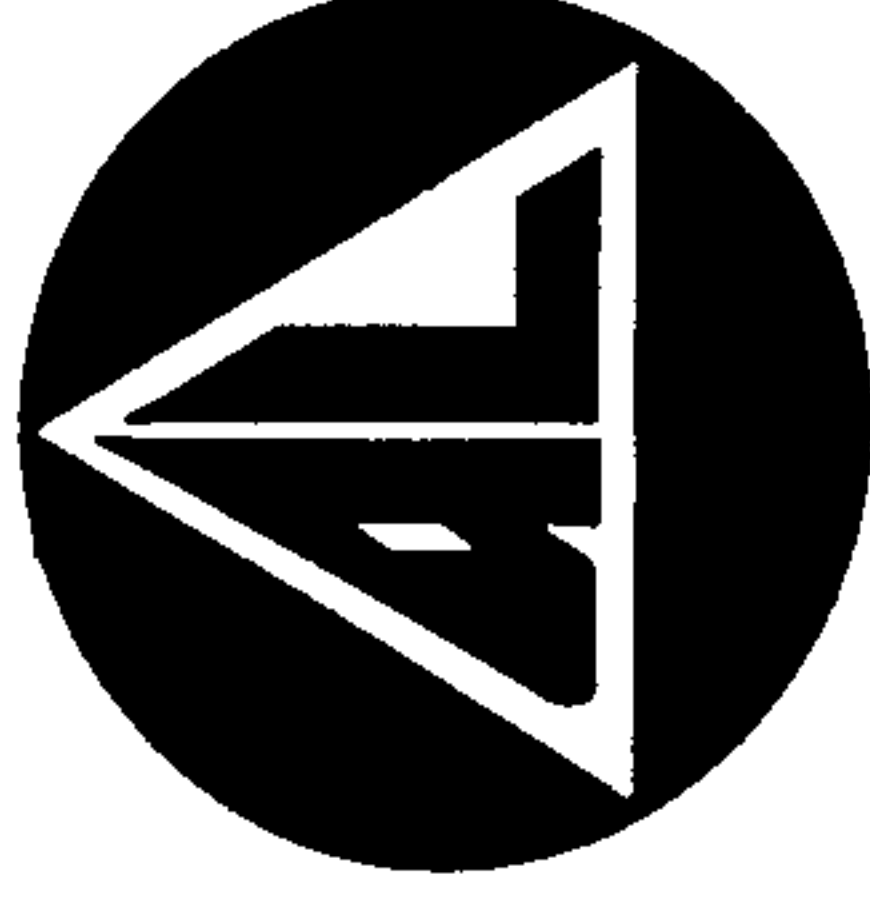


BOOK - POST

ANNUAL REPORT 2011 - 2012



If Undelivered Please Return to :

SHAREX DYNAMIC (INDIA) PRIVATE LIMITED

[Unit : AURO LABORATORIES LIMITED]

Unit No. 1, Luthra Industrial Premises, Near Safed Pool,
Andheri Kurla Road, Andheri [East]. Mumbai - 400 072

Tel : 022 2851 5644/2851 5606

Printed By : Trupati Enterprises - 9820528530

AURO LABORATORIES LIMITED

ANNUAL REPORT 2011-2012

NOTICE TO THE MEMBERS

NOTICE is hereby given that the 23rd Annual General Meeting of the members of AURO LABORATORIES LIMITED will be held on August 11, 2012 at 11 A. M. at the registered office of the Company at K-56, M.I.D.C. Industrial Area, Tarapur, Boisar, Dist. Thane, Maharashtra - 401 506 to transact, with or without modification(s) the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Profit and Loss Account for the year ended March 31, 2012 and the Balance Sheet as on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Govardhan Das Agarwal, who retires from office by rotation, and being eligible offers himself for re-appointment.
3. To appoint M/s. Kothari Jain & Associates, Chartered Accountants having Firm Registration No. 113041W as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board to fix their remuneration.

Registered Office:

K-56, M.I.D.C. Industrial Area,
Tarapur,
Boisar,
Thane - 401 506.
May 30, 2012.

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

SHARAT DEORAH
Managing Director

AURO LABORATORIES LIMITED

BOARD OF DIRECTORS

Sharat Deorah
Siddhartha Deorah
Kailash Chandra Bubna
Govardhandas Aggarwal

Managing Director
Director
Director
Director

AUDIT COMMITTEE

Kailash Chandra Bubna
Govardhandas Aggarwal
Siddhartha Deorah

Chairman
Member
Member

REGISTERED OFFICE & FACTORY

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

ADMINISTRATIVE OFFICE:

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

AUDITORS

M/s. Kothari Jain & Associates
Chartered Accountants

BANKERS

Allahabad Bank Mumbai

REGISTRAR & SHARE TRANSFER AGENT

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

AURO LABORATORIES LIMITED

NOTES:

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

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

2. The Register of Members and the Share Transfer Books of the Company will remain closed from 08/08/2012 to 10/08/2012 (both days inclusive).

3. Members desirous of seeking any information concerning the Accounts of the Company are requested to address their queries in writing to the Company at least seven days before the date of the meeting so that the requested information can be made available at the time of the meeting.

4. Members / Proxies are requested to please bring their copies of the Annual Report to the meeting since copies of the Annual Report will not be distributed at the meeting.

5. The Company has listed its shares on The Bombay Stock Exchange Limited, Mumbai.

6 a. The Company has appointed M/s. SHAREX DYNAMIC (INDIA) PRIVATE LIMITED as Common Registrar & Transfer Agent of the Company for physicals as well as demat mode of transfers. Members are therefore requested to send their grievances to them for early disposal at the address given below.

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

M/S. SHAREX DYNAMIC (INDIA) PVT. LTD.

Unit : [AURO LABORATORIES LIMITED]

Unit No.1, Luthra Ind. Premises, Andheri Kurla Road,

Safed Pool, Andheri (East), MUMBAI - 400 072.

Tel: 022 2851 5606 / 2851 5644

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

8. Members/Proxies holding their Shares in Physical mode are requested to fill the enclosed attendance slip and handover the same at the entrance with signature. In the absence thereof, they may not be admitted to the meeting venue.

9. Members who are holding shares in dematerialised form are requested to bring their Client ID and DP ID numbers for easy identification at the meeting.

10. In all correspondence with the Company, members are requested to quote their Folio No. and in case their shares are held in demat form; they must quote their DP ID and Client ID Number.

ANNUAL REPORT 2011-2012

LISTING REQUIREMENTS:

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

Name : MR. GOVARDHAN DAS AGARWAL
Age : 62 [02/10/1949].
Qualifications : B.com

Mr. Govardhan Das Agarwal is associated with the Company since March 1, 2004 and looks after overall administration and marketing of the Company. He has an experience of over 30 years in the field of administration.

Other Directorships:

Serampore Industries Private Limited
Hoare Miller And Co Limited
Shree Ranglal Technocast Private Limited
Foundry Cluster Development Association
Indian Foundry Association

Shareholding in the Company:
Other Committee Memberships:

Nil
Nil.

Registered Office:

For and on behalf of the Board

K-56, M.I.D.C. Industrial Area,
Tarapur,
Boisar,
Thane - 401 506.
May 30, 2012.

For AURO LABORATORIES LIMITED

SHARAT DEORAH
Managing Director

AURO LABORATORIES LIMITED

DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors have great pleasure in presenting 23rd Annual Report together with the Audited accounts for the year ended March 31, 2012.

FINANCIAL RESULTS:	Year ended 31.03.2012 Rs. In Lacs	Year ended 31.03.2011 Rs. In Lacs
Sales & Other income	2548.88	2085.72
Profit before depreciation & tax	73.31	64.95
Profit after Depreciation	26.17	20.51
Profit / Loss after tax	26.17	20.51
Balance brought forward	-160.62	-181.13
Balance carried forward	-134.45	-160.62

OPERATIONS:

In the current financial year the company has performed well and achieved a total income of Rs.2548.88 Lacs as against Rs.2085.72 Lacs in the previous year. The production capacity has increased and the product mix has got good demand with our domestic and overseas customers. With new machineries installed, which will further boost performance of the Company. The Company proposed to achieve a further increase in the sales from the current level.

DIVIDEND:

Due to carry forward losses, your Directors do not recommend any dividend for the year ended March 31, 2012.

RESEARCH & DEVELOPMENT:

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

FIXED DEPOSITS:

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

BOARD OF DIRECTORS:

Mr. Govardhan Das Agarwal retires by rotation and being eligible offers himself for reappointment.

ANNUAL REPORT 2011-2012

DIRECTORS RESPONSIBILITY STATEMENT:

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

1. In the preparation of the annual accounts, the applicable accounting standards have been followed.
2. Appropriate policies have been selected and applied consistently and judgments and estimates wherever made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2012.
3. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The annual accounts have been prepared on a going concern basis.

AUDITORS:

M/s. Kothari Jain & Associates, Chartered Accountants, Auditors of the Company are retiring at the ensuing Annual General Meeting. They are eligible for re-appointment and have expressed their willingness to act as auditors, if re-appointed. The Company has received a certificate from the Auditors that they are qualified under section 224 (1) of the Companies Act, 1956, for appointment as Auditors of the Company. Members are requested to consider their appointment at a remuneration to be decided by the Board of Directors for the financial year ending March 31, 2013 as set out in the Notice convening the Meeting.

AUDITORS' OBSERVATIONS:

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

AUDIT COMMITTEE:

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

DEPOSITORY SERVICES:

The Company's Equity Shares have been admitted to the depository mechanism of the National Securities Depository Limited (NSDL) and also the Central Depository Services Limited (CDSL). As a result the investors have an option to hold the shares of the Company in a 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.

AURO LABORATORIES LIMITED

CORPORATE GOVERNANCE:

Your Company continued to practice good governance as set out by the Securities & Exchange Board of India. In addition to the basic governance issues, the Board laid a strong emphasis on transparency, accountability and integrity. The detailed report on compliance of Corporate Governance and Management Discussion Analysis as stipulated in Clause 49 of the Listing Agreement is enclosed and form part of this Report.

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 and Senior Management Personnel of the Company. This will help in dealing with ethical issues and also foster a culture of accountability and integrity.

LISTING:

The Company has listed its Equity Shares on Mumbai Stock Exchange Limited, Mumbai.

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

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

PARTICULARS OF EMPLOYEES:

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

SAFETY, ENVIRONMENTAL CONTROL AND PROTECTION:

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

ACKNOWLEDGMENT:

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

Registered Office:

K-56, M.I.D.C. Industrial Area,
Tarapur,
Boisar,
Thane - 401 506.
May 30, 2012.

For and on behalf of the Board

For AURO LABORATORIES LIMITED

SHARAT DEORAH
Managing Director

ANNUAL REPORT 2011-2012

ANNEXURE TO THE DIRECTORS' REPORT:

Additional information as required in terms of the provisions of Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the report of the Board of Directors) Rules, 1988 regarding conservation of energy, Technology, Absorption and foreign exchange earnings and outgo is give here under:

CONSERVATION OF ENERGY:

a) Energy Conservation measures taken:

The Company pays highest attention for conservation of energy. A constant watch for conserving the energy is maintained.

b) Additional Investments and proposals, if any being implemented for the reduction of consumption of energy: None

c) Impact of the measures at (a) and (b) above for the reduction of production of goods:
Negligible

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

	Year Ended 31.03.2012	Year Ended 31.3.2011
--	--------------------------	-------------------------

1. ELECTRICITY

(a) Purchase Unit (in Lacs)	12.41	11.85
Total Amount (Rs. in Lacs)	75.75	66.00
Rate / Unit (Rs.)	6.10	5.57

(b) Own generation (through diesel generator)	NIL	NIL
--	-----	-----

2. LIGHT DIESEL OIL LDO/FURNACE OIL

(FOR PRODUCTION)

Quantity (Ltr. in Lacs)	0.16	0.26
LDO	5.04	4.42
FURNACE OIL		

Total Amount (Rs. in Lacs)	7.00	10.44
LDO	194.00	118.02
FURNACE OIL		

Average rate per Ltr. (Rs.)	43.75	40.15
LDO	38.49	26.70
FURNACE OIL		

3. CONSUMPTION PER KG. OF PRODUCTION:

Products (Kg.)	1131940	1065958
Electricity (Rs.)	6.70	6.19
Diesel/ FO (Rs.)	17.76	12.05

AURO LABORATORIES LIMITED

TECHNOLOGY ABSORPTION

Research & Development (R & D)

1. Specific areas in which R & D carried out by the Company: **None**
 2. Benefits derived as a result of the above R & D : **Nil**
 3. Future plan of action : **None**
 4. Expenditure on R & D : **Nil**
- Technology absorption, adaptation and innovation:
1. Efforts in brief made towards technology absorption, adaptation and innovation : **None**
 2. Benefits derived as a result of the above efforts : **None**
 3. Technology Imported during the last five years :
 - a] Technology imported : **Nil**
 - b] Year of Import : **Nil**
 - c] Has technology been fully absorbed : **N.A.**
 - d] If not fully absorbed, areas where it has not taken place, reasons thereof, and future plans of action : **N.A.**

FOREIGN EXCHANGE EARNINGS AND OUTGO:

Foreign exchange earnings

CIF Value of export: Rs. 1440.17 Lacs (Previous Year Rs. 761.85 Lacs).

Foreign exchange outgo

FOB Value of Import Rs. 688.41 Lacs (Previous Year Rs. 241.45 Lacs).
Foreign traveling expenses: Rs. 1.04 Lacs (Previous Year Rs. 5.08 Lacs).

Registered Office:

K-56, M.I.D.C. Industrial Area,
Tarapur,
Boisar,
Thane - 401 506.
May 30, 2012.

For and on behalf of the Board

For AURO LABORATORIES LIMITED

SHARAT DEORAH
Managing Director

ANNUAL REPORT 2011-2012

ANNEXURE - 'B' TO DIRECTORS' REPORT REPORT ON CORPORATE GOVERNANCE COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

AURO LABORATORIES LIMITED ("the Company") is committed to adhere to the corporate governance code as prescribed by the SEBI and Stock Exchange and has accordingly implemented various aspects of the code.

To implement the Corporate Governance practice, Auro Laboratories Ltd., has a well defined policy consisting of the following:

- Ensure that the Quality and Frequency of Financial and Managerial Information's, which the Management shares with the Board, fully placed before the Board Members in control of the Company's affairs.
- Ensure that the Board exercises its Fiduciary responsibilities towards Shareowners and Creditors, thereby ensuring high accountability.
- Ensure that the extent to which the information is disclosed to present and potential investors is maximized.
- Ensure that the decision-making is transparent and documentary evidence is traceable through the minutes of the meetings of the Board/Committees thereof.
- Ensure that the Board, the Management, the Employees and all the other stakeholders are fully committed to maximizing long-term value to the shareowners and to the Company.
- Ensure that the core values of the Company are protected.
- Ensure that the Company positions itself from time to time to be at par with any other world-class Company in operating practices.

BOARD OF DIRECTORS:

The Company presently has Four Directors. Two of the Directors are Executive Directors & the remaining Two are Non Executive Directors. The Executive Directors consist of one Managing Director and other Whole time Director. The Two Non Executive Directors are Independent Directors and professionals with expertise and experience in general corporate management, finance and other allied fields.

As per clause 49 of the Listing Agreement, if the Chairman is the Executive Chairman at least half of the board should consist of Non Executive Directors & half of the Board shall comprise of Independent Directors. In case of Auro Laboratories Ltd., One half of the Directors are Non Executive. Two out of the Four Directors are Independent Directors and Non Executive which is very much in Compliance of the Listing Agreement.

Composition of the Board of Directors has a healthy mix of Executive & Non Executive Directors & ensures the desired level of independence and functioning & decision making.

The details of composition of the Board, category, number of other Directorships and other Committee Memberships are as follows:

AURO LABORATORIES LIMITED

BOARD MEETINGS:

The Board of Directors met 7 times during the financial year i.e. on 15/04/2011, 14/05/2011, 30/07/2011, 31/10/2011, 10/01/2012, 31/01/2012 and 31/03/2012.

The maximum time gap between any two meetings is much less compared to the requirement of not more than four month as specified in clause 49. The dates and timings of the meetings were decided well in advance.

The details of composition of the Board, category, attendance of Directors at Board Meetings during the financial year and last Annual General Meeting, number of other Directorships and other Committee Memberships are given below:

Name of Director	Category	No. of Board Meeting attended	Attendance at last AGM	No. Of Other Directorships Held As on 31/3/12		Outside Committee Position Held As on 31/3/12	
				Public	Private	Mem.	Chmn.
Mr. Sharat Deorah	CMD	7	YES	-	3	-	-
Mr. Sidhartha Deorah	WTD	7	YES	-	3	-	-
Mr. Goverdhandas Aggarwal	NED	7	YES	1	3	-	-
Mr. Kailash Chandra Bubna	NED	7	YES	-	1	-	-

CMD stands for Managing Director.

WTD stands for Whole time Director.

NED stands for Non Executive Director.

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INFORMATION SUPPLIED TO THE BOARD

The Board has complete access to all information with the Company & to any of the employee of the Company. The Board is provided with all the relevant information on the important matters affecting the working of the Company as well as the related details required deliberations by the members of the board.

Among others, this includes:

- Annual operating plans, capital budgets and updates.
- quarterly results of the Company and its operating divisions.
- minutes of meeting of audit committee and other committees.
- information on recruitment and remuneration of senior officers just below the board level.
- general notices of interests.
- Materially important show cause, demand, prosecution and penalty notices.
- Fatal or serious accidents or dangerous occurrences.
- details of any joint venture of collaboration agreement.
- sale of material nature of investments, subsidiaries, assets which is not in the normal course of business.
- foreign exchange exposure and the steps taken by the management to limit the risk of adverse exchange rate movement.
- Any materially significant effluent or pollution problem.
- Any issue which involves possible public or product liability claims of a substantial nature.
- Significant development in the human resource and industrial relations fronts.
- Legal compliances reporting system.

The Board is routinely presented with all information under the above heads whenever applicable and materially significant.

As mandated by the revised Clause 49, the independent Directors on the board of the Company.

- Do not have any material pecuniary relationships or transactions with the company, its promoters, its Directors, its senior management or its holding company, its subsidiaries and associates that may affect independence of the director.
- Are not related to promoters or persons occupying management positions at the board level or at one level below the board.
- Have not been an executive of the company in the immediately preceding three financial years.
- Are not partners of the firm or executives of the company or were not partners of the firm or executives of the company during the preceding three years of either.
- Statutory audit firm or the internal audit firm that is associated with the Company.
- Legal firm(s) and consulting firm(s) that have a material association with the Company.
- Are not material suppliers, services providers or customers or lessors or lessees of the company, which may affect independence of the Director.
- Are not substantial Shareholders of the Company i.e. do not own two percent or more of the block of voting shares.

The Board is routinely presented with all information under the above heads whenever applicable and materially significant.

AURO LABORATORIES LIMITED

COMMITTEES OF DIRECTORS:

To focus effectively on the issues and ensure expedient resolution of the diverse matters, the Board has constituted a set of Committees of Independent 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 the all Committees of the board are placed before the board for discussions/noting.

Details of the committee of the board and other related information are as follows:

a) AUDIT COMMITTEE:

The Company has a qualified and independent Audit Committee comprising of three Directors. The broad terms of reference of the Audit Committee are in consonance with the provisions of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement. All the members have financial and accounting knowledge.

The Committee acts as a link between the Management, the Statutory Auditors and the Board of Directors of the Company. The Committee focus' 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, audit methodology and process, major accounting policies and practices, compliance with accounting standards. Committee also reviews the legal compliance reporting system.

Representative of the statutory auditors is always invited to attend these meetings.

The Committee met Four times during the year on 14/05/2011, 30/07/2011, 31/10/2011 and 31/01/2012.

Attendance record at the meetings of the Audit Committee of Directors during financial year 2011-2012.

The name of Members of Committee and their attendance are as follows:

Name of the Member	Status	No. of Meetings Attended
Mr. Kailash Chandra Bubna	CHAIRMAN	4
Mr. Goverdandas Aggarwal	MEMBER	4
Mr. Siddhartha Deorah	MEMBER	4

All the members have financial and accounting knowledge.

The meetings of the Audit Committee are also attended by Head of Accounts department and representative of statutory auditors.

The Chairman of the Committee was present at the Annual General Meeting held on September 29, 2011 to attend the shareholder's queries.

ANNUAL REPORT 2011-2012

SHAREHOLDERS' & INVESTORS' GRIEVANCE COMMITTEE:

The Company has constituted a Shareholders' & Investors Grievance Committee at board level to strengthen the investor relations and to inter-alia look into issues relating to Shareholder Grievances pertaining to transfer of shares, non receipt of declared dividends, non receipt of Annual Report, issues concerning dematerialisation etc.

The Committee met Four times during the year on 14/05/2011, 30/07/2011, 31/10/2011 and 31/01/2012.

The composition of the Shareholders' Committee and details of the meetings attended by the Directors during the year 2011-12 are given below:

The name of Members of Committee and their attendance are as follows:

Name of the Members	Status	No. of Meetings Attended
MR. Kailash Chandra Bubna	CHAIRMAN	4
MR. Goverdandas Aggarwal	MEMBER	4
MR. Siddhartha Deorah	MEMBER	4

Mr. Seshdhar Dubey is the Compliance Officer.

DETAILS OF INVESTORS COMPLAINTS RECEIVED DURING THE YEAR:

Sr. No.	Nature of Complaints	Received	Disposed	Pending
1.	Non receipt of Dividend Warrants.	NIL	NIL	NIL
2.	Non receipt of Share Cert. After Transfer & others.	2	2	NIL
TOTAL		2	2	NIL

REMUNERATION:

The Company has constituted Remuneration Committee as required under the provisions of the Companies Act, 1956.

All matters relating to review and approval of compensation payable to the Executive and Non-Executive Directors are considered by the Remuneration Committee and necessary recommendations are made by the Committee to the board for the approval within the overall limits approved by the Members and as per Schedule XIII of the companies Act, 1956.

In view of carry forward losses Managing Director and Executive Director have decided not to draw salary, perquisites and allowances.

The Company does not have any stock option plans and hence such instrument does not fall 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.

AURO LABORATORIES LIMITED

Shareholding of Non Executive Directors

The shareholding in the Company by the Non Executive Directors in their own name is NIL

CODE OF CONDUCT

The Company has adopted a Code of Conduct for the Directors and senior management 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 Chairman and Managing Director to that effect forms part of this Report.

MANAGEMENT DISCUSSIONS & ANALYSIS

Management discussion and analysis report is given in a separate section forming part of the Directors' Report in this annual report.

STEPS FOR PREVENTION OF INSIDE TRADING

In compliance of the SEBI (Prevention of Inside Trading) Regulations as amended in 2002, the Company has issued comprehensive guidelines advising and cautioning management staff and other relevant business associates on the procedure to be followed while dealing in equity shares of Auro Laboratories Ltd., and disclosure requirements in this regard. Company believes that "The Code of Internal Procedure and Conduct" and "The Code of Corporate Disclosures Policies" framed by it in this regard will help in ensuring compliance of the amended SEBI regulations.

DISCLOSURES:

The necessary disclosures regarding the transactions entered into with the related parties are given in the notes to the accounts. There were no transactions of the material value with related parties viz., Promoters, Directors, or the Management or Relatives having any potential conflict with the interest of the company.

NON-COMPLIANCES:

There were no instances of non compliance on any matter related to the capital market during the last three years. No penalties or strictures were imposed on the company by any Stock Exchange or SEBI or any other statutory authority on any matter related to capital market during last three years.

ANNUAL REPORT 2011-2012

Details of compliance with mandatory requirement and adoption of non mandatory requirement:

The Company has complied with all mandatory requirement of Clause 49 of the Listing Agreement with the Stock Exchange and has implemented the following non mandatory requirements:

1. AUDIT QUALIFICATION:

It is always the companies endeavor to present unqualified financial statements. There are no audit qualifications in the company's financial statement for the year under review.

2. TRAINING OF BOARD MEMBERS:

Directors are fully briefed about all business related matters risks assessment market conditions of the product manufactured by the company, competition and new initiative proposed by the company.

CEO/CFO CERTIFICATION:

As required under Clause 49 of the Listing Agreement a Certificate duly signed by Mr. Sharat Deorah, Managing Director has been obtained. The certificate is annexed to this report.

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE:

The Company has obtained a certificate from Auditors of the company regarding compliance with the provisions relating to the corporate governance laid down in clause 49 of the listing agreement with the Stock Exchanges. This certificate is annexed to the report.

DECLARATION:

I, Sharat Deorah, Managing Director of Auro Laboratories Limited hereby affirm and declare, to the best of my knowledge and belief, and on behalf of the Board of Directors of the Company and senior management personnel, that:

The Board of Directors has laid down a code of conduct for all Board members and senior management of the Company [the code of conduct];

The code of conduct has been complied with;

AURO LABORATORIES LIMITED

GENERAL SHAREHOLDERS INFORMATION:

GENERAL BODY MEETINGS:

The last three Annual General Meetings were held as under:

Financial Year	Date	Time	Venue
31.03.2009	18.08.2009	11 A.M.	Registered Office
31.03.2010	17.09.2010	11 A.M.	-- As above --
31.03.2011	29.09.2011	11 A.M.	-- As above --

All the matters as set out in the respective notices were passed by the Shareholders. No special resolution was required to be put through postal ballot last year.

MEANS OF COMMUNICATION:

1. Quarterly results are sent to the Stock Exchange as required under the Listing Agreement.
2. All items required to be covered in the Management Discussion and Analysis has been included in the Management Discussion and Analysis as attached to this Report.
3. The Company has its own website and all the vital information relating to the Company and its products are displayed on the web site. Address of the website is www.aurolabs.com.

GENERAL SHAREHOLDERS INFORMATION:

ANNUAL GENERAL MEETING : 23rd Annual General Meeting.
 DAY & DATE : August 11, 2012.
 TIME : 11 A. M.
 VENUE : Registered Office.

FINANCIAL CALENDAR:

4. Financial reporting for the quarter ended June 30, 2012: Mid of August, 2012.
- * Financial reporting for the quarter ended Sept.30, 2012: Mid of November, 2012.
- * Financial reporting for the quarter ended Dec. 31, 2012: Mid of February, 2013
- * Financial reporting for the Year ended March 31, 2013: Audited by May 31, 2013.
- * Annual General Meeting for the year ended March 31, 2013: End of Sep. 2013

DATE OF BOOK CLOSURE: 09/08/2012 TO 10/08/2012 [Both days inclusive].

SHARE TRANSFER SYSTEM:

Share Transfer Requests are received at the registered office of the Company as well as directly at RTAs office. RTA does the verification and processing of documents. In order to comply with the requirement of SEBI circular Nos. SMD/POLICY/CIR-10/02 dated May 7, 2002 to effect transfer of shares within one month, the RTA has been authorised to process, approve and effect transfer of shares on behalf of the Company at fortnightly intervals. The share certificates duly endorsed for transfer are returned to shareholders within stipulated time of 30 days.

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TRANSFER UNDER PHYSICAL AND DEMAT MODE:

M/S. SHAREX DYNAMIC (INDIA) PVT. LTD.
 Unit : [AURO LABORATORIES LIMITED]
 Unit No.1, Luthra Ind. Premises, Ancheri Krula Road,
 Safed Pool, Andheri (East), MUMBAI - 400 072.
 Tel: 022 2851 5606 / 2851 5644

COMPLIANCE OFFICER:

Mr. Seshdhar Dubey, Executive

ADDRESS FOR CORRESPONDENCE:

AURO LABORATORIES LIMITED

Administrative Office:
 314, T. V. Industrial Estate,
 S. K. Ahire Marg, Worli, Mumbai - 400 025.
 E-mail : auro@eurolabs.com
 Telephone No. 66635456 / 66635457

LISTING:

Bombay Stock Exchange Limited, Mumbai.

STOCK CODE OF THE COMPANY:

Bombay Stock Exchange Limited, Mumbai.
 Scrip Name: AURO LABORATORIES LIMITED
 Scrip Code: 530233.
 Electronic Mode: INE292C01011.

DEPOSITORY CONNECTIVITY: NSDL and CDSL.

ISIN NO. FOR THE COMPANY'S SECURITY: INE292C01011.

DEMATERIALISATION OF SHARES:

As on March 31, 2012 a total of 30,58,893 Equity Shares representing 49.08% of the paid up capital of the Company were held in dematerialized form with NSDL and CDSL.

Member can hold Shares in electronic forms and trade the same in Depository System. However, they may hold the same in physical form also.

AURO LABORATORIES LIMITED

STOCK PRICES DATA & PERFORMANCE IN COMPARISON TO BSE SENSEX: [AS OBTAINED FROM BSE WEBSITE]

Month	High (Rs.)		Low (Rs.)		Company's Share		BSE SENSEX	
	High	Low	High	Low	High	Low	High	Low
April, 2011	8.40	6.50	19811.14	18976.19				
May, 2011	8.45	7.03	19253.87	1786.13				
June, 2011	8.00	7.05	18873.39	17314.38				
July, 2011	8.80	7.25	19131.70	18131.86				
August, 2011	7.84	6.72	18440.07	15765.53				
Sept., 2011	8.24	6.27	17211.80	15801.01				
October, 2011	6.93	5.75	17908.13	15745.43				
November, 2011	6.25	5.06	17702.26	15478.69				
December, 2011	5.36	4.20	17003.71	15135.86				
January, 2012	6.02	4.20	17258.97	15358.02				
February, 2012	6.20	5.25	18523.78	17061.55				
March, 2012	6.02	5.28	18040.69	16920.61				

SHAREHOLDING PATTERN AS ON MARCH 31, 2012:

Category	No. of shares held	% of shareholding
Promoters	28,38,724	45.55
Private Bodies Corporate	1,25,431	2.01
Indian Public	23,47,848	37.67
NR/OCBs	9,19,357	14.75
Clearing Members	740	0.01
Mutual Funds / UTI	400	0.01
Total	62,32,500	100.00

DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2012:

No. of Equity Shares held	No. of Shareholders	No. of Shares held	% of Equity Capital
Upto 500	7139	1108872	17.79
500-1000	581	510490	8.19
1001-5000	343	769262	12.34
5001-10000	22	154883	2.49
10001 & above	43	3688993	59.19
Total	8128	6232500	100.00

PLANT LOCATIONS:

K-56, MIDC Industrial Area, Tarapur, Boisar, Dist. Thane - 401 506.

COMPLIANCE:

A certificate has been obtained from the Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance and is attached to this report.

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POSTAL BALLOT:

The provision relating to Postal Ballot will be complied with in respect of matters, wherever applicable.

Registered Office:

K-56, M.I.D.C. Industrial Area,
Tarapur,
Boisar,
Thane - 401 506.
May 30, 2012.

For and on behalf of the Board

For AURO LABORATORIES LIMITED

SHARAT DEORAH
Managing Director

AURO LABORATORIES LIMITED

CEO CERTIFICATION:

The Board of Directors
Auro Laboratories Limited,
Mumbai

Re: Financial Statements for the year 2011-12- Certification by CEO:

- I, Sharat Deorah, Managing Director of Auro Laboratories Limited, hereby certify that:
 - (a) I have reviewed Financial Statements and the Cash Flow Statement for the financial year ended March 31, 2012 and to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
 - (b) There are, to the best of my knowledge and belief, no transactions entered into by the Company during the period, which are fraudulent, illegal or violative of the Company's code of conduct.
 - (c) I am responsible for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which I am aware and the steps we have taken or propose to take to rectify these deficiencies.
 - (d) I have indicated to the Auditors and the Audit Committee that:
 - 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.

For AURO LABORATORIES LIMITED

SHARAT DEORAH
Managing Director
May 30, 2012.

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AUDITORS' CERTIFICATE

To
The Members,
AURO LABORATORIES LIMITED.

We have examined the compliance of conditions of Corporate Governance by AURO LABORATORIES LIMITED for the year ended on March 31, 2012, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

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 clause 49 of the Listing Agreement.

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 KOTHARI JAIN & ASSOCIATES
CHARTERED ACCOUNTANTS

[SUNIL KOTHARI]
PROPRIETOR
M. NO. 043842

Place: Mumbai.
Dated: May 30, 2012.

AURO LABORATORIES LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS

BUSINESS OVERVIEW:

The main business of the Company is manufacturing and sale of Chemicals, Dyes and Bulk Drugs used in Industrial and Domestic purposes.

OPPORTUNITIES, THREATS, RISKS, CONCERNS AND OUTLOOK:

During the year under review your Company performed well and managed to increase its total sale by about 22%.

The general outlook with respect to this Industry in India is of caution under immense competitive pressure. However the intrinsic strength of your company has helped us to effectively overcome such pressure and the sales therefore should register a modest but definite growth.

EXPORTS:

The main thrust of the Company is on export which constitutes around 57% of total sales of the Company.

The Company is fast consolidating its resources to build a market presence in the international arena. The results are reflected in an exponential growth rate in the last two years as also continuing in the current year.

PERFORMANCE OF THE COMPANY:

The challenges described above did restrict the sales growth to a modest rate, however, your Company managed to achieve a substantial growth in Net Profit. During the current financial year the Company is working towards further improvement in its profitability.

HUMAN RESOURCES:

Development of skills and updating of knowledge are essential for continues growth of any organization. Your Company considers human resources as a key asset. Therefore, your Company not only implemented many in house training programs but also sent selected employees to suitable outside programs to keep them abreast of the latest developments in the industry and economy.

To establish direct link between performance and reward, your Company has been steadily increasing the weightage of actual performance in remuneration packages. The Company has, under its employment 60 officers and workmen.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Internal Control Systems are designed to ensure the reliability of financial and other record and accountability of executive action to the management's authorisation. The Statutory Auditors have evaluated the system of internal controls of the Company and have reported that the same are adequate and commensurate with the size of the Company and nature of its business.

The internal control systems are reviewed by the top Management and by the Audit Committee of the Board and proper follow up action is ensured wherever required.

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FINANCIAL PERFORMANCE:

The highlights of the financial performance of the Company for the year under review are as under:

- a. The Sales & other Income was Rs.2548.88 lacs as against Rs. 2085.72 lacs during the previous year.
- b. The Net Profit was Rs.26.17 lacs as against Rs.20.51 lacs during the previous year.
- c. The Secured Loan as at March 31, 2012 was Rs. 134.33 Lacs as against Rs. 39.03 Lacs as at March 31, 2011.

CAUTIONARY STATEMENT:

Statement in the Management Discussion and Analysis describing the Company's objectives, expectations, estimates or predictions may be forward looking within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that could influence the Company's operations include global and domestic supply and demand conditions affecting selling prices of finished goods, input availability and prices, changes in Government regulations, tax laws, economic developments within the country and other incidental factors. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on the basis, of any subsequent developments, events or information.

Registered Office:

K-56, M.I.D.C. Industrial Area,
Tarapur,
Boisar,
Thane - 401 506.
May 30, 2012.

For and on behalf of the Board

For **AURO LABORATORIES LIMITED**

SHARAT DEORAH
Managing Director

AURO LABORATORIES LIMITED

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

On Compliance with the conditions of corporate governance under clause 49 of the listing agreement.

To
The Members,
AURO LABORATORIES LIMITED,

We have examined the compliance of conditions of Corporate Governance by AURO LABORATORIES LIMITED ("The Company"), for the year ended on March 31, 2012, as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of 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 clause 49 of the Listing Agreement.

As required by the guidance note issued by The Institute of Chartered Accountants of India, we have to state that as per the records maintained by the Company, there were no investor grievances remaining unattended, pending for more than 30 days.

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 KOTHARI JAIN & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGN. NO. 113041 W

[SUNIL KUMAR KOTHARI]
PROPRIETOR
M. No. 043842

Place: Mumbai
Dated: 30th MAY 2012

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AUDITOR'S REPORT

Auditors' Report to the Members of AURO LABORATORIES LIMITED

1. We have audited the attached Balance Sheet of AURO LABORATORIES LIMITED as at 31st March 2012 and also the related Profit and Loss Account annexed thereto and the Cash Flow statement for the year ended on the date, which have signed under reference to this report. These financial statements are the responsibility of the management of the Company. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order 2003 (the order), as amended, issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - A] We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - B] In our opinion proper books of accounts as required by the law have been kept by the company so far as it appears from our examination of the books.
 - C] The Balance Sheet and Profit & Loss account and Cash Flow statement dealt with by this report are in agreement with the books of accounts.
 - D] In our opinion, the Balance sheet, Profit and Loss account and cash flow statement dealt with by this report complies with the Accounting Standards issued by the Institute of Chartered Accountants of India, referred to in Section 211 (3C) of the Companies Act, 1956, except Accounting for Fixed Assets (AS 10), Accounting for Investments (AS 13) and Accounting for Retirements Benefits (AS 15).
 - E] On the basis of written representation received from the Directors as on 31st March 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as directors of the Company under clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.

AURO LABORATORIES LIMITED

[] In our opinion, and to the best of our information and according to the explanations given to us, subject to the Notes regarding non provision for gratuity, non provision for diminution in the value of the Investments and regarding Doubtful loans and advances of Rs. 39,33,684/-, resulting to understatement of Loss amounting to Rs. 39,33,684/- for the year, the said accounts read together with other notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the balance sheet, of the state of affairs of the Company as at 31st March 2012.
- b) In the case of the Profit & Loss Account, of the "Profit" for the year ended on that date.
- c) In the case of the Cash Flow Statement, of the Cash Flow for the year ended on that date.

For KOTHARI JAIN & ASSOCIATES
CHARTERED ACCOUNTANTS
FIRM REGN. NO. 113041W

SUNIL KUMAR KOTHARI
PROPRIETOR
M.NO. 043842
Place: Mumbai
Date: 30th MAY 2012

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ANNEXURE TO THE AUDITORS REPORT (Referred to in our Report of even date)

We have prepared this annexure on the basis of the Books of Account examined, and information and explanations obtained by us during the course of our Audit. Further, in our opinion and to the best of our knowledge we report that -

- i) a) The company has maintained proper records showing full particulars including quantitative details and situation of Fixed Assets.
- b) As explained to us, the fixed assets are being physically verified under a phased programme of verification, which in our opinion, is reasonable and no material discrepancies have been noticed on such verification.
- c) The company has not disposed off substantial part of fixed assets, during the year under review, to affect its going concern.
- ii) a) Inventories have been physically verified during the year by management at reasonable intervals.
- b) 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.
- c) 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.
- iii) a) The company has not granted any loan secured or unsecured to Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act 1956. The Company has taken unsecured loan from one party amounting to Rs. 13.20 lacs during the year, covered in the register maintained under section 301 of the Companies Act 1956, and the year end balance of loans taken is Rs. 684.65 lacs.
- b) In our opinion, the rate of interest and other term and condition on which the unsecured loans have been taken by the company listed in the register maintained under section 301 of the Companies Act are not prima-facie prejudicial to the interest of the company.
- c) The terms of repayment of the principal amount is not specified.
- d) In our opinion, according to the information and explanation given to us, reasonable steps have been taken by the company for the payment of the principal amount and no amount is overdue for more than rupee one lacs.
- iv) In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchases of inventory and fixed assets and for sale of goods. We have not observed any major weakness in the internal control system during the course of our audit. The Company is continuously correcting weakness detected in internal control.
- v) a) According to the information and explanation given to us, we are of the opinion that the transaction that need to be entered into the register maintained in pursuance of section 301 of the Companies Act 1956 have generally been so entered.

AURO LABORATORIES LIMITED

- b) According to the information and explanation given to us, transactions made in pursuance of contract or arrangements entered into the register maintained under section 301 of the Companies Act 1956 and exceeding the value of Rs. 5.00 lacs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- vi) In our opinion and according to the information and explanation given to us, the company has not accepted deposits from public.
- vii) In our opinion the company has no formal internal audit system commensurate with size and nature of business.
- viii) 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 clause (d) of Sub-Section (1) of section 209 of the Companies Act, 1956 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.
- ix) 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 Other 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 and Cess.
- x) In our opinion, the Accumulated losses of the company at the end of the financial year are not more than fifty per cent of its net worth. The company has not incurred cash losses during the financial year covered by our audit as well as in the immediately preceding financial year.
- xi) 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.
- xii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans or advances against security by way of pledge of shares, debentures and other securities.
- xiii) In our opinion, the company is not a chit fund or a Nidhi \ Mutual benefit fund Society to which the provisions of any special statute apply: accordingly the provisions of clause 4(xiii) of the Order are not applicable to the company.
- xiv) In our opinion, the company is not dealing or trading in shares, securities, debentures and other investments.
- xv) In our opinion and as explained to us the company has not given guarantee for loan taken by others from bank or financial institutions.
- xvi) According to the information and explanation given to us and on overall examination of the balance sheet of the company, the Company has applied the term loans for the purpose for which the loans were obtained.

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- xvii) According to the information and explanation given to us and on over all examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investments. No long-term funds have been used to finance short-term assets except Permanent Working Capital.
- xviii) In our opinion, the company has not made any preferential allotment of shares to parties and Companies covered in the register maintained in pursuance of section 301 of the Companies Act 1956.
- xix) In our opinion, the Company has not issued any debentures during the year under audit.
- xx) The Company did not raise money through public issue during the year under review.
- xxi) 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.

For **KOTHARI JAIN & ASSOCIATES**
CHARTERED ACCOUNTANT
FIRM REGN. NO. 113041 W

SUNIL KUMAR KOTHARI
PROPRIETOR
M. No. 043842

Place: Mumbai
Dated: 30th MAY 2012

AURO LABORATORIES LIMITED

Balance Sheet as at 31st March, 2012

Particulars	31.03.2012 Amount in Rs.	31.03.2011 Amount in Rs.
A EQUITY AND LIABILITIES		
1 Shareholders' funds		
(a) Share capital	62325000	62325000
(b) Reserves and surplus	-8770392	-9387875
	55554808	52937125
2 Non-current liabilities		
(a) Long-term borrowings	88784364	75650047
(b) Deferred tax liabilities (net)	88784364	75650047
3 Current liabilities		
(a) Short-term borrowings	63023043	53358763
(b) Trade payables	47032447	32056014
(c) Other current liabilities	12701343	8727276
(d) Short-term provisions	0	0
	122756833	94142073
TOTAL	267095805	222729245
B ASSETS		
1 Non-current assets		
(a) Fixed assets		
(i) Tangible assets	63814663	68523795
(ii) Capital work-in-progress	44337884	6532672
	108152547	75056467
(b) Non-current investments	487982	487982
(c) Deferred tax assets (net)	2089506	1562761
(d) Long-term loans and advances	0	0
(e) Other non-current assets	110730035	77107210
2 Current assets		
(a) Inventories	91618370	70056193
(b) Trade receivables	29649806	44997955
(c) Cash and cash equivalents	3455213	5874046
(d) Short-term loans and advances	31842381	24693841
(e) Other current assets	158365770	145622035
TOTAL	267095805	222729245
Accounting Policies		
Notes to The Accounts		
In terms of our report attached.		
For KOTHARI JAIN & ASSOCIATES		
Chartered Accountants		
FIRM REG. NO. 113041W		
For and on behalf of the Board of Directors		
SHARAT DEORAH		
Managing Director		
SUNIL KUMAR KOTHARI		
PROPRIETOR		
M. NO. 043842		
Place : Mumbai		
Date : 30.05.2012		

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Statement of Profit and Loss for the year ended 31st March, 2012

Particulars	31.03.2012 Amount in Rs.	31.03.2011 Amount in Rs.
A CONTINUING OPERATIONS		
1 Revenue from operations (gross)	263977179	220855290
Less: Excise duty	9586607	12619794
Revenue from operations (net)	254390572	208635496
2 Other income	498300	336982
3 Total revenue (1+2)	254888872	208972478
4 Expenses		
(a) Cost of materials consumed	208224064	158428211
(b) Purchases of stock-in-trade	0	3416900
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	-14562341	-6322265
(d) Employee benefits expense	15365622	14046409
(e) Finance costs	12690686	10250306
(f) Depreciation and amortisation expense	4713283	4444017
(g) Other expenses	27840075	22257826
Total expenses	252271389	206521404
5 Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)	2617483	2051074
6 Exceptional items	0	0
7 Profit / (Loss) before extraordinary items and tax (5 ± 6)	2617483	2051074
8 Extraordinary items	0	0
9 Profit / (Loss) before tax (7 ± 8)	2617483	2051074
10 Tax expense:		
(a) Current tax expense for current year	0	0
(b) (Less): MAT credit (where applicable)	0	0
(c) Current tax expense relating to prior years	0	0
(e) Deferred tax	0	0
11 Profit / (Loss) from continuing operations (9 ± 10)	2617483	2051074
12 Profit / (Loss) from discontinuing operations (before tax)	0	0
13 Add / (Less): Tax expense of discontinuing operations	0	0
14 Profit / (Loss) from discontinuing operations (12.i ± 12.ii ± 12.iii)	0	0
14 Profit / (Loss) for the year (11 ± 13)	2617483	2051074
15 Earnings per share (of Rs 10/- each):		
(a) Basic	0.42	0.33
(i) Continuing operations	0.42	0.33
(ii) Total operations	0.42	0.33
(b) Diluted	0.42	0.33
(i) Continuing operations	0.42	0.33
(ii) Total operations	0.42	0.33
Accounting policies		
Notes to the Accounts		
1		
2 to 21		
In terms of our report attached.		
For KOTHARI JAIN & ASSOCIATES		
Chartered Accountants		
FIRM REG. NO. 113041W		
For and on behalf of the Board of Directors		
SHARAT DEORAH		
Managing Director		
SUNIL KUMAR KOTHARI		
PROPRIETOR		
M. NO. 043842		
Place : Mumbai		
Date : 30.05.2012		

AURO LABORATORIES LIMITED

Cash Flow Statement for the year ended 31st March, 2012

Particulars	For the year ended 31.03.2012		For the year ended 31.03.2011	
	Amount	Amount	Amount	Amount
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		2617483		2051074
<u>Add: Adjustments for:</u>				
Depreciation and amortisation	4713283	4444017	4444017	14694323
Finance costs	12690686	17403989	10250306	16745397
Less: Adjustment for:				
Interest Income	269440	51967	51967	
Profit on sale of Machinery	47500	73712	73712	127181
Dividend Income	1360	1502	1502	
Operating profit / (loss) before working capital changes		318300		16618216
<u>Changes in working capital:</u>				
<u>Adjustments for (increase) / decrease in operating assets:</u>				
Inventories	(21562177)	(10736026)	(10736026)	
Trade receivables	15348149	(18489634)	(18489634)	
Short-term loans and advances	(5948540)			
Long-term loans and advances	(526745)			
Other current assets	0	(4769017)	(4769017)	
Other non-current assets	0	(1767017)	(1767017)	
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	14976433	12044644	12044644	
Other current liabilities	3974067	2364233	2364233	
Other long-term liabilities				
Short-term provisions				
Long-term provisions				
Cash flow from operating activities		18950500		14408877
Cash generated from operations		24964339		(4734601)
Net income tax (paid) / refunds		0	0	0
		24964339		(4734601)
Net cash flow from / (used in) operating activities (A)				

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Particulars	For the year ended 31.03.2012		For the year ended 31.03.2011	
	Amount	Amount	Amount	Amount
B. Cash flow from investing activities				
Capital expenditure on fixed assets, including capital	(37809362)		(9648459)	
Proceeds from sale of fixed assets	47500		446000	
Interest received				
- Others	269440		51967	
Dividend received				
- Others	1360	(37491092)	1502	(8146990)
Net income tax (paid) / refunds		0		0
Net cash flow from / (used in) investing activities (B)		(37491092)		(8146990)
C. Cash flow from financing activities				
Proceeds from long-term borrowings	13134317		10217500	
Repayment of long-term borrowings	9694260		11691415	
Net increase / (decrease) in working capital borrowings				
Proceeds from other short-term borrowings				
Repayment of other short-term borrowings				
Finance cost	(12690686)	10107891	(10250306)	11658609
Cash flow from extraordinary items		0		0
Net cash flow from / (used in) financing activities (C)		10107891		11658609
Net Increase/(decrease) in Cash & cash equivalents (A+B+C)		(2418832)		(1222982)
Cash and cash equivalents at the beginning of the year		5874045		7097027
Cash and cash equivalents at the end of the year		3455213		5874045
In terms of our report attached For KOTHARI JAIN & ASSOCIATES Chartered Accountants Firm Registration No. 113041W SUNIL KUMAR KOTHARI PROPRIETOR M.No. 043842 For and on behalf of the Board of Directors SHARAT DEORAH Managing Director SIDDHARTH DEORAH Director Place : Mumbai Date : 30.05.2012				

AURO LABORATORIES LIMITED

I. SIGNIFICANT ACCOUNTING POLICIES

i. Basis of preparation of financial statements

The financial statements have been prepared and presented in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises accounting standards notified by the Central Government of India under section 211 (3C) of the Companies Act, 1956, other pronouncements of Institute of Chartered Accountants of India, the provisions of Companies Act, 1956 and guidelines issued by Securities and Exchange Board of India.

The Company has prepared these financial statements as per the format prescribed by Revised Schedule VI to the Companies Act, 1956 ("The Schedule") issued by Ministry of Corporate Affairs. Previous years figures have been recasted / restated to conform to the classification required by the Revised Schedule VI.

ii. Revenue Recognition

Sales and other income are accounted on accrual basis and are taken to be inclusive of excise duty but excluding sales tax. 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.

iii. Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation. All costs including financial costs which are specifically attributable to the asset are capitalized. Capital Work in Progress includes expenditure incurred during the year and yet to capitalized.

Leasehold land is shown at cost including lease premium paid.

iv. Depreciation

Depreciation on the fixed assets is provided on Straight Line Method at the rates prescribed in Schedule XIV to the Companies Act, 1956. Depreciation in respect of additions to Assets is being provided on pro-rata basis from the date of such acquisition.

Lease Hold land is amortized over the period of lease.

v. Investment

Investments are classified into Current and long term investments. Current investments are stated at lower of cost and Fair Market Value. Long-term investments are stated at cost.

vi. Inventories

Inventories are valued on FIFO basis as under:

- 1) Raw Material - At Cost
- 2) Work In progress - At Cost
- 3) Finished Goods - Lower of Cost or Net realizable Value.
- 4) Stores & Spares - Treated as fully consumed.

vii. Government grants

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Lump sum capital subsidies, not relating to any specific fixed assets, received from State Government for setting up projects are accounted as Capital Reserve in the year of receipt.

viii. Foreign Exchange Transaction

Foreign Exchange Transactions are recorded at exchange rates prevailing on the dates of the respective transactions. Current Assets and Liabilities in foreign currency as at the Balance Sheet date are translated at the year end exchange rates. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the profit and loss account.

ix. Employees Benefits

The liability for Leave Encashment is provided for as per actuarial valuation however Gratuity has not been provided.

x. Borrowing Costs:

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets up to the date when they are ready for their intended use and other borrowing costs are charged to Profit and Loss Account.

xi. Taxation:

Provision for Taxation is determined on the basis of the Taxable profits computed for the current accounting period in accordance with the Income Tax, 1961.

Deferred tax resulting from timing difference between book profit and taxable profit for the year is calculated by using the tax rates and laws that have been enacted as on the Balance Sheet Date. The deferred tax assets is recognized and carried forward only to the extent that there is a certainty that the asset will be adjusted in future.

xii. Contingent Liabilities

Claims against the Company not acknowledged as debts are treated as Contingent Liabilities. Provision in respect of contingent liabilities if any, is made when it is probable that a liability may be incurred and the amount can be reasonably estimated.

xiii. Earning per share:

The basic earnings per share (EPS) is computed by dividing the net profit after tax for the year by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earning per share, net profit after tax for the year and the weighted number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares have been adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. the average market value of the outstanding shares).

AURO LABORATORIES LIMITED

Notes forming part of the financial statements

Note 2 Share capital

Particulars	As at 31st March, 2012		As at 31st March, 2011	
	Number of shares	Amount	Number of shares	Amount
(a) Authorised Equity shares of Rs 10 each	7,000,000	70,000,000	7,000,000	70,000,000
(b) Issued, Subscribed and fully paid up Equity shares of Rs 10 each	6,232,500	62,325,000	6,232,500	62,325,000
Total	6,232,500	62,325,000	6,232,500	62,325,000

Notes:

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

	Equity shares		Amount
	Number	Number	
Shares outstanding at the beginning of the year	623250	623250	6232500
Shares issued during the year	Nil	Nil	Nil
Shares bought back during the year	Nil	Nil	Nil
Redemption of shares	Nil	Nil	Nil
Shares outstanding at the end of the year	623250	623250	6232500

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

	Nil	Nil	Nil
--	-----	-----	-----

Note 3 Reserves and Surplus

Capital Reserve Account	1500000	1500000
State Cash Subsidy	5175000	5175000
Share Premium Account	6675000	6675000
TOTAL		6675000
Profit & Loss Account		
As per Last Balance Sheet	(18113949)	(18113949)
Net Profit/(Loss) for the year	2051074	2051074
Amount available for appropriation	(13445392)	(13445392)
Appropriations:		
Dividend	0	0
Income Tax	0	0
Closing Balance	(13445392)	(13445392)
Total	(6770392)	(9387875)

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Note 4: Long-term borrowings

Particulars	As at	
	31.03.2012 Amount	31.03.2011 Amount
Secured Loans		
(b) Term loan from Bank		
From banks		
Alahabad Bank	2320334	3902847
(Repayable from July 2010 in 20 Equal Quarterly Installments)		
Alahabad Bank	11112679	0
(Repayable from July 2010 in 20 Equal Quarterly Installments)		
(e) Loans and advances from related parties		
Unsecured	76391351	71747600
Total	88784384	76650047

1. Term Loans from Allahabad Banks are secured by mortgage of immovable assets, both present and future.

Note 5 Short-term borrowings

(a) Loans repayable on demand	63023043	63368783
From banks		
Secured		
Total	63023043	63368783

Notes:

1. The Working Capital facilities from Allahabad bank are secured by Hypothecation of all types of Stock and book debts.

2. There is no default in repayment of loans and interest.

Note 6 Trade payables

Trade payables:		
Acceptances	47032447	32066014
Other than Acceptances		
Total	47032447	32066014

Note 7 Other current liabilities

(a) Current maturities of long-term debt	7500000	1500000
(b) Interest accrued but not due on borrowings	0	0
(c) Interest accrued and due on borrowings	0	4133602
(d) Other payables	127962	161999
(i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	855536	37066
(ii) Payables on purchase of fixed assets	2300005	957157
(iii) Contractually reimbursable expenses	1917850	1937552
(iv) Others (specify nature)		
Total	12701343	8727276

Tangible assets	Previous year		Total
	79074091	20859515	
(a) Land	0	0	0
Freehold	439701	0	439701
(b) Factory Buildings	14903755	0	14903755
(c) Office Buildings	7019447	0	7019447
(d) Roads	337634	0	337634
(e) Plant and Equipment	71492257	0	71492257
(f) Furniture and Fixtures	2763222	0	2763222
(g) Vehicles	659132	0	659132
(h) Computers	927011	4150	931161
(i) Miscellaneous Assets	484445	0	484445
	99026604	4150	99026606
	79074091	20859515	99026606
	70000	907000	98960754
Gross block at cost	98960754	907000	99026606
Balance as at 31st March, 2012	30502809	26591503	57094312
Balance as at 1st April, 2011	4713283	444017	5157300
For the year	3774791	3774791	7549580
Deductio ns/ adjustments	0	0	0
Balance as at 31st March, 2012	35146092	30502809	65648901
Balance as at 31st March, 2011	63814663	68523795	13237058
Net depreciated block	63814663	68523795	13237058

Note 8 Fixed assets

Note 9 Non-current investments

Particulars	As at 31.03.2012		As at 31.03.2011	
	Total Amount in Rs.		Total Amount in Rs.	
Long Term at cost, unless otherwise specified				
A. Trade Investments				
(a) Quoted:				
680 Shares of Zee Learn Limited of face value of Rs. 1/- each	484982		484982	
178 Equity Shares of Dish TV limited	0		0	
155 Equity shares of Wires & Wireless India Limited	0		0	
225 Equity Shares of Zee News Limited	0		0	
Total (A)	484982		484982	
(b) Unquoted				
35 (5) Shares of worl ind. Properties Limited of face value of Rs. 100/- each (of the 5 shares were issued on purchase of assets and included in the value of asset.	3000		3000	
Total (B)	3000		3000	
Total (A+B)	487982		487982	
Aggregate amount of quoted investments	484982		484982	
Aggregate market value of listed and quoted investments	101547		100717	
Aggregate amount of unquoted investments	3000		3000	

Note 10 Long-term loans and advances

(a) Security deposits	946842
With Government Bodies	203138
With others	668583
(b) MAT Credit Entitlements	289723
(c) Tax paid at source	2089506
Total	1562761

AURO LABORATORIES LIMITED

Note 11 Inventories
(At lower of cost and net realisable value)

Particulars	As at 31.03.2012 Amount in Rs.	As at 31.03.2011 Amount in Rs.
(a) Raw materials Including Goods-in-transit of Rs. 51,89,677/-)	13740619	5711300
(b) Work-in-progress	64880675	57560675
(c) Finished goods (other than those acquired for trading)	12877870	5435529
(e) Stores and spares	319206	1348689
Total	91618370	70056193

Note 12 Trade receivables

Unsecured considered good

Over six months

2078090	1720872
27571716	43277083
Total	44997955

Note 13 Cash and cash equivalents

(a) Cash on hand

(b) Balances with banks

(i) In current accounts

(ii) In deposit accounts
- Balances held as margin money or security against borrowings, guarantees and other commitments

3548	17460
184395	4576029
3267270	1280557
Total	5874046

Note 14 Short-term loans and advances

(a) Prepaid expenses - Unsecured, considered good

(b) Balances with government authorities

Unsecured, considered good

(i) CENVAT credit receivable

(ii) VAT credit receivable

(c) Inter-corporate deposits

Unsecured, considered good

Doubtful

(d) Others (specify nature)

Unsecured, considered good

Doubtful

127215	138037
12276672	5794073
7539324	6305908
2525838	2525838
1760108	1760108
5239648	5966301
2173576	2173576
Total	24693841

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Note 15 Revenue from operations

Particulars	For the year ended 31st March, 2012 Amount in Rs.	For the year ended 31st March, 2011 Amount in Rs.
(a) Sale of products @ (Refer Note (i) below)	257163742	216433744
(b) Other operating revenues (Refer Note (ii) below)	6813438	4421546
Less:	263977179	220856280
(c) Excise duty	9586607	12619794
Total	254390572	208235498

Note (i) Sale of products comprises

Manufactured goods Metformin HCL & CRZ	257163742	212680360
Total - Sale of manufactured goods	257163742	212680360
Traded goods	0	3853394
Total - Sale of traded goods	0	3853394
Total - Sale of products	257163742	216433744

Note (ii) Other operating revenues # comprise:

Sale of scrap	791595	8515
Duty drawback and other export incentives	5858586	4238925
Others (specify nature)	163287	177106
Total - Other operating revenues	6813438	4421546

Note 16 Other income

(a) Interest income (Refer Note (i) below)	269440	51967
(b) Dividend income: from long-term investments others	1360	1602
(c) Other non-operating income (net of expenses directly attributable to such income) (Refer Note (ii) below)	227500	263513
Total	498300	336982

Note (i) Interest income comprises:

Interest from banks on: deposits	269440	51967
Total - Interest income	269440	51967

Note (ii) Other non-operating income comprises:

Rental income	180000	180000
Profit on sale of fixed assets	47500	103513
Total - Other non-operating income	227500	283513

AURO LABORATORIES LIMITED

Note 17.a Cost of materials consumed

Particulars	For the year ended	For the year ended
	31.03.2012 Amount in Rs	31.03.2011 Amount in Rs
Opening stock	7059889	2846228
Add: Purchases	213223900	162841972
Less: Closing stock	14059825	7059889
Cost of material consumed	206224064	158428211
Total	206224064	158428211

Note 17.b Purchase of traded goods

Traded good	0	3416900
Total	0	3416900

Note 17.c Changes in inventories of finished goods, work-in-progress and stock-in-trade

Inventories at the end of the year:		
Finished goods	12877670	5435529
Work-in-progress	64680675	57560675
Stock-in-trade	77558545	62996204
Inventories at the beginning of the year:		
Finished goods	6435529	925530
Work-in-progress	57560675	55748409
Stock-in-trade	62996204	56673939
Net (Increase) / decrease	-14562341	-6322265

Note 18 Employee benefits expense

Salaries and wages	14994213	13673491
Contributions to provident and other funds	179776	216684
Staff welfare expenses	191633	157234
Total	15366622	14046409

Note 19 Finance costs

(e) Interest expense on:		
(i) Borrowings	7759143	5995599
(ii) Others - on unsecured loans	4931543	4254707
Total	12690686	10250306

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Note 20 Other expenses

Particulars	For the year ended 31st March, 2012	For the year ended 31st March, 2011
	Amount in Rs.	Amount in Rs.
Consumption of stores and spare parts	1630535	1929861
Power and fuel	4250840	7196300
Water	1292591	993356
Rent including lease rentals	52361	39203
Repairs and maintenance - Buildings	183218	159553
Repairs and maintenance - Machinery	626203	596227
Repairs and maintenance - Others	114254	66390
Insurance	286503	210806
Rates and taxes	104473	18905
Communication	370334	403221
Travelling and conveyance	367469	751505
Printing and stationery	604542	429980
Freight and forwarding	3809196	2273910
Sales commission	211407	374833
Laboratory Chemicals	296681	479763
Factory and Office Expenses	1756520	750769
Bank Charges	1562371	944796
Profession Tax (Company)	2500	2500
Export Expenses	6088992	3576123
Donations and contributions	12703	8453
Legal and professional	362269	298949
Payments to auditors (Refer Note (i) below)	50000	50000
Loss on fixed assets sold / scrapped / written off	0	29801
Net Foreign Exchange Loss	2982398	178451
Miscellaneous expenses	818915	494171
Total	27840075	22257826

Notes:

Particulars	For the year ended 31 March, 2012	For the year ended 31 March, 2011
	Amount in Rs.	Amount in Rs.
(i) Payments to the auditors comprises (net of service tax input credit, where applicable).	50000	50000
As auditors - statutory audit	0	0
For taxation matters	0	0
For company law matters	0	0
Total	50000	50000

AURO LABORATORIES LIMITED

Notes forming part of the financial statements

Note 30 Disclosures under Accounting Standards (contd.)

Note	Particulars	For the year ended	
		31 March, 2012 Amount in Rs.	31 March, 2011 Amount in Rs.
30.5	Details of borrowing costs capitalised Borrowing costs capitalised during the year - as fixed assets / intangible assets / capital work-in-progress - as inventory	1888280	0

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21. Notes on Financial Statements:

I. CONTINGENT LIABILITIES AND COMMITMENTS

	2012	2011
A. Contingent liabilities and commitments	Nil	Nil
B. Claims against the Company not acknowledged As debts	Nil	Nil
C. Estimated amount of contracts remaining to be Executed on capital account and not provided for	Nil	Nil

II. The Income Tax Assessments of the Company have been completed up to Assessment year 2009-10.

III. EARNINGS PER SHARE (EPS)

Earnings		
Net Profit for the year (net of taxes) Shares	2617483	2051074
Number of equity shares at the beginning of the Year	6232500	6232500
Number of Equity shares outstanding at the end of The year	6232500	6232500
Weighted average number of equity shares Outstanding during the year	6232500	6232500
Earning per share of par value Rs. 10	0.42	0.33
	- Basic Rs.	
	- Diluted Rs.	0.33

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.

Associate Company

1. Auro Impex limited
2. Phalguni Enclave Private Limited

Key Management personnel Represented on the board

1. Shri Sharat Deorah – Managing director
2. Shri Siddharth Deorah - Director

Non Executive/Independent Directors on the Board

1. Shri Kailash Chandra Bubna
2. Shri Goverdhandas Aggarwal

AURO LABORATORIES LIMITED

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

1. Sales to	Nil	Nil
2. Purchases from	Nil	Nil
3. Rent Received from Auro Impex Ltd.	180000	180000
4. Interest paid to Auro Impex limited Phalguni Enclave Private Limited	4370707 560836	4173756 72855
5. Loan received from Auro Impex limited Phalguni Enclave Private Limited	Nil 1300000	4520000 1300000
6. Loan paid to Auro Impex limited Phalguni Enclave Private Limited Mr. Sharath Deorah Mr. Siddhartha Deorah	2850000 1300000 182500 250000	300000 1300000 2500 Nil
7. The Company has the following amounts due to related parties: Auro Impex limited Phalguni Enclave Private Limited Mr. Sharath Deorah Mr. Siddhartha Deorah	53801965 6560836 11995000 3000000	50320000 6000000 12177500 3250000

V. RAW MATERIAL CONSUMED DURING THE YEAR

4 Chloro 2 Amino	22216829	25737270
Dicyanadamide	87468848	58694328
Dimethylamine HCL	63831075	42116950
Methanol	6026702	3543041
Furnace oil	19399663	11801801
Packing Material	7013747	7382689
Other	7267036	13565893
Total	213223900	162841972

VI. DETAILS OF IMPORTED AND INDIGENOUS RAW MATERIALS, SPARES AND PACKING MATERIAL CONSUMED:

Raw Material Imported	68841422	24145342
Indigenous	117969047	138696630
Store, Chemicals and Spares Imported	Nil	Nil
Indigenous	Nil	Nil

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VII. CIF VALUE OF IMPORTS	68841422	24145342
Raw Material	Nil	Nil
Components & spare parts	Nil	Nil
Capital Goods	Nil	Nil

VIII. EARNINGS IN FOREIGN CURRENCY	144016876	76185171
Exports on FOB Basis		

IX. EXPENDITURE IN FOREIGN CURRENCY

CIF Value of Imports	104293	508307
Traveling		

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	1559	330366
a] Carried forward Losses	25804094	30839488
b] Unabsorbed Depreciation	25805653	31169854
Total A		

B] Deferred Tax Liabilities

a] Fixed Assets WDV	25984672	28526888
Deferred Tax Liabilities/ Assets (A-B)	179019	2642966

Considering the past performance and present scenario, the Company does not expect future taxable profits/ no provision has been made for the deferred tax assets/ liabilities as on 31st March 2012.

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

For KOTHARI JAIN & ASSOCIATES
CHARTERED ACCOUNTANT
FIRM REGN. NO. 113041W
For and on behalf of the Board

SUNIL KUMAR KOTHARI
PROPRIETOR
M. No. 043842
Director

Place: Mumbai

Dated: 30th MAY 2012

AURO LABORATORIES LIMITED

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

PROXY FORM

I / We _____
of _____ being a Shareholder/Shareholders of

AURO LABORATORIES LIMITED hereby appoint

_____ of _____

or failing him/her _____ of _____

or failing him/her _____ of _____

as my/our Proxy to attend and vote for me/us and on my/our behalf at the 23rd Annual
General Meeting of the Company to be held on Tuesday the 11th day of August 2012
at 11.00 a.m. and at any adjournment thereof.

Signed on this _____ day of _____ 2012

Signature of Shareholder _____

Note : The Proxy form duly completed and signed must be deposited at the
Registered Office of the Company at K-56, M.I.D.C. Industrial Area, Tarapur, Boisar, Dist.
Thane- 401 506 not less than 48 hours before the time for holding the Meeting.

Affix a
Revenue
Stamp

Name _____

Address _____

Regd.Folio.No. _____ No.of Shares held _____

Client I.D. No. _____ DP. ID. No. _____

----- (TEAR HERE) -----

AURO LABORATORIES LIMITED

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

ATTENDANCE SLIP

I/We hereby record my/our presence at the 23rd Annual General Meeting of the
Company at the Registered Office of the Company at K-56, M.I.D.C. Industrial Area, Tarapur,
Boisar, Dist. Thane- 401 506 on Tuesday the 11th day of August 2012 at 11.00 a.m.

Name _____

Address _____

Regd.Folio.No. _____ No.of Shares held _____

Client I.D. No. _____ DP. ID. No. _____

Name of Proxy/Representative, if any _____

Signature of the Shareholder(s)/Proxy/Representative _____

Please bring this attendance slip to the meeting hall and hand it over at
the entrance after affixing the necessary signature.