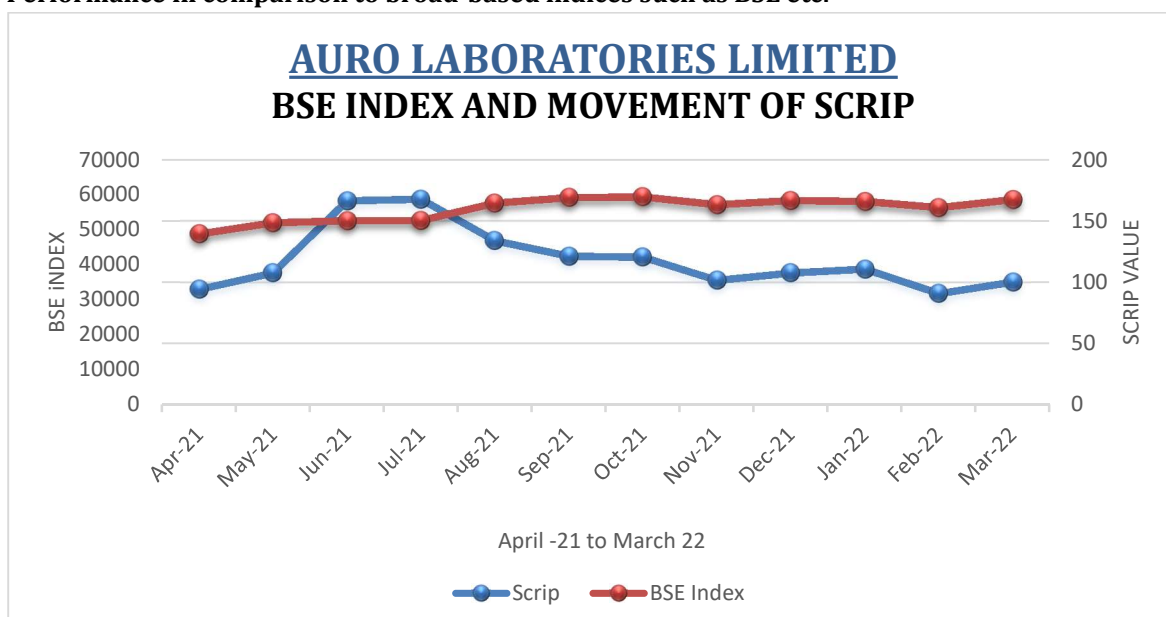
d) In case the securities are suspended from trading, the directors report shall explain the reason thereof; - Not Applicable

e) Share Price Data:

The monthly high and low prices and volumes of shares of the Company at BSE Limited (BSE) and for the year ended 31st March, 2022 are as under:

Month	Company's Shares		Closing	
	High (₹)	Low (₹)	Closing (₹)	BSE Sensex
April, 2021	114.75	78.50	94.35	48,782.36
May, 2021	118.00	90.00	107.70	51,937.44
June, 2021	181.00	101.10	166.25	52,482.71
July, 2021	195.00	158.65	167.50	52,586.84
August, 2021	176.00	112.45	133.95	57,552.39
September, 2021	139.55	115.20	121.20	59,126.36
October, 2021	153.40	117.60	120.55	59,306.93
November, 2021	126.00	96.00	101.70	57,064.87
December, 2021	116.25	97.70	107.70	58,253.82
January, 2022	149.40	105.30	110.75	58,014.17
February, 2022	114.40	88.00	91.05	56,247.28
March, 2022	101.00	87.00	100.30	58,568.51

f) Performance in comparison to broad-based indices such as BSE etc.



g) Distribution of Shareholding:

Shareholding Pattern as on March 31, 2022:

Category	No. of shares held	% of shareholding
Promoters & Promoter Group	3240343	51.99%
Mutual Funds/UTI	400	0.01%
Financial Institutions/Banks	-	-
Bodies Corporate	48878	0.78%
Indian Public	2539091	40.74%
Clearing Members	6063	0.10%
NRI/FN	397725	6.38%
Total	6232500	100.00%

Distribution of Shareholding as on March 31, 2022:

No. of Equity Shares held	No. of Shareholders	No. of Shares held	% of shareholding
Upto -500	10563	1175529	18.86%
501-1000	534	443760	7.12%
1001-2000	200	306057	4.91%
2001-3000	76	191682	3.08%
3001-4000	23	84322	1.35%
4001-5000	18	87457	1.40%
5001-10000	33	221099	3.55%
10001- & above	17	3722594	59.73%
Total	11464	6232500	100.00%

h) Liquidity:

Average Monthly Trading of the Company's Shares on BSE

Particulars	BSE
Number of Trades	5798
Number of Shares	406479

- i) **Outstanding GDR's / ADR's / Warrants or any Convertible instruments, conversion date and likely impact on equity:** Not Applicable
- j) **List of all Credit rating obtained by the Company along with any revisions thereto during the financial year and last three years**

Instrument	2021			2020		2019	
	Type	Date	Rating	Date	Rating	Date	Rating
Fund Based Facilities	LT	Nov 29, 2021	CRISIL BBB- / Stable	Aug 27, 2020	CRISIL BBB- / Stable	May 21, 2019	CRISIL BBB- / Stable
Non-Fund Based Facilities	ST		CRISIL A3		CRISIL A3		CRISIL A3

- k) **Other Policies Mandated Under Listing Regulations:** The following policies can be accessed from the Company's website -www.aurolabs.com

- **Archival Policy-** In Compliance with Regulation 30(8) of Listing Regulations, the Company shall disclose on its website all such events, information which has been disclosed to the Stock Exchange(s) under Regulations 30. Such disclosures shall be posted on website of the Company for minimum five years and thereafter determine further action as per the archival policy of the Company.
- **Policy on Board Diversity-** The Company recognizes and embraces the benefit of having a diverse Board of Directors and views increasing diversity at the Board level as an essential element in maintaining competitive advantage in the Business in which it operates.
- **Policy for Preservation of Documents-** In Compliance with Regulation 9 of Listing Regulations, the Board of Directors of the Company has adopted policy on preservation of Documents.
- **Policy for Determining Materiality of Events-** In Compliance with Regulations 30 of Listing Regulations, the Board of Directors has adopted a policy on Determining Materiality of Events or information. The objective of this policy is to ensure timely and adequate disclosure of events or information.

9. Other Disclosures:

- a) **Disclosures on materially significant related party transactions that may have potential conflict with the interests of listed entity at large:** There have been no materially significant related party transactions, monetary transactions or relationships between the Company and its directors, the Management, or relatives. None of the transactions with any of the related parties were in conflict with the interests of the Company.
- b) **Web link where policy on dealing with related party transactions:** www.aurolabs.com
- c) **Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years – None**
- d) **Details of establishment of vigil mechanism/ whistle blower policy, and affirmation that no personnel has been denied access to the audit committee:** Pursuant to Section 177(9) of the Act and Regulation 22 of the Listing Regulations the Company has adopted a Vigil Mechanism/Whistle Blower Policy. The Company believes in professionalism, transparency, integrity and ethical behaviour and had thus established a 'Whistle Blower Policy' to facilitate employees to report concerns of any unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. No person has been denied access to the Audit Committee.

- e) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements:** The Company has complied with all mandatory requirements of Listing Regulations and has implemented the following non mandatory requirements:
- The Board: Not Applicable since the Company has an Executive Chairperson
 - Shareholders Rights: Presently the Company is not sending half yearly communication.
 - Modified opinion(s) in the Audit Report: It is always the Company's endeavor to present unqualified financial statements. There are no audit modified opinions in the Company's financial statement for the year under review.
 - Reporting of Internal Auditor : The Internal Auditor is directly reporting to Audit Committee
- f) web link where policy for determining 'material' subsidiaries is disclosed:** Not Applicable
- g) disclosure of commodity price risks and commodity hedging activities:** Market Driven
- h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):** The Company has not raised any fund through Preferential Allotment or Qualified Institutions Placement as specified under regulation 32 (7A) of the Listing Regulations, during the financial year ended March 31, 2022.
- i) A certificate from GMJ & Associates company secretary in practice** have been obtained and certifying that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority. This Certificate is annexed to the Report.
- j) Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof:** Not Applicable
- k) Total fees for all services paid by the Company, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part:** as per Note no. 21(i) of financials.
- l) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**
- number of complaints filed during the financial year- Nil
 - number of complaints disposed of during the financial year- Nil
 - number of complaints pending as on end of the financial year- Nil
- m) Disclosure by listed entity and its subsidiaries of 'Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount':** No such Loan/Guarantee provided/given during the financial year
- n) Terms and conditions of appointment/re-appointment of Independent Directors are available on the Company's website:** www.aurolabs.com

10. Non Compliance of any requirement of Corporate Governance Report of sub-para (2) To (10) of para C of Corporate Governance Report of Schedule V Annual Report of Listing Regulations:

NONE

11. Disclosure to the extent to which the discretionary requirements as specified in Part E of Schedule II have been adopted:

As per Details Given under the Heading "Other Disclosures".

12. Disclosures of the Compliance with Corporate Governance requirements specified in Regulation 17 to 27 and Clauses (b) to (I) of sub-regulation (2) of Regulation 46 shall be made in the Section on Corporate Governance of the Annual Report

The Company has complied with the Corporate Governance Requirements specified in Regulation 17 to 27 and in accordance with Regulation 46(2) of Listing Regulations, required information has been hosted on the Company's website www.aurolabs.com

13. Code of Conduct

The Company has adopted a Code of Conduct for the Directors, Senior Management Personnel and Employees of the Company. The members of the Board and Senior Management of the Company have submitted their affirmation on compliance with the code for the effective period. The Declaration by the Chairperson to that effect is annexed to this Report.

14. CEO / CFO Certification

The Chairperson and Chief Financial Officer (CFO) have issued certificate as specified in Regulation 17(8) of Listing Regulations, for the financial year ended March 31, 2022. The Certificate is annexed to this Report.

15. Practicing Company Secretaries Certificate on Corporate Governance

The Company has obtained a Certificate from M/s. GMJ & Associates, Company Secretaries, Secretarial Auditors of the Company regarding compliance with the provisions relating to the corporate governance laid down in the Listing Regulations. This Certificate is annexed to the Report.

16. Disclosures with respect to demat suspense account/ unclaimed suspense account

The said disclosures are not applicable as the Company does not have any demat suspense account/ unclaimed suspense account.

For and on behalf of the Board of Directors
Auro Laboratories Limited

CIN: L33125MH1989PLC051910
Mumbai, June 21, 2022

(Sharat Deorah)
Chairman and Managing Director
DIN: 00230784

Annexures:

1. Declaration of Compliance with the Code of Conduct
2. PCS certificate for non-disqualification of Directors
3. CEO / CFO Certification
4. PCS Certificate on Corporate Governance

Declaration of Compliance with the Code of Conduct

I hereby confirm that:

The Company has obtained declaration from all the members of the Board and Senior Management Personnel, affirmation(s) that they have complied with the Code of Conduct for Board Members and Senior Management Personnel in respect of the financial year ended March 31, 2022.

On behalf of the Board of Directors

Auro Laboratories Limited

Sharat Deorah

Chairman and Managing Director

DIN: 00230784

CIN: L33125MH1989PLC051910

Mumbai, June 21, 2022

Certificate of Non-Disqualification Of Directors

[Pursuant to **Regulation 34(3) and** clause (i) of Point (10) of Para C of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,

AURO LABORATORIES LIMITED

K-56, M.I.D.C., Industrial Area,
Tarapur, Boisar, Dist. Palghar,
(Thane) – 401 506.

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Auro Laboratories Limited** having Corporate Identification Number: **L33125MH1989PLC051910** and having registered office at K-56, M.I.D.C., Industrial Area, Tarapur, Boisar, Dist. Palghar (Thane) – 401 506 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para – C, Sub-clause 10(i) of the SEBI (LODR) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S. No.	Name of Director	DIN	Date of Appointment in Company
1.	Mr. Sharat Deorah	00230784	26/05/1989
2.	Mr. Siddhartha Deorah	00230796	16/12/2013
3.	Mr. Kiran S. Kulkarni	09175595	24/05/2021
4.	Mr. Govardhan Das Agarwal	00545428	19/11/2013
5.	Mr. Kailash Chand Bubna	01877773	19/11/2013
6.	Ms. Kavita Sharma	07139910	27/03/2015

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **GMJ & ASSOCIATES**
Company Secretaries

[CS SONIA CHETTIAR]
PARTNER
ACS: 27582 COP: 10130
UDIN: A027582C000738259

PLACE: MUMBAI
DATE: May 30, 2022

Certificate by the CEO & CFO of the Company

The Board of Directors
Auro Laboratories Limited
K 56, MIDC, Tarapur, Dist. Palghar,
Thane, Maharashtra, 401506.

We, Sharat Deorah, Chairman and Managing Director and Amit Mahipat Shah, Chief Financial Officer of the Company, to the best of our knowledge and belief, certify that:

1. We have reviewed the Balance Sheet as at March 31, 2022, Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information of the Company, and the Board's report for the year ended March 31, 2022.
2. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
3. The financial statements, and other financial information included in this report, present in all material respects a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as at, and for, the periods presented in this report and are in compliance with existing accounting standards, applicable laws and regulations.
4. There are no transactions entered into by the Company during the year, which are fraudulent, illegal or violating the Company's code of conduct.
5. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
6. We have indicated to the auditors and the Audit Committee,
 - i. There have been no significant changes in internal control over financial reporting during the year;
 - ii. There have been no significant changes in accounting policies during the year; and
 - iii. There have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Mumbai, June 21, 2022

(Sharat Deorah)
Chairman & Managing Director
DIN: 00230784

(Amit Shah)
Chief Financial Officer

PRACTICING COMPANY SECRETARIES' CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of

AURO LABORATORIES LIMITED

K-56, MIDC, Industrial Area

Tarapur, Boisar, Dist. Palghar

(Thane) – 401 506.

We have examined the compliance of conditions of Corporate Governance by Auro Laboratories Limited, for the year ended on March 31, 2022, as stipulated in SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 of the said Company with Stock Exchange.

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

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

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

For GMJ & ASSOCIATES

Company Secretaries

[SONIA CHETTIAR]

PARTNER

ACS: 27582 COP: 10130

UDIN: A027582D000405080

PLACE: MUMBAI

DATE: MAY 30, 2022

ANNEXURE “D” TO DIRECTORS’ REPORT

Management Discussion and Analysis

A. INDUSTRY STRUCTURE AND DEVELOPMENTS

Global Pharma Industry:

The world pharmaceutical industry is one of the top performing industries globally. New medications are constantly being developed, approved and marketed, resulting in significant market growth. The FDA approved 55 novel drugs in 2021. Other market growth drivers include the aging population, as seniors use more medicines per capita and there is a rise in the prevalence and treatment of chronic diseases.

Indian Pharma Industry

The Indian Pharmaceuticals industry plays a prominent role in the global pharmaceuticals industry. India is the 3rd largest pharmaceuticals industry in the world by volume and 14th by value. The nation is the largest provider of generic medicines globally, occupying a 20% share in global supply by volume, and is the leading vaccine manufacturer globally. According to the Indian Economic Survey 2021, the domestic market is expected to grow 3x in the next decade. The pharmaceutical industry in India is expected to reach \$65 billion by 2024 and to \$120-130 billion by 2030.

Active pharmaceutical ingredient:

Active pharmaceutical ingredient (API) is a part of any drug that produces its effects. These are known as Bulk Drugs. Some drugs, such as combination therapies, have multiple active ingredients to treat different symptoms or act in different ways. They are produced using highly technological industrial processes, both during the R&D and the commercial production phase.

Global API Market

The Global active pharmaceutical ingredients (API) market was valued at approximately USD 177.05 billion in 2021, and it is expected to reach USD 258.60 billion by 2027, registering a CAGR of nearly 7.50% during the forecast period 2022-2027. The market is likely to display a positive outlook with the growing trend towards advancements and innovations of therapeutic drugs by various pharmaceutical and biotechnology companies

Indian API market

The Indian active pharmaceutical ingredients (APIs) market stood at \$11.807 billion in financial year 2021 (FY2021) and is expected to grow at a compound annual growth rate (CAGR) of 12.24 percent during the forecast period (2021 to 2027).

The key factors boosting the growth of the active pharmaceutical ingredients market are the rising drug research and development activities for drug manufacturing, the increasing importance of generics, and the increasing uptake of biopharmaceuticals. However, the unfavorable drug price control policies across various nations and high manufacturing costs are expected to hinder the market’s growth.

Business Overview:

Auro Laboratories Limited has been manufacturing and providing generic Active Pharmaceutical Ingredients (API) since its inception in 1992. Currently, the company is specializing in producing Anti Diabetics like Metformin HCL. It is the first-line treatment for type 2 diabetes.

The facility has all the required certifications from Indian authorities and European registration organization. The business has grown over the past many quarters and the results are indicative of the investments and planning done by the company over the past few years.

B. OPPORTUNITIES, THREATS, OUTLOOK, RISKS AND CONCERNS**Opportunities:**

Diabetes is a chronic disease that occurs when the body cannot effectively use the produced insulin or the pancreas does not produce sufficient insulin. Diabetes is of two types: type 1 and type 2. About 90% of people with diabetes have type 2 diabetes. According to government and private organizations operating in the diabetes industry, diabetes is considered one of the top fatal diseases. The rising prevalence of diabetes worldwide is expected to drive the global market growth by 2027.

The global Metformin Hydrochloride market is valued at 254.5 million USD in 2020 is expected to reach 371.8 million USD by the end of 2026, growing at a CAGR of 5.5% during 2022-2026.

In view of the same, the company is well placed to grow as the demand for the product grows coupled with the fact that this product is the fundamental product to control Type-2 Diabetes.

Threats & Concerns:

There is significant competition from other Generic manufacturers both within India and foreign, however the markets and volumes are quite large. Further, the government's actions towards price controls on pharmaceutical products might affect the price of the products in the coming times.

Strengths

The company has an established customer base in India and in various foreign countries that will enable it to further enhance their growth.

Outlook:

The outlook is positive for the company considering its product mix and market conditions.

C. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company's defined organizational structure, documented policy guidelines and adequate internal controls ensure efficiency of operations, compliance with internal policies, applicable laws and regulations, protection of resources and assets and accurate reporting of financial transactions. The Company continuously upgrades these systems in line with best available practices.

D. KEY FINANCIAL RATIOS

Ratio	FY 2022	FY 2021	Variance	Reasons if Variance is More than 25%
Debt-Equity Ratio (times)	0.74	0.47	60%	*As per note
Interest Coverage Ratio (times)	5.69	23.92	-76%	
Current Ratio (times)	1.87	3.05	-39%	
Return on Net Worth (%)	9.02%	25.12%	-16%	
Debtors turnover ratio (days)	75	44	70%	
Inventory turnover (times)	37	44	16%	NA
Operating profit margin (%)	9.24%	20.21%	-11%	
Net profit Margin (%)	5.59%	13.23%	-8%	

Note:

The company's financial position was impacted on account of rising COVID-19 cases and uncertainties and adverse market conditions, substantial rise in the pricing of raw materials and shipping cost almost throughout the year, which the Company was not able to pass to the customers immediately due to constraints in increase of selling price. The Company had also availed a term loan during the year.

In addition to this, during the financial year 2021-2022, the Government of India withdrew Exports incentives like MEIS and RoDTEP for Pharmaceuticals Sector which caused further strain to the margin.

E. SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

The Company is a single segment Company engaged in the business of Bulk Drugs. The Company's revenue from operations stand at Rs. 5086.58 lakhs for the year ended March 31, 2022.

F. FINANCIAL PERFORMANCE

A detailed financial overview of the Company for the FY 2021-22 is available in the first page of the Board's Report forming part of this Annual Report.

G. HUMAN RESOURCES

Human resources continue to be one of the critical assets of the organization. Attracting relevant talent remains the Company's key focus. It pays special attention to training, welfare and safety of its people, strengthening human capabilities.

CAUTIONARY STATEMENT:

Management discussion and analysis report contains statements which are forward looking based on assumptions. Actual results may differ from those expressed or implied due to risk and uncertainties which have been detailed in this report. Several factors as listed in this report could make significant difference to the Company's operations. Investors, therefore, are requested to make their own independent judgments and seek professional advice before taking any investment decisions.

For and on behalf of the Board of Directors
Auro Laboratories Limited

CIN: L33125MH1989PLC051910
Mumbai, June 21, 2022

(Sharat Deorah)
Chairman and Managing Director
DIN: 00230784

INDEPENDENT AUDITOR'S REPORT

To
The members of Auro Laboratories Limited

Report on the Audit of IND-AS Financial Statements

Opinion

We have audited the accompanying IND-AS financial statements of **AURO LABORATORIES LIMITED** ("the Company"), which comprise the balance sheet as at 31st March 2022, the statement of profit and loss (Including Other Comprehensive Income), statement of changes in equity, statement of cash flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the IND-AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

S No.	Key Audit matters	Auditors response
1	<p>Recognition, measurement, presentation and disclosures of revenues in view of IND-AS 18</p> <p>Revenue Recognition and the accounting treatment of the same.</p> <p>Revenue is recognized when it is probable that future economic benefits will flow to the entity and these benefits can be measured reliably.</p>	<p>Our audit approach consisted of testing effectiveness of internal control on process to identify the impact of new revenue accounting standard. We have selected new samples with relevant information with terms of sales contract including customers' acceptance, subsequent invoicing and historical trend of dispute</p>

2	IND-AS 115 Revenue contract with customers	The company has evaluated the impact of IND-AS 115 on financial statement which is not material same has been assessed by us that there is no impact on financial position.
3	Evaluation of tax position	Obtained details of completed income tax assessment and demand till AY 2020-21 which are not significant and estimated provision has been made for the year ended 31 st March,2022
4	Indirect tax Recoverability As at 31 st March, 2022 short terms loans and advances includes Exports Incentive Rs. 16.01 lakhs, VAT credit Rs. 3.32 lakhs and GST credit Rs.303.55 lakhs. Refer Note no.8 to the financial statement	We have used our knowledge to gain and understanding in current status of recoverability to review the nature of amounts recoverable, the sustainability and the likelihood recoverability upon final resolution.
5	Internal Audit As per Section 138 of Indian Companies Act 2013 read with Rule 13 of Companies (Accounts) Rules, 2014 appointment of Internal Auditor	The Company has appointed a firm of Chartered Accounts to carry out Internal Audit as per Section 138 of the Companies Act, 2013. The Internal Auditor has submitted their report to the Company.
6	Impact of COVID-19 on business	The Company continues to monitor the impact of Covid-19 on its business, including its impact on customers, supply-chain, employees and logistics. For further details, please refer to Note No. 23 (XII)
7.	Provisions and Contingencies As at 31 st March 2022 a demand notice received from MPCB and TEPS amount of Rs. 1.92 Crore. Refer note no 23 (1) to the financial statements.	The company has filed appeal in the Supreme court of India through (TIMA) and already deposited 30% of this amount.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the management discussion and analysis, Board of Director's Report including Annexure to Director's Report, Business responsibility report, corporate governance and shareholder's Information, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed as records available to us and upon reading, if we conclude that there is material

misstatement thereon, we are required and shall communicate the matter to those charged with governance. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the IND-AS Financial Statements

The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 (IND-AS) of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the IND-AS financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

That Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the IND-AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the IND-AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these IND-AS financial statements.

A further description of auditor's responsibilities for the audit of the IND-AS financial statements is included in **Annexure A**. This description forms part of our auditor's report.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid IND-AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- e) On the basis of the written representations received from the directors as on 31st March, 2022 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure C**”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
 - g) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197(16) of the Act.
 - h) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor’s Report) Order, 2020 (“the Order”), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the **Annexure “B”** a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

For KHURDIA JAIN & Co.

Chartered Accountants
Firm Regn. No. 120263W

CA Sampat Khurdia

Partner
M.NO. 033615

Place: Mumbai
Date: 30th May, 2022

UDIN: 22033615AKCNNF4711

The Annexure “A” of the Independent Auditor’s Report to the Members of AURO LABORATORIES LIMITED on the financial statements for the year ended 31st March, 2022

Responsibilities for audit of IND-AS Financial statement

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management’s use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

For KHURDIA JAIN & Co.

Chartered Accountants

Firm Regn. No. 120263W

CA Sampat Khurdia

Partner

M.NO. 033615

Place: Mumbai

Date: 30th May, 2022

UDIN: 22033615AKCNNF4711

The Annexure “B” of the Independent Auditor’s Report to the Members of AURO LABORATORIES LIMITED on the financial statements for the year ended 31st March, 2022.

To the best of our information and according to the explanations provided to us by the Company and the books of account and records examined by us in the normal course of audit, we state that:

- i. In respect of the Company’s Property, Plant and Equipment and Intangible Assets:
 - a. The company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.
 - b. As explained to us, the fixed assets are being physically verified under a phased program of verification, which in our opinion, is reasonable and no material discrepancies have been noticed on such verification.
 - c. Based on our examination of the property tax receipts and lease agreement for land on which building is constructed, registered sale deed / transfer deed / conveyance deed provided to us, we report that, the title in respect of self-constructed buildings and title deeds of all other immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under Property, Plant and Equipment are held in the name of the Company as at the balance sheet date.
 - d. The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) during the year.
 - e. No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii.
 - a. Inventories have been physically verified during the year by management at reasonable intervals. The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and nature of its business. The company is maintaining proper records of its inventories as required in the normal course of business. The discrepancies noticed on verification between physical stocks and book records were not material.
 - b. Company has been sanctioned working capital limits in excess of five crore rupees, from bank on the basis of security of current assets; we had verified statements filed by the company with such bank.

In our opinion and according to the information and quarterly monthly statements provided to us we find that in the month of March 2022 there is variation in stock as under.

As per books of Account	As per statement submitted with Bank
Raw Material Rs. 2,66,29,900	Raw Material Rs. 2,67,27,604
Packing Material Rs. 9,49,022	Packing Material Rs. 3,50,000
Work in Progress Rs. 63,00,000	Work in Progress Rs. 50,00,000

- iii. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 and hence not commented upon.
- iv. In our opinion and according to the information and explanations given to us, the Company has not given any loans, made investments and provided any guarantees and securities, hence provisions of Sections 185 and 186 of the Companies Act, 2013 does not apply to the Company and hence not commented upon.

- v. In our opinion and according to the information and explanation given to us, the company has not accepted deposits from public within the meaning of section 73 and 76 of the Act and the rules framed there under to the extent notified.
- vi. We have broadly reviewed the books of accounts maintained by the Company pursuant to the order made by the Central Government for maintenance of cost records prescribed under Sub- Section (1) of section 148 of the Act, and are of the opinion that prima facie, the prescribed accounts have been made and maintained. We have, however, not made a detailed examination of the said records with a view to determining whether they are accurate or complete.
- vii. Statutory Dues
 - a. According to the information and explanations given to us and on the basis of examination of the records of the Company, we are of the opinion that the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Investors Education and protection fund, Employees' State Insurance, Income Tax, Sales Tax/VAT, Wealth Tax, Custom Duty, Excise Duty, Cess and Goods and Services tax (GST), material statutory dues with the appropriate authorities and there are no outstanding unpaid amounts as at the balance sheet date for a period of more than six months from the date they became payable.
 - b. According to the information and explanations given to us, there are no undisputed dues in respect of Sales Tax, Income Tax, Custom Duty, Wealth Tax, Excise Duty, Cess and Goods and Services tax (GST).
- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix.
 - a. In our opinion, according to the information and explanation given to us, the company has not defaulted in repayment of dues to financial institutions or banks, Government or dues to debenture holders.
 - b. The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
 - c. In our opinion, according to the information and explanation given to us, the term loans were applied for the purpose for which the loans were obtained;
 - d. In our opinion, according to the information and explanation given to us, the company has not utilised any fund raised for short term basis have been utilised for long term purposes.
 - e. On an overall examination of the financial statements of the Company, the Company does not have any subsidiary nor the Company had taken any funds from any entity or person on account of or to meet the obligations of any subsidiaries and hence reporting on clause 3(ix)(e) of the Order is not applicable.
 - f. The Company has not raised any loans during the year on pledge of securities held in its subsidiaries, joint ventures or associate companies and hence reporting on clause 3(ix)(f) of the Order is not applicable.
- x.
 - a. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
 - b. During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.

- xi.** In our opinion,
- According to the information and explanation given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.
 - No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
 - According to the information and explanation given to us, no whistle blower complaints were received by the Company during the year.
- xii.** The company is not a nidhi / chit fund company hence our comment as required under clause 3(xii) of the order not given.
- xiii.** In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where ever applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- xiv.**
- In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
 - We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv.** In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors. and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- xvi.**
- In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable. In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii.** The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii.** There has been no resignation of the statutory auditors of the Company during the year.
- xix.** On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx.

- a. There are no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- b. There are no amount remaining unspent under sub-section (5) of section 135 of the Companies Act, pursuant to any ongoing project, that is required to be transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act;.

For Khurdia Jain & Co.

Chartered Accountants

Firm Regn. No. 120263W

CA Sampat Khurdia

Partner

M.NO. 033615

Place: Mumbai

Date: 30th May, 2022

UDIN: 22033615AKCNNF4711

Annexure “C” to the Independent Auditor’s Report to the Members of AURO LABORATORIES LIMITED on the financial statements for the year ended 31st March, 2022

Report on the Internal Financial Control under Clause (i) of Sub section 3 of section 143 of the companies Act 2013 (the Act)

We have audited the internal financial control over financial reporting OF AURO LABORATORIES LIMITED (“the company”) as of 31st March 2022 in conjunction with our audit of the standalone financial statement of the company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial control based on the internal control over financial reporting criteria establish by the Company considering the essential components of the internal control stated in the guidance note on Audit of Internal financial control over financial reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company’s policies the safeguarding of its assets the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and timely preparation of reliable financial information, as required under the Companies Act 2013.

Auditors’ Responsibility

Our Responsibility is to express an opinion on the company’s Internal Financial control over financial reporting based on our audit. We conducted our audit in accordance with the guidance note on audit of Internal Financial control over financial reporting (the Guidance Note”) and the standards on auditing issued by ICAI and deemed to be prescribed under section 143 (10) of the companies act 2013 to the extent applicable to an audit of internal financial control both applicable to an audit of internal financial control and both issued by the institute of chartered accountant of India. That standard and the guidance note required that we comply with ethical requirement and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial reporting was establish and maintained and if such controls operated effectively in all matters respect.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control systems over financial reporting and their operating effectiveness. Our audit of internal financial control over financial reporting included obtaining an understanding of internal financial control over financial reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment including the assessment of risk of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for my/our audit opinion on the company internal financial control systems over financial reporting.

Meaning of Internal Financial controls over financial reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purpose in accordance with generally accepted accounting principal. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transaction and dispositions of the assets of the company; (2) provide reasonable assurance that transaction are recorded as necessary to permit preparation of financial statement in accordance with generally accepted accounting principles, and that receipts and expenditure of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisitions, use or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitation of Internal Financial Control over financial reporting

Because of the inherent limitation of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also projection of any evaluation of the internal financial control over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute Of Chartered Accountants Of India.

For KHURDIA JAIN & Co.

Chartered Accountants
Firm Regn. No. 120263W

CA Sampat Khurdia

Partner
M.NO. 033615

Place: Mumbai
Date: 30th May, 2022

UDIN: 22033615AKCNNF4711

Balance Sheet as at 31st March, 2022

Particulars		Note	March 31, 2022 Amount in Rs.	March 31, 2021 Amount in Rs.
A	ASSETS			
1	(I) Non-Current Assets			
	(a) Property, Plant and Equipment	2	13,60,80,468	13,55,66,860
	(b) Capital Work -in-Progress	2a	3,67,50,000	13,40,000
	(c) Investment Property		-	-
	(d) Financial Assets			
	(i) Investments	3	4,87,982	4,87,982
	(ii) Loans		-	-
	(iii) Others		-	-
	(e) Other non-current assets		-	-
2	(II) Current assets			
	(a) Inventories	4	4,25,45,947	2,54,66,520
	(b) Financial Assets			
	(i) Investments		-	-
	(ii) Trade Receivables	5	13,61,33,333	7,29,89,685
	(iii) Cash and cash equivalents	6	5,21,16,195	10,82,14,816
	(iv) Bank balances other than (iii) above	7	7,18,40,349	3,71,48,641
	(v) Loans		-	-
	(vi) Others	8	7,36,47,823	3,77,13,343
	(c) Other Current Assets		-	-
	TOTAL ASSETS		54,96,02,097	41,89,27,847
B	EQUITY AND LIABILITIES			
	(I) Equity			
	(a) Equity Share Capital	9	6,23,25,000	6,23,25,000
	(b) Other Equity	10	25,28,85,058	22,35,00,570
	(II) Liabilities			
	(I) Non-Current Liabilities			
	(a) Financial Liabilities	11	84,94,628	1,27,04,941
	(i) Other Financial Liabilities	12	81,26,424	1,11,99,750
	(b) Provisions		-	-
	(c) Deferred Tax Liabilities (Net)		1,64,64,834	1,68,40,663
	(II) Current Liabilities			
	(a) Financial Liabilities	13	12,11,56,000	76,82,873
	(i) Trade Payables		-	-
	a) Due to Micro and Small Enterprises		-	-
	b) Due to other than Micro and Small Enterprises	14	4,86,21,874	5,74,95,849
	(b) Other Current Liabilities	15	1,63,80,256	1,66,88,395
	(c) Provisions	16	1,51,48,023	1,04,89,806
	(d) Current Tax Liabilities (net)		-	-
	TOTAL EQUITY AND LIABILITIES		54,96,02,097	41,89,27,847
Accounting Policies		1		
Notes to The Accounts		2 to 23		
In terms of our report attached For Khurdia Jain & Co. Chartered Accountants FIRM REG.NO. 120263W (Sampat Khurdia) Partner M. NO. 33615 UDIN: 22033615AKCNNF4711 Place : Mumbai Date : 30.05.2022		For and on behalf of the Board of Directors Auro Laboratories Limited <div> (Sharat Deorah) Managing Director DIN: 00230784 </div> <div> (Siddhartha Deorah) Whole Time Director DIN: 00230796 </div> <div> (Amit Shah) Chief Financial Officer </div> <div> (Shanu Nag) Company Secretary </div> <div> Place : Mumbai Date : 30.05.2022 </div>		

Statement of Profit and Loss for the year ended 31st March, 2022

Particulars		Note	Year ended March 31, 2022	Year ended March 31, 2021
			Amount in Rs.	Amount in Rs.
A	CONTINUING OPERATIONS			
1	Revenue from operations	17	50,86,58,006	54,25,18,346
2	Other income	18	1,09,25,179	75,78,760
3	Total Income (1+2)		51,95,83,185	55,00,97,106
4	Expenses			
	(a) Cost of materials consumed	19.a	33,73,88,145	27,43,08,597
	(b) Purchases of stock-in-trade	19.b	2,40,386	21,03,000
	(c) Changes in inventories of finished goods, work-in-progress and stock in trade	19.c	(98,15,825)	90,71,200
	(d) Employee benefits expense	20	6,23,99,621	6,03,61,826
	(e) Finance costs	21	82,63,714	45,83,896
	(f) Depreciation and amortisation expense	2	1,01,72,261	1,03,56,006
	(g) Other expenses	22	7,21,95,026	8,42,58,304
	Total expenses		48,08,43,328	44,50,42,829
5	Profit / (Loss) before exceptional items and Tax (3 - 4)		3,87,39,857	10,50,54,277
6	Exceptional items		-	-
7	Profit / (Loss) before Tax (5 ± 6)		3,87,39,857	10,50,54,277
8	Tax expense:			
	(a) Current tax expense for current year		1,06,68,878	3,20,09,381
	(b) (Less): MAT credit (where applicable)		-	-
	(c) Current tax expense relating to prior years		-	-
	(d) Net current tax expense		1,06,68,878	3,20,09,381
	(e) Deferred tax		(3,75,829)	12,49,137
9	Profit / (Loss) for the period (7 ± 8)		2,84,46,808	7,17,95,759
10	Other Comprehensive Income			
	a) i) Items that will not be reclassified to profit and loss		15,43,294	2,48,689
	ii) Income Tax relating to Items that will not be reclassified to profit and loss		(4,29,344)	(72,418)
	Total Other Comprehensive Income (10)		11,13,950	1,76,270
11	Total Comprehensive Income for the period comprising Profit / (Loss) for the period and Other comprehensive Income for the period (9 ± 10)		2,95,60,758	7,19,72,029
12	Number of equity shares		62,32,500	62,32,500
13	Earnings per share (of Rs 10/- each):			
	Basic & Diluted (in Rs.) (9/12)		4.56	11.52
	Accounting policies	1		
	Notes to the Accounts	2 to 23		

In terms of our report attached
For Khurdia Jain & Co.
Chartered Accountants
FIRM REG.NO. 120263W

(Sampat Khurdia)
Partner
M. NO. 33615
UDIN: 22033615AKCNNF4711

Place : Mumbai
Date : 30.05.2022

For and on behalf of the Board of Directors
Auro Laboratories Limited

(Sharat Deorah) **(Siddhartha Deorah)**
Managing Director Whole Time Director
DIN: 00230784 DIN: 00230796

(Amit Shah) **(Shanu Nag)**
Chief Financial Officer Company Secretary

Place : Mumbai
Date : 30.05.2022

Cash Flow Statement for the year ended 31st March, 2022

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
	Amount	Amount	Amount	Amount
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		3,87,39,857		10,50,54,277
<u>Add: Adjustments for:</u>				
Depreciation and amortisation	1,01,72,261		1,03,56,006	
Other Non-Cash Items	11,13,950		1,76,270	
Finance costs	82,63,714	1,95,49,925	45,83,896	1,51,16,172
		5,82,89,782		12,01,70,449
Less: Adjustment for:				
Interest income	35,08,104		18,00,505	
Dividend income	4,887		3,335	
		35,12,991		18,03,840
Operating profit / (loss) before working capital changes		5,47,76,791		1,83,66,609
<u>Changes in working capital:</u>				
<i>Adjustments for (increase) / decrease in operating assets:</i>				
Inventories	(1,70,79,427)		1,51,58,863	
Trade receivables	(6,31,43,648)		(1,51,91,316)	
Short-term loans and advances	(3,50,95,441)		(1,38,06,668)	
Long-term loans and advances	(8,39,039)		3,10,001	
Other current assets	-		-	
Other non-current assets	-	(11,61,57,555)	-	(1,35,29,120)
		(6,13,80,764)		10,48,37,488
<i>Adjustments for increase / (decrease) in operating liabilities:</i>				
Trade payables	(88,73,975)		1,01,12,889	
Other current liabilities	(3,08,139)		36,24,335	
Other long-term liabilities	-		-	
Short-term provisions	46,58,217		95,81,757	
Long-term provisions	-		-	
		(45,23,897)		2,33,18,981
		(6,59,04,661)		12,81,56,470
Cash flow from extraordinary items		-		-
Cash generated from operations		(6,59,04,661)		12,81,56,470
Net income tax (paid) / refunds		-		-
Net cash flow from / (used in) operating activities (A)		(6,59,04,661)		12,81,56,470

B. Cash flow from investing activities				
Capital expenditure on fixed assets, including capital advance	(4,60,95,869)		(37,50,893)	
Proceeds from sale of fixed assets			-	
Interest received				
- Others	35,08,104		18,00,505	
Dividend received				
- Others	4,887		3,335	
		(4,25,82,878)		(19,47,053)
Net income tax (paid) / refunds		(1,08,45,148)		(3,31,31,794)
Net cash flow from / (used in) investing activities (B)		(5,34,28,026)		(3,50,78,847)
C. Cash flow from financing activities				
Proceeds from long-term borrowings	-		-	
Repayment of long-term borrowings	(42,10,313)		(43,12,575)	
Net increase / (decrease) in working capital borrowings	6,61,66,379		-	
Proceeds from other short-term borrowings	4,73,06,748		66,02,873	
Repayment of other short-term borrowings	(30,73,326)		(22,62,204)	
Finance cost	(82,63,714)		45,83,896	
		9,79,25,774		45,55,802
Cash flow from extraordinary items		-		-
Net cash flow from / (used in) financing activities (C)		9,79,25,774		(45,55,802)
Net increase/(decrease) in Cash & cash equivalents (A+B+C)		(2,14,06,913)		8,85,21,821
Cash and cash equivalents at the beginning of the year		14,53,63,457		5,68,41,636
Cash and cash equivalents at the end of the year		12,39,56,544		14,53,63,457
In terms of our report attached For Khurdia Jain & Co. Chartered Accountants FIRM REG.NO. 120263W (Sampat Khurdia) Partner M. NO. 33615 UDIN: 22033615AKCNNF4711 Place : Mumbai Date : 30.05.2022		For and on behalf of the Board of Directors Auro Laboratories Limited (Sharat Deorah) Managing Director DIN: 00230784 (Siddhartha Deorah) Whole Time Director DIN: 00230796 (Amit Shah) Chief Financial Officer (Shanu Nag) Company Secretary Place : Mumbai Date : 30.05.2022		

Statement of Changes in Equity**Equity Share capital**

Particulars	For the year ended March 31, 2022		For the year ended March 31, 2021	
	Nos.	Rs.	Nos.	Rs.
Equity Shares of Rs. 10 each issued, subscribed and fully paid				
Balance at the beginning of the reporting period	62,32,500	6,23,25,000	62,32,500	6,23,25,000
Changes in equity share capital during the year	-	-	-	-
Balance at the end of the reporting period	62,32,500	6,23,25,000	62,32,500	6,23,25,000

Other Equity - Attributable to owners

Particulars	Reserve & Surplus			Comprehensive Income	Total
	Capital Reserve State subsidy	Capital Reserve Share Premium	Retained Earnings		
Balance as at April 01, 2020	15,00,000	51,75,000	14,48,53,541	11,22,413	15,26,50,954
Last year Comprehensive trf.to retained earning	-	-	-	(11,22,413)	(11,22,413)
Other Comprehensive income for the year	-	-	-	1,76,271	1,76,271
Profit for the year			7,17,95,759		7,17,95,759
Balance as at March 31, 2021	15,00,000	51,75,000	21,66,49,300	1,76,271	22,35,00,571
Balance as at April 01, 2021	15,00,000	51,75,000	21,66,49,300	1,76,271	22,35,00,571
Last year Comprehensive trf.to retained earning			-	1,76,271	(1,76,271)
Other Comprehensive income for the year				11,13,950	11,13,950
Profit for the year			2,84,46,808		2,84,46,808
Balance as at March 31, 2022	15,00,000	51,75,000	24,50,96,108	11,13,950	25,28,85,058

In terms of our report attached

For Khurdia Jain & Co.

Chartered Accountants

FIRM REG.NO. 120263W

(Sampat Khurdia)

Partner

M. NO. 33615

UDIN: 22033615AKCNNF4711

Place : Mumbai

Date : 30.05.2022

For and on behalf of the Board of Directors

Auro Laboratories Limited**(Sharat Deorah)**

Managing Director

DIN: 00230784

(Amit Shah)

Chief Financial Officer

Place : Mumbai

Date : 30.05.2022

(Siddhartha Deorah)

Whole Time Director

DIN: 00230796

(Shanu Nag)

Company Secretary

Note No. 1: SIGNIFICANT ACCOUNTING POLICIES

Description of Business

The Company is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on Bombay stock exchanges in India. The registered office of the company is located at K-56 MIDC Industrial Area, Tarapur, Boisar, Dist. Palghar- 401506, Maharashtra. The company is dealing in the business of Active Pharmaceutical Ingredients (APIs).

A. Statement of Compliance & Basis of Preparation of Financial Statements

The accompanying Standalone Financial Statements for the year ended March 31, 2022 have been prepared in accordance with Indian Accounting standards ('Ind AS') notified by the Ministry of Corporate Affairs in consultation with the National Advisory Committee on Accounting Standards, under section 133 of the Companies Act, 2013 ('Act') read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the relevant provisions of the Act.

These financial statements have been prepared under the historical cost convention.

The Management has assessed its liquidity position and its possible sources of funds. The Board of Directors is confident of the Company's ability to meet its obligations as and when they arise in the next twelve months from the balance sheet date. Accordingly, these financial statements have been prepared on a going concern basis.

The Company presents assets and liabilities in Balance Sheet based on current/non-current classification.

An asset is classified as current when it is:

- i. Expected to be realised or intended to be sold or consumed in normal operating cycle,
- ii. Held primarily for the purpose of trading,
- iii. Expected to be realised within twelve months after the reporting period, or
- iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is classified as current when:

- i. it is expected to be settled in normal operating cycle,
- ii. it is held primarily for the purpose of trading,
- iii. it is due to be settled within twelve months after the reporting period

All other liabilities are classified as non-current.

B. Use of Estimates and judgments:

The preparation of financial statements in accordance with Ind AS requires the use of certain critical accounting estimates. It also requires management to exercise its judgment in the process of applying the Company's accounting policies. Actual results could differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Critical Accounting Estimates made in Financial Statements:**i. Revenue**

Sales and other Income are accounted on accrual basis and are taken to be excluding Goods and Service Tax(GST). Export incentive/benefits are accounted on accrual basis. Custom duty benefits in the form of Advance license entitlements are recognized on the export of goods and set off from material cost. Dividend Income on investments is accounted for when the right to receive the payment is established. Certain export benefits like RoDTEP is accounted on estimated basis in the absence of clear guidelines and shall be adjusted on actual receipts.

ii. Income Tax and Deferred Tax

The Company's tax charge on ordinary activities is the sum of the total current and deferred tax charges. The calculation of the Company's total tax charge necessarily involves a degree of estimation and judgment in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. The final resolution of some of these items may give rise to material profits/losses and/or cash flows.

The complexity of the Company's structure makes the degree of estimation and judgment more challenging. The resolution of issues is not always within the control of the Company and it is often dependent on the efficiency of the legal processes in the relevant taxing jurisdictions in which the Company operates. Issues can, and often do, take many years to resolve. Payments in respect of tax liabilities for an accounting period result from payments on account and on the final resolution of open items. As a result there can be substantial differences between the tax charge in the Statement of Profit and Loss and tax payments.

The recognition of deferred tax assets is based upon whether it is more likely than not that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. To determine the future taxable profits, reference is made to the latest available profit forecasts. Where the temporary differences are related to losses, relevant tax law is considered to determine the availability of the losses to offset against the future taxable profits.

iii. Useful life of Property, Plant & Equipment

The useful life used to amortize/depreciate intangible assets or property, plant and equipment respectively relates to the expected future performance of the assets acquired and management's judgment of the period over which economic benefit will be derived from the asset. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. Increasing an asset's expected life or its residual value would result in a reduced depreciation charge in the Statement of Profit and Loss.

The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed annually for appropriateness. The lives are based on historical experience with similar assets as well as anticipation of future events which may impact their life such as changes in technology.

iv. Defined benefit obligation

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual development in the future. These include determinations of the discount rate, future salary increase, mortality rates and attrition rate. Due to the complexities involved in the valuation and long term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date

v. Provisions and contingent liabilities

The Company exercises judgment in measuring and recognising provisions and the exposures to contingent liabilities related to pending litigation or other outstanding claims subject to negotiated settlement, mediation, arbitration or government regulation, as well as other contingent liabilities. Judgment is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement. Because of the inherent uncertainty in this evaluation process, actual losses may be different from the originally estimated provision.

vi. Inventories

Inventories held in form of traded goods, consumables and spares have been valued at cost or net realizable value whichever is lower. The cost of traded goods, stores and spares is ascertained on FIFO basis. Cost comprises all cost of purchase, non-creditable taxes and other costs incurred in bringing the inventories to their present location and condition. Net realizable value is estimated selling price in the ordinary course of business less estimated cost necessary to make the sale.

vii. Financial Assets

A. Initial recognition and measurement

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

B. Subsequent measurement

a) Financial assets carried at amortised cost (AC)

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

b) Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial assets at fair value through profit or loss (FVTPL)

A financial asset which is not classified in any of the above categories is measured at FVTPL. For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company determines impairment loss based on the historical default rate and additional impairment based on Management's estimate on specific trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

viii. Financial liabilities

a) Initial recognition and measurement

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

b) Subsequent measurement

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

ix. Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the Balance Sheet when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

C. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and call deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

D. Foreign Currency Transactions

a) Functional and presentation currency

The financial statements of the Company are measured and presented in the currency of the primary economic environment in which the entity operates, which is the INR (its functional currency).

b) Transactions and balances

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing at the date of the transaction.

Monetary items denominated in foreign currencies at the year-end are translated at rates prevailing as at the reporting date. Non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of transaction.

Investments in foreign companies are recorded at the exchange rates prevailing on the date of making the investments. Contingent Liabilities are translated at closing rate.

E. Employee Benefits

i. Short Term Employee Benefits

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognized as an expense during the period when the employees render the services.

ii. Post employee benefits:

a) Defined Contribution Plan

The Company makes contributions towards provident fund for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits. Contribution to defined contribution plans are recognized as expense in the Profit and Loss Account, as they are incurred.

b) Defined Benefit Plan and Other Long term benefit plans

The Company pays gratuity to the employees whoever have completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act 1972.

The liability in respect of gratuity and other post-employment benefits is calculated using the projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services. Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

F. Borrowing Cost

Borrowing costs incurred for directly attributable to the acquisition, construction or production of qualifying asset, which are assets that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are expensed in the period they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

G. Income Tax

a) Current tax

Income tax expense represents the sum of the current tax and deferred tax.

Current tax payable or recoverable is based on taxable profit for the year. Taxable profit differs from profit as reported in the Statement of Profit and Loss because some items of income or expense are taxable or deductible in different years or may never be taxable or deductible. The Company's liability for current tax is calculated using Indian tax rates and laws that have been enacted by the reporting date.

Current tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority.

The Company periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

b) Deferred Tax

Deferred tax is the tax expected to be payable or recoverable in the future arising from temporary differences between the carrying amounts of assets and liabilities in the Balance Sheet and the corresponding tax bases used in the computation of taxable profit. It is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognized for all taxable temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realized, based on tax rates that have been enacted or substantively enacted by the reporting date.

A deferred tax asset shall be recognized for the carry-forward of unused tax losses and unused tax credits to the extent that it is probable that future taxable profit will be available against which the unused tax losses and unused tax credits can be utilized.

Such assets and liabilities are not recognized if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. Deferred tax liabilities are not recognized to the extent they arise from the initial recognition of non-tax deductible goodwill.

The carrying amount of deferred tax assets is reviewed at each reporting date and adjusted to reflect changes in probability that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred income tax assets and liabilities are off-set against each other and the resultant net amount is presented in the Balance Sheet, if and only when,

- (a) the Company currently has a legally enforceable right to set-off the current income tax assets and liabilities, and
- (b) when the deferred income tax assets and liabilities relate to income tax levied by the same taxation authority.

Tax is charged or credited to the Statement of Profit and Loss, except when it relates to items charged or credited to other comprehensive income/(loss) or directly to equity, in which case the tax is recognized in other comprehensive income/(loss) or in equity.

c) Minimum Alternate Tax

Minimum Alternate Tax ('MAT') credit entitlement is generally recognized as a deferred tax asset if it is probable (more likely than not) that MAT credit can be used in future years to reduce the regular tax liability.

H. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the Company's best estimate of the expenditure required to settle the obligation at the reporting date and are discounted to present value where the effect is material using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation.

Information on contingent liabilities is disclosed in the notes to the consolidated financial statements, unless the possibility of an outflow of resources embodying economic benefits is remote.

I. Contingent Liabilities and Contingent Assets

Contingent Liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent Assets are neither recognised nor disclosed in the financial statements.

J. Earnings Per Share

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

K. Impairment reviews

Ind AS requires management to undertake an annual test for impairment of indefinite lived assets and, for finite lived assets, to test for impairment if events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable.

Impairment testing is an area involving management judgment, requiring assessment as to whether the carrying value of assets can be supported by the net present value of future cash flows derived from such assets using cash flow projections which have been discounted at an appropriate rate. In calculating the net present value of the future cash flows, certain assumptions are required to be made in respect of highly uncertain matters including management's expectations of:

- i. growth in Earnings before interest, tax, depreciation and amortization (EBITDA), calculated as adjusted operating profit before depreciation and amortization;
- ii. timing and quantum of future capital expenditure;
- iii. long-term growth rates; and
- iv. selection of discount rates to reflect the risks involved.

Changing the assumptions selected by management, in particular the discount rate and growth rate assumptions used in the cash flow projections, could significantly affect the Company's impairment evaluation and hence results

Standards issued but not yet effective

Ind AS 115 Revenue from Contract with Customers: MCA issued Ind AS 15, Revenue from Contract with Customers, but subsequently the same has been deferred by a notification dated 30 March 2016. The core principle of the new standard is that an entity should recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers. The Company has evaluated the impact of Ind AS 115 on the financial statements and the same is not material.

- L. Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:**
 The Ageing analysis of Account receivables has been considered from the date the invoice falls due:

Amounts in Rupees

Unsecured considered good	2022	2021
Over six months	20,98,388	20,98,388
Less than six months	13,40,34,945	7,08,91,297
Total	13,61,33,333	7,29,89,685

M. Capital Management

The company's objectives when managing capital are to

i) Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and maintain an optimal capital structure to reduce the cost of capital. The Company monitors capital using a ratio of 'adjusted net debt' to 'adjusted equity'. For this purpose, adjusted net debt is defined as total liabilities, comprising interest-bearing loans and borrowings and obligations under finance leases, less cash and cash equivalents. Adjusted equity comprises all components of equity.

- N. Balance of Trade Receivables and Trade payable are subject to confirmations.**

Note 2 : Property, Plant and Equipment												
Particulars	Lease Hold Land	Factory Buildings	Office Buildings	Roads	Plant & Equipment	Furniture & Fixtures	Vehicles	Computers	Miscellaneous Assets	Laboratory Equipment	Total	Capital Work in Process
Gross Carrying amount												
Carrying amount as at April 01, 2021	4,39,701	3,60,31,049	70,19,447	3,37,634	15,83,70,314	1,39,21,445	82,55,928	23,58,517	14,23,887	1,50,28,075	24,31,85,997	13,40,000
Additions		0			1,03,26,787	3,12,182		46,900	0	0	1,06,85,869	3,54,10,000
Disposals	0	0	0	0	0	0	0	0	0	0	0	-
Gross carrying amount as at March 31, 2022	4,39,701	3,60,31,049	70,19,447	3,37,634	16,86,97,101	1,42,33,627	82,55,928	24,05,417	14,23,887	1,50,28,075	25,38,71,866	3,67,50,000
Accumulated Depreciation as at April 1, 2021	1,33,066	1,27,91,872	21,11,682	3,37,634	6,69,52,421	1,07,93,713	26,15,626	21,96,335	8,95,224	87,91,566	10,76,19,139	-
Depreciation charge	4,397	10,00,525	1,11,141	0	69,63,417	4,10,930	7,21,696	69,383	65,320	8,25,452	1,01,72,261	-
Disposals	0	0	0	0	0	0	0	0	0	0	0	-
Accumulated depreciation as at March 31, 2022	1,37,463	1,37,92,397	22,22,823	3,37,634	7,39,15,838	1,12,04,643	33,37,322	22,65,718	9,60,544	96,17,018	11,77,91,400	-
Net carrying amount as at March 31, 2022	3,02,238	2,22,38,652	47,96,624	0	9,47,81,263	30,28,984	49,18,606	1,39,699	4,63,343	54,11,057	13,60,80,468	3,67,50,000
Net carrying amount as at March 31, 2021	3,06,635	2,32,39,177	49,07,765	0	9,14,17,893	31,27,732	56,40,302	1,62,182	5,28,663	62,36,509	13,55,66,860	13,40,000

Note 2a : Capital Work In progress

Particulars	(Amount in Rs.)	
	As at March 31, 2022	As at March 31, 2021
CWIP- Less than one year	3,54,10,000	1,80,000
CWIP- less than two year	1,80,000	11,60,000
CWIP- More than 3 Year	11,60,000	-
Total	3,67,50,000	13,40,000

Note 3 : Investments

Particulars	As at March 31, 2022	As at March 31, 2021
Long Term at cost, unless otherwise specified		
A. Trade Investments		
(a) Quoted:		
680 Shares of Zee Entertainment Enterprises Ltd. face value of Rs. 1/- each	4,84,982	4,84,982
178 Equity Shares of Dish TV limited		
155 Equity shares of Siti Cable Network Limited		
140 Equity Shares of Zee Media Corporation Limited		
85 Equity Shares Zee Learn Ltd.		
35 Equity Diligent Media Corporation		
Total (A)	4,84,982	4,84,982
(b) Unquoted		
35 (5) Shares of Worli Ind. Properties Limited of face value of Rs. 100/- each (of the above 5 shares were issued on purchase of assets and included in the value of asset.)	3,000	3,000
Total (B)	3,000	3,000
Total (A+B)	4,87,982	4,87,982
Aggregate amount of quoted investments	4,84,982	4,84,982
Aggregate market value of listed and quoted investments	2,02,892	1,44,468
Aggregate amount of unquoted investments	3,000	3,000

Note 4: Inventories

(At lower of cost and net realisable value)

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Raw materials	2,66,29,900	2,01,62,720
(b) Work-in-progress	63,00,000	7,22,300
(c) Finished goods (other than those acquired for trading)	86,67,025	44,28,900
(d) Stores and spares	9,49,022	1,52,600
(e) Trading stock	-	-
Total	4,25,45,947	2,54,66,520

Note 5: Trade receivables

Particulars	As at March 31, 2022	As at March 31, 2021
Unsecured, considered good		
More Than 3 Years	20,98,388	20,98,388
Others- Less than six Months	13,40,34,945	7,08,91,297
Total	13,61,33,333	7,29,89,685

Note 6 : Cash and cash equivalents	As at March 31, 2022	As at March 31, 2021
(a) Cash on hand	67,651	19,767
(b) Balances with Scheduled banks		
(i) In current accounts	5,20,48,544	10,81,95,049
(ii) In Cash Credit Accounts	-	-
Total	5,21,16,195	10,82,14,816

Note 7 : Bank balances other than 6 (b) above

(i) Fixed Deposit with Bank	6,56,78,375	3,00,27,500
(ii) In deposit accounts		
- Balances held as margin money or security against borrowings, guarantees and other commitments	61,61,974	71,21,141
Total	7,18,40,349	3,71,48,641

Note 8 : Other Financial Assets

Particulars	As at March 31, 2022	As at March 31, 2021
Short-term loans and advances		
(a) Prepaid expenses - Unsecured, considered good	1,63,83,682	68,61,897
(b) Balances with government authorities		
Unsecured, considered good		
(i) Export incentive receivable	16,01,309	85,04,674
(ii) VAT credit receivable	3,32,351	3,32,351
(iii) GST Receivable	3,03,54,986	1,92,82,410
(iv) Income Tax Receivable	-	6,99,183
(c) Inter-corporate deposits	-	-
Unsecured, considered good	-	-
Doubtful	-	-
(d) Others (specify nature)		
Unsecured, considered good	2,21,55,411	51,783
Doubtful	-	-
Long-term loans and advances		
(a) Security deposits		
With Government Bodies	13,13,509	12,47,908
With others	15,06,576	7,33,138
(b) MAT Credit Entitlements	-	-
Total	7,36,47,823	3,77,13,343

Note 9 : Share capital

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Amount (In Rs.)	Number of shares	Amount (In Rs.)
(a) Authorised Equity shares of Rs 10 each	70,00,000	7,00,00,000	70,00,000	7,00,00,000
(b) Issued, Subscribed and fully paid up Equity shares of Rs 10 each	62,32,500	6,23,25,000	62,32,500	6,23,25,000
Total	62,32,500	6,23,25,000	62,32,500	6,23,25,000

Notes:
[a] Reconciliation of the number of shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2022		As at March 31, 2021	
	Number	Amount (In Rs.)	Number	Amount (In Rs.)
Shares outstanding at the beginning of the year	62,32,500	6,23,25,000	62,32,500	6,23,25,000
Shares issued during the year	Nil	Nil	Nil	Nil
Shares bought back during the year	Nil	Nil	Nil	Nil
Redemption of shares	Nil	Nil	Nil	Nil
Shares outstanding at the end of the year	62,32,500	6,23,25,000	62,32,500	6,23,25,000

The Company has only one class of shares referred to as equity shares having a par value of ₹10. Each holder of equity shares is entitled to one vote per share.

[b] Shares in the Company held by each Shareholder holding more than 5% shares

Name of Shareholders	As at March 31, 2022		As at March 31, 2021	
	Number	%	Number	%
Auro Impex Private Limited	11,68,781	18.75%	11,68,781	18.75%
Sharat Deorah	11,65,800	18.71%	11,65,800	18.71%
Siddhartha Deorah	4,35,542	6.99%	4,31,192	6.92%

[c] Shareholding of promoters of the Company as at March 31, 2022

Name of promoters & promoter group	As at March 31, 2022		% Change during the year
	Number	%	
Promoters			
Sharat Deorah	11,65,800	18.71%	0.00%
Siddhartha Deorah	4,35,542	6.99%	0.07%
Samriddhi Deorah	2,41,191	3.87%	0.00%
Sharat Deorah HUF	2,29,029	3.67%	0.00%
Total promoters holding	20,71,562	33.2%	0.07%
Promoter Group			
Auro Impex Private Limited	11,68,781	18.75%	0.00%
Total Promoter group holding	11,68,781	18.75%	0.00%
Total	32,40,343	51.99%	0.07%

Note 10 : Other Equity

Particulars	As at March 31, 2022	As at March 31, 2021
Capital Reserve Account		
State Cash Subsidy	15,00,000	15,00,000
Share Premium Account	51,75,000	51,75,000
Total	66,75,000	66,75,000
Profit & Loss Account		
As per Last Balance Sheet	21,68,25,570	14,59,75,954
Net Profit/(Loss) for the year	2,84,46,808	7,17,95,759
Amount available for appropriation	24,52,72,378	21,77,71,713
Opening Comprehensive Income Reversed (Net of Tax)	(1,76,270)	(11,22,413)
Comprehensive Income (Net of Tax)	11,13,950	1,76,270
Closing Balance	24,62,10,058	21,68,25,570
Total	25,28,85,058	22,35,00,570

Note 11 : Financial Liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Secured Loans		
(a) Term loan from Bank		
From banks	84,94,628	1,27,04,941
(Exclusive charge by way of hypothecation of office and factory building and personal guarantee of Sharat Deorah - MD & Siddhartha Deorah - WTD)		
(Fresh Term Loan Rs. 15.40 cr. from Indian bank Tenor 96 months including moratorium period of 12 months)		
(GECLS WCTL Rs. 38.50 lacs repayable in 36 EMI after Holiday period of 12 months)		
Total	84,94,628	1,27,04,941

Note 12 : Other Financial Liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
Loans from related parties		
Unsecured - From Corporates	81,26,424	1,11,99,750
Total	81,26,424	1,11,99,750

Note 13 : Current Financial Liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Loans against Fixed Deposits		
From banks	4,51,13,414	-
(Fresh overdraft Loan Rs. 4.51 cr. from Indian Bank Secured against fixed deposits with bank)		
(b) Current maturities for Long Term Loan	32,73,334	10,80,000
(Loan Repayable within 1 Year)		
(c) Loans repayable on demand		
From banks		
Secured	7,27,69,252	66,02,873
(Exclusively hypothecation charge on the entire Stocks, Book Debts and Other current assets and personal guarantee of Sharat Deorah - MD & Siddhartha Deorah - WTD)		
Total	12,11,56,000	76,82,873

Note 14 : Trade Payables

Particulars	As at March 31, 2022	As at March 31, 2021
Due to other than Micro and small Enterprises (less than one Year)	4,86,21,874	5,74,95,849
Total	4,86,21,874	5,74,95,849

Note 15 : Other Current Liabilities

Particulars	As at March 31, 2022	As at March 31, 2021
(i) Payables on purchase of fixed assets	8,15,593	1,44,727
(ii) Others Expenses Payable	51,73,664	93,35,351
(iii) Provision for Expenses	1,03,90,999	72,08,317
Total	1,63,80,256	1,66,88,395

Note 16 : Provisions

Particulars	(Amount In Rs.)	
	As at March 31, 2022	As at March 31, 2021
(i) Statutory remittances payable	44,79,145	11,69,916
(ii) Provision for Taxation (Previous Year Net)	1,06,68,878	93,19,890
Total	1,51,48,023	1,04,89,806

Note 17 : Revenue from operations

Particulars	For the year ended	
	March 31, 2022	March 31, 2021
(a) Sale of products @ (Refer Note (i) below)	50,43,81,604	52,93,24,210
(b) Other operating revenues (Refer Note (ii) below)	42,76,402	1,31,94,136
Total	50,86,58,006	54,25,18,346

Note (i)	Sale of products comprises		
	Sale of manufactured goods	50,39,71,544	52,44,25,433
	Sale of traded goods	4,10,060	48,98,777
	Total - Sale of products	50,43,81,604	52,93,24,210
Note (ii)	Other operating revenues # comprise:		
	Duty drawback and MEIS incentives	42,76,402	1,31,94,136
	Total - Other operating revenues	42,76,402	1,31,94,136

Note 18 : Other income

Particulars	For the year ended	
	March 31, 2022	March 31, 2022
(a) Interest income (Refer Note (i) below)	35,08,104	18,00,505
(b) Dividend income:		
from long-term investments		
others	4,887	3,335
(c) Other non-operating income (net of expenses directly attributable to such income) (Refer Note (ii) below)	4,58,851	35,682
(d) Net Foreign Exchange Gain	69,53,337	57,39,238
Total	1,09,25,179	75,78,760

Note (i)	Interest income comprises:		
	Interest from banks on:		
	- on banks Deposits	33,80,135	16,83,755
	- on others	1,27,969	1,15,750
	Total - Interest income	35,08,104	17,99,505
Note (ii)	Other non-operating income comprises:		
	Misc. Receipts	2,591	-
	Income Tax Refund	-	7,417
	Cash Discount recd	-	1,625
	Sundry Balance w/back	-	26,586
	Insurance Claim recd.	4,56,260	-
	Total - Other non-operating income	4,58,851	35,628

Note 19.a : Cost of materials consumed

Particulars	(Amount in Rs)	
	For the year ended	
	March 31, 2022	March 31, 2022
Opening stock	2,03,15,320	2,64,02,983
Add: Purchases	34,46,51,747	26,82,20,934
Less: Closing stock	2,75,78,922	2,03,15,320
Cost of material consumed	33,73,88,145	27,43,08,597
Total	33,73,88,145	27,43,08,597

Note 19.b : Purchase of traded goods

Particulars	For the year ended	
	March 31, 2022	March 31, 2022
Traded good	2,40,386	21,03,000
Total	2,40,386	21,03,000

Note 19.c : Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	For the year ended	
	March 31, 2022	March 31, 2022
<u>Inventories at the end of the year:</u>		
Finished goods	86,67,025	44,28,900
Work-in-progress	63,00,000	7,22,300
Stock-in-trade	-	-
	1,49,67,025	51,51,200
<u>Inventories at the beginning of the year:</u>		
Finished goods	44,28,900	1,26,71,900
Work-in-progress	7,22,300	15,50,500
Stock-in-trade	-	-
	51,51,200	1,42,22,400
Net (increase) / decrease	(98,15,825)	90,71,200

Note 20 : Employee benefits expense

Particulars	For the year ended	
	March 31, 2022	March 31, 2022
Salaries and wages	3,59,97,560	3,49,72,839
Contributions to provident and other funds	5,21,991	4,44,997
Staff welfare expenses	4,14,000	9,13,990
Director Remuneration	2,54,28,570	2,40,00,000
Directors Sitting Fees	37,500	30,000
Total	6,23,99,621	6,03,61,826

Note 21 : Finance costs

Particulars	For the year ended	
	March 31, 2022	March 31, 2022
(a) Interest expense to:		
(i) Banks	45,70,114	19,28,723
(ii) Others	9,15,959	11,87,410
(iii) Bank Charges	27,77,641	14,67,763
Total	82,63,714	45,83,896

Note 22 : Other expenses

Particulars	(Amount in Rs)	
	For the year ended	
	March 31, 2022	March 31, 2022
Consumption of stores and spare parts	26,12,439	29,02,851
Power and fuel	1,59,72,734	1,51,59,550
Water	6,86,582	8,29,677
Repairs and maintenance - Buildings	29,06,749	18,51,357
Repairs and maintenance - Machinery	42,14,780	55,17,584
Repairs and maintenance - Others	5,29,807	4,30,470
Insurance	6,31,704	12,86,018
Rates and taxes	29,55,112	22,95,206
Communication	1,88,698	1,96,465
Travelling and conveyance	16,57,615	20,00,786
Printing and stationery	10,22,785	23,91,059
Freight and forwarding	63,83,021	1,00,17,788
Commission & Brokerage	78,660	52,070
Laboratory Chemicals	9,09,794	2,44,007
Factory and Office Expenses	53,69,210	99,65,600
Profession Tax (Company)	2,500	2,500
Profession Tax (Directors)	13,100	10,000
Export Expenses	1,86,00,410	1,44,70,827
Donations and contributions	7,12,558	51,34,320
CSR Expenditure	15,00,000	14,95,000
Legal and professional	25,77,972	15,86,854
Payments to auditors (Refer Note (i) below)	1,00,000	1,00,000
Miscellaneous expenses	25,68,797	63,18,315
Total	7,21,95,026	8,42,58,304

Notes:

Particulars	For the year ended	
	March 31, 2022	March 31, 2022
(i) Payments to the auditors comprises (net of service tax input credit, where applicable):		
As auditors - statutory audit	1,00,000	1,00,000
Total	1,00,000	1,00,000

23. Notes on Financial Statements:**I. Contingent Liabilities and Commitments**

	FY 2022	FY 2021
A. Contingent liabilities and commitments*	1,23,48,114	4,04,09,359
B. Claims against the Company not acknowledged as Debts **	1,91,97,000	1,91,97,000
C. Estimated amount of contracts remaining to be executed on capital account and not provided for	NIL	NIL

* Contingent liabilities include Letter of Credit.

** The Company has received a demand notice from Maharashtra Pollution Control board dated 23.10.2020 for Rs. 179.470 Lakhs towards the interim compensation for the damages to the environment and Tarapur Environment protection Society and Tarapur Industrial Manufacturers Association (TIMA) has filed an Appeal in the Supreme Court of India. The Company has already deposited 30% of this amount i.e. Rs. 57.591 Lakhs under protest.

II. The Income Tax Assessments of the Company have been completed up to Assessment year 2020-21.**III. Earnings Per Share (EPS)****Earnings**

	FY 2022	FY 2021
Net Profit for the year (net of taxes)	2,84,46,808	7,17,95,759

Shares

Number of equity shares at the beginning of the year	62,32,500	62,32,500
Number of Equity shares outstanding at the end of the year	62,32,500	62,32,500
Weighted average number of equity shares Outstanding during the year	62,32,500	62,32,500
Earnings per share of par value Rs. 10 – Basic	04.56	11.52
- Diluted	04.56	11.52

IV. Related Party Disclosures

- A. Related parties where control exists or where significant influence exists and with whom transaction have taken place during the year.

Concern in which a Director is a Director/member

1. Auro Impex Pvt. Limited

Key Management personnel Represented on the board

1. Mr. Sharat Deorah - Managing director
2. Mr. Siddhartha Deorah – Whole Time Director
3. Mr. Kiran Suresh Kulkarni- Whole Time Director

Non-Executive/Independent Directors on the Board

4. Mr. Kailash Chand Bubna
5. Mr. Govardhan Das Agarwal
6. Mrs. Kavita Vijayakant Sharma

B. The following is a summary of significant related party transactions:

	FY 2022	FY 2021
1. Interest paid to Auro Impex Pvt. Limited	9,15,959	11,87,410
2. Loan received from Auro Impex Pvt. Limited	Nil	Nil
3. Loan repaid to Auro Impex Pvt. limited	30,00,000	22,00,000
4. The Company has the following outstanding dues at year end: Auro Impex Pvt. Limited	79,50,000	1,09,50,000

C. Remuneration

1. Remuneration paid to Director	2,54,28,570	2,40,00,000
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D. Donation

1. Donation Given to Auro Deorah Foundation	Nil	50,00,000
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V. Raw Material Purchased During the year:

Particulars	FY 2022	FY 2021
Packing Material	1,08,04,502	1,75,88,381
Raw Material	33,38,47,245	25,06,32,553
Total	34,46,51,747	26,82,20,934

VI. Details of imported and Indigenous Raw Materials, Spares and Packing Material Consumed:

Raw Materials	FY 2022	FY 2021
Imported	19,75,60,757	11,32,34,523
Indigenous	13,98,27,388	15,49,86,411

VII. CIF Value of Imports

1. Raw Material	19,75,60,757	11,32,34,523
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VIII. Earnings in foreign currency:

1. Exports on CIF Basis	37,17,95,702	45,49,77,974
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IX. Expenditure in foreign currency:

1. Travelling	11,418	5,28,390
2. Commission on Export	Nil	Nil

X. Segment Information:

Based on the guiding principles given in the Accounting Standard 17 on "Segment Reporting" issued by The Institute of Chartered Accountants of India, the Company is a single segment Company engaged in the business of Bulk Drugs.

XI. Deferred Tax Assets/Liabilities:

A. Deferred Tax Assets	FY 2022	FY 2021
a. Carried forward Losses	Nil	Nil
b. Unabsorbed Depreciation	Nil	Nil
Total A	Nil	Nil
B. Deferred Tax Liabilities		
a. Difference in Block Value of Fixed Assets	5,91,83,443	5,78,31,946
b. Mat Credit Carried Forward	Nil	Nil
Total B	5,91,83,443	5,78,31,946
Deferred Tax Liabilities/ Assets [A-B]	5,91,83,443	5,78,31,946
Tax on Deferred Tax Liabilities/Assets	1,64,64,834	1,68,40,663

XII. Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):

The Company continues to monitor the impact of Covid-19 on its business, including its impact on customers, supply-chain, employees and logistics. Due care has been exercised, in concluding on significant accounting judgments and estimates, including in relation to recoverability of receivables, assessment of impairment of goodwill and intangibles, investments and inventory, based on the information available to date, while preparing the Company's financial results as of and for the year ended March 31, 2022.

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, goodwill and intangible assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company, as at the date of approval of these financial statements has used internal and external sources of information including credit reports and related information, economic forecasts and consensus estimates from market sources on the expected future performance of the Company. The Company has performed sensitivity analysis on the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these consolidated financial statements.

XIII. Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013, our Company is liable to contribute at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. During the FY 2022, the funds were primarily utilized through the year on these activities which are specified in Schedule VII of the Companies Act, 2013:

Particulars	FY 2022	FY 2021
Amount required to be spent by the company during the year	14,81,072	10,95,865
Amount of expenditure incurred	15,00,000	14,95,000
Shortfall at the end of the year	-	-
Total of previous year shortfall	-	3,94,626
Reason of shortfall	-	-
Nature of CSR activities	Providing support for Infrastructure facilities at Hospitals	Contribution towards Eradicating Hunger & Poverty, Education and Statistical research
Details of related party transactions	NA	NA
Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision	NA	NA

XIV. Ratios

The ratios for the years ended March 31, 2022 and March 31, 2021 are as follows:

Particulars	Numerator	Denominator	FY 2022	FY 2021	Variance (%)*
Current ratio	Current assets	Current liabilities	1.87	3.05	(38.69%)
Debt – Equity ratio	Total borrowings	Shareholder's equity	0.44	0.11	295.51%
Debt service coverage ratio	Profit after taxes before Interest & Depreciation	Total Debt	0.44	9.78	(95.48%)
Return on Equity (ROE)	Net profit after taxes	Shareholder's equity	9%	25%	(64.07%)
Trade receivables turnover ratio	Revenue	Trade receivable	3.74	7.43	(49.73%)
Trade payables turnover ratio	Credit Purchases	Trade Payable	6.66	4.42	50.93%
Net capital turnover ratio	Revenue	Working capital	2.91	2.87	1.37%
Net profit ratio	Net profit	Revenue	6%	13%	(57.47%)
Return on capital employed	Earnings before interest and taxes	Capital employed	14%	35%	(21.23%)
Return on Investment(ROI)					
Quoted	Income generated from investments	Cost of Investment	0.01	0.01	0.32%
Unquoted			0	0	0.00%

* Notes on Variation in Ratio

During the financial year 2021-2022, the Company's financials were impacted due to rising cases of COVID-19. Substantial increase in Raw material pricing and shipping cost which was not able to pass on to customers immediately. We were unable to receive collections in time.

XV. Previous year's figures have been regrouped, rearranged and reclassified wherever necessary.

For, Khurdia Jain & Co.
 Chartered Accountants
 FIRM REG.NO. 120263W

(Sampat Khurdia)
 Partner
 M. NO. 33615
 UDIN: 22033615AKCNNF4711

Place: Mumbai
 Date: May 30, 2022

For and on behalf of the Board of Directors
Auro Laboratories Limited

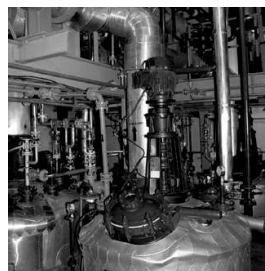
(Sharat Deorah)
 Managing Director
 DIN: 00230784

(Amit Shah)
 Chief Financial Officer

Place: Mumbai
 Date: May 30, 2022

(Siddhartha Deorah)
 Whole Time Director
 DIN: 00230796

(Shanu Nag)
 Company Secretary



Active Pharmaceutical Ingredients

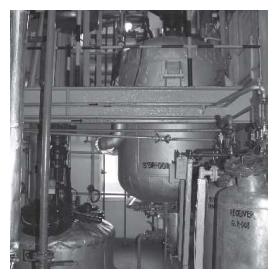
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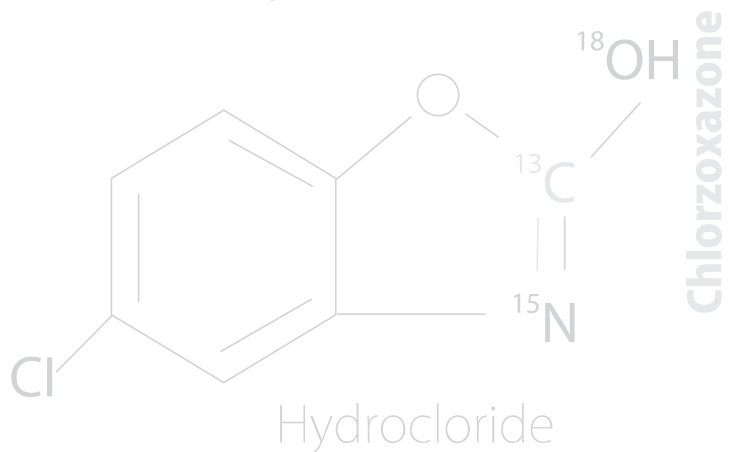
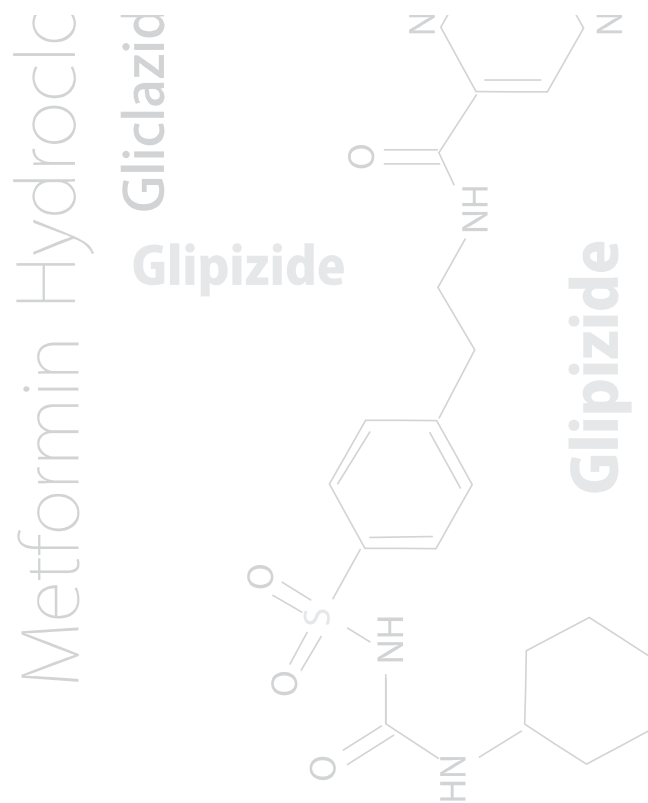
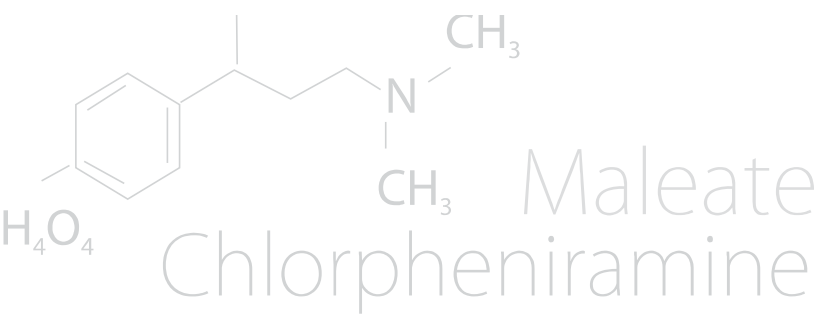
EUGMP

EDQM Inspected

WHO GMP

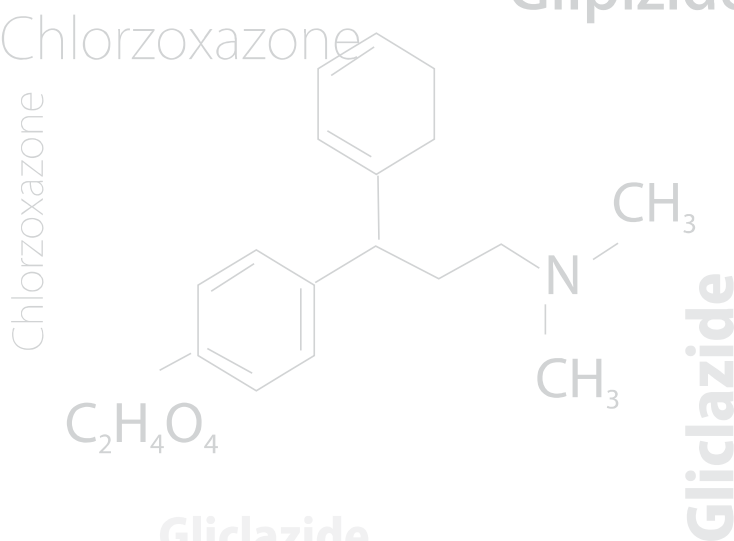
Global Customer





Metformin Hydrochloride

Glipizide



Corporate office :

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CIN No. L33125MH1989PLC051910

Glibenclamide

Glibenclamide