

DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors have great pleasure in presenting the Twenty-ninth (29th) Annual Report, together with the Audited Financial Statements of the Company for the financial year ended March 31, 2018.

1. FINANCIAL HIGHLIGHTS:

[Amount in Lakhs except EPS]

Particulars	For the Year ended March 31, 2018	For the Year ended March 31, 2017
Revenue from operation (Net of tax)	4079.40	3547.47
Other Income	51.39	53.41
Total Income	4130.79	3600.88
Profit before Finance Cost and Depreciation	674.70	485.96
Less: Finance Cost	108.85	107.26
Less: Depreciation & Amortization expenses	93.11	86.38
Profit Before Tax	472.73	292.32
Provision for -- Current Tax	127.34	58.82
-- Deferred Tax	(7.56)	151.98
Net Profit After Tax	352.95	81.52
Other Comprehensive Income (Net of tax)	4.63	1.12
Total Comprehensive Income After Tax	357.58	82.64
Earing Per Share (EPS)	5.66	1.31

2. OVERVIEW OF COMPANY'S FINANCIAL PERFORMANCE:

During the year, your Company has performed well in terms of revenue and profit. The Company has achieved total revenue of Rs.4130.79 Lakhs as against Rs.3600.88 Lakhs in the previous year. The Profit after tax was Rs.352.95 Lakhs as against Profit of Rs.81.52 Lakhs in the previous year.

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.

The current year looks promising with the Company investing in new marketing strategies and has taken appropriate measures in order to achieve sale targets.

3. DIVIDEND:

To consolidate the financial position of the Company, the Board does not propose any dividend for the year ended March 31, 2018.

4. TRANSFER TO RESERVES:

No amount is proposed to be transferred to Reserves out of the profits earned during the Financial Year 2017-2018.

5. PUBLIC DEPOSIT:

The Company has not accepted deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Rules framed thereunder.

6. SHARE CAPITAL OF THE COMPANY:

The Paid up Equity share Capital, as at March 31, 2018 was Rs.6,23,25,000/- divided into 62,32,500 Equity shares, having face value of Rs.10/- each fully paid up. 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.

7. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES:

The Company does not have any subsidiaries, joint ventures and associate companies.

8. CHANGE IN THE NATURE OF BUSINESS:

There was no change in the nature of business activities during the financial year 2017-18.

9. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

The details of loans, advances and/or guarantee provided by the Company and investments as per section 186 of the Companies Act, 2013, which are required to be disclosed in the annual accounts of the Company pursuant to Regulation 34 (3) read with Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the SEBI Listing Regulations) are provided in Notes to the Financial statements.

10. BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL:

a) DIRECTORS

i) Composition:

The Board of Directors includes the Executive, Non-Executive and Independent Directors so as to ensure proper governance and management. Besides the Chairman & Managing Director, who is an Executive Director, the Board comprises One (1) Executive Director, Two (2) Non-Executive Independent Directors and One (1) Non-Executive Woman Director as on March 31, 2018.

ii) Re-appointments:

Based on performance evaluations and recommendations of Nomination and Remuneration Committee and in terms of the provisions of Sections 149, 150, 152 read with Schedule IV and any other applicable provisions of the Act and the Listing Regulations, the Board recommends re-appointment of Mr. Govardhan Das Agarwal and Mr. Kailash Bubna as Independent Directors for another term of five consecutive years with effect from April 1, 2019 to March 31, 2024, for the approval of Members.

In accordance with the provisions of Section 152 (6) of the Companies Act, 2013 and the Articles of Association of the Company, Mrs. Kavita Sharma, Director of the Company, retires by rotation, and being eligible, has offered herself for reappointment.

iii) Key Managerial Personnel:

The Company is having the following persons as the Key Managerial Personnel.

Sr. No.	Name of Personnel	Designation
1.	Mr. Sharat Deorah	Chairman and Managing Director
2.	Mr. Siddhartha Deorah	Whole-time Director
4.	Mr. Amit Shah	Chief Financial Officer
5.	Ms. Shanu Nag	Company Secretary

During the Financial Year under review, there was no change in the Key Managerial Personnel of the Company.

11. DECLARATION BY INDEPENDENT DIRECTORS:

Pursuant to the provisions of Section 149(7) of the Companies Act, 2013, Independent Directors have submitted declaration that each of them meets the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and there has been no change in the circumstances which may affect their status as independent director during the year.

12. EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of the Annual Return in Form MGT-9, as required under Section 92 of the Companies Act, 2013, is included in this Report as **Annexure 'A'** and forms an integral part of this Report.

13. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

The Board of Directors of your Company met 5 (Five) times during the Year i.e. on May 30, 2017, August 14, 2017, October 16, 2017, November 30, 2017 and February 7, 2018 and the gap between two meetings did not exceed the statutory period laid down by the Companies Act, 2013 and the Secretarial Standard-I issued by the Institute of Company Secretaries of India i.e. One hundred twenty days. The necessary quorum was present for all the meetings.

The Attendance of the Directors of the Company at the Board meetings is as under:

Name of the Members	Category	Board Meetings Dates (2017-2018)					No. Meetings Entitled to Attended	No. of Meetings Attended	Last AGM Attended
		May 30, 2017	Aug 14, 2017	Oct 16, 2017	Nov 30, 2017	Feb 7, 2018			
Mr. Sharat Deorah	Executive Director	Yes	Yes	Yes	Yes	Yes	5	5	Yes
Mr. Siddhartha Deorah	Executive Director	Yes	Yes	Yes	Yes	Yes	5	5	Yes
Mr. Govardhan Das Agarwal	Non-Executive Independent	Yes	Yes	Yes	Yes	Yes	5	5	Yes
Mr. Kailash Chand Bubna	Non-Executive Independent	Yes	Yes	Yes	Yes	Yes	5	5	Yes
Mrs. Kavita Sharma	Non-Executive	Yes	Yes	Yes	Yes	Yes	5	5	Yes

14. 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.

15. COMMITTEES OF THE BOARD:

Currently the Board has 3 (three) Committees: Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee. The Composition of various committees and compliances, as per the applicable provisions of the Companies Act, 2013 and the Rules thereunder and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 are as follows:

15.1 AUDIT COMMITTEE:

The Company has constituted qualified and Independent Audit Committee comprising of Two Independent Director and One Executive Directors in compliance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015. All the members have financial and accounting knowledge.

The Audit Committee acts in accordance with the terms of reference specified from time to time by the Board.

The Committee met Four (4) times during the year on May 30, 2017, August 14, 2017, November 30, 2017 and February 7, 2018 the gap between two meetings did not exceed one hundred twenty days. The necessary quorum was present for all the meetings.

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

Name of the Members	Category	Audit Committee Meetings Dates (2017-2018)				No. Meetings Entitled to Attended	No. of Meetings Attended
		May 30, 2017	Aug 14, 2017	Nov 30, 2017	Feb 7, 2018		
Mr. Kailash Chand Bubna	Chairperson Non-Executive Independent	Yes	Yes	Yes	Yes	4	4
Mr. Govardhan Das Agarwal	Independent Non-Executive	Yes	Yes	Yes	Yes	4	4
Mr. Siddhartha Deorah	Executive Director	Yes	Yes	Yes	Yes	4	4

15.2 NOMINATION & REMUNERATION COMMITTEE:

The Company is having "Nomination and Remuneration Committee" comprising of three qualified members (i.e. Two (2) Non-Executive Independent Directors and One (1) Non-Executive Director) in accordance with Section 178 of Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

The role of the committee has been defined as per section 178(3) of the Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

The Committee met Three (3) times during the year on May 30, 2017, October 16, 2017 and February 7, 2018. The necessary quorum was present at the meeting.

The composition of the Nomination and Remuneration Committee and the details of meetings attended by its members are given below:

Name of the Members	Category	NRC Meetings Dates (2017-2018)			No. Meetings Entitled to Attended	No. of Meetings Attended
		May 30, 2017	Oct 16, 2017	Feb 7, 2018		
Mr. Kailash Chand Bubna	Chairperson Non-Executive Independent	Yes	Yes	Yes	3	3
Mr. Govardhan Das Agarwal	Independent Non-Executive	Yes	Yes	Yes	3	3
Mrs. Kavita Sharma	Non-Executive	Yes	Yes	Yes	3	3

Nomination and Remuneration Policy:

- To ensure that the level and components of remuneration is reasonable and sufficient to attract, retain and motivate Directors, KMP and other employees of the quality required to run the Company successfully.
- No Director/KMP/ other employee is involved in deciding his or her own remuneration.
- The trend prevalent in the similar industry, nature and size of business is kept in view and given due weightage to arrive at a competitive quantum of remuneration.
- It is to be ensured that relationship of remuneration to the performance is clear & meets appropriate performance benchmarks which are unambiguously laid down and communicated.
- Improved performance should be rewarded by increase in remuneration and suitable authority for value addition in future.
- Remuneration packages should strike a balance between fixed and incentive pay, where applicable, reflecting short and long term performance objectives appropriate to the Company's working and goals.
- **Following criteria are also to be considered:-**
- Responsibilities and duties;
- Time & efforts devoted;
- Value addition;
- Profitability of the Company & growth of its business;
- Analyzing each and every position and skills for fixing the remuneration yardstick;
- Standards for certain functions where there is a scarcity of qualified resources.
- Ensuring tax efficient remuneration structures.
- Ensuring that remuneration structure is simple and that the cost to the Company (CTC) is not shown inflated and the effective take home remuneration is not low.
- Other criteria as may be applicable.
- Consistent application of remuneration parameters across the organisation.
- Provisions of law with regard making payment of remuneration, as may be applicable, are complied.
- Whenever, there is any deviation from the Policy, the justification /reasons should also be indicated / disclosed adequately.

15.3 STAKEHOLDERS RELATIONSHIP COMMITTEE:

The Company is having 'Stakeholders Relationship Committee' in accordance with the provisions of Section 178 of the Companies Act, 2013 Regulation 20 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

The role and functions of the Stakeholders Relationship Committee are the effective redressal of grievances of shareholders, debenture holders and other security holders including complaints related to transfer of shares, non-receipt of balance sheet, Non-receipt of declared dividends. The Committee overviews the steps to be taken for further value addition in the quality of service to the investors.

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. <http://www.aurolabs.com>.

The following table shows the nature of complaints received from the shareholders during the years 2017-2018.

Nature of Complaints	No. of complaints received during the year 2017-2018	No. of Complaints Resolved
Non receipt of Dividend Warrant	1	1
Non receipt of Annual Report	1	1
Non receipt of Share Certificate after transfer	--	--
SEBI	2	2
Total	4	4

There were no complaints pending as on March 31, 2018.

The Committee met Four (4) times during the year on May 30, 2017, August 14, 2017, November 30, 2017 and February 7, 2018. The necessary quorum was present at the meeting.

The composition of the Stakeholders Relationship Committee and the details of meetings attended by its members are given below

Name of the Members	Category	Audit Committee Meetings Dates (2017-2018)				No. Meetings Entitled to Attended	No. of Meetings Attended
		May 30, 2017	Aug 14, 2017	Nov 30, 2017	Feb 7, 2018		
Mr. Kailash Chand Bubna	Chairperson Non-Executive Independent	Yes	Yes	Yes	Yes	4	4
Mr. Govardhan Das Agarwal	Independent Non-Executive	Yes	Yes	Yes	Yes	4	4
Mr. Siddhartha Deorah	Executive Director	Yes	Yes	Yes	Yes	4	4

15.4 INDEPENDENT DIRECTORS MEETING:

As stipulated by the Code of Independent Directors under Schedule IV of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Independent Directors of the Company shall hold at least one meeting in a year without the presence of Non Independent Directors and members of the management. All the independent Directors shall strive to be present at such meeting.

The independent Directors in their meeting shall, inter alia-

- (a) review the performance of non-independent Directors and the Board of Directors as a whole;
- (b) review the performance of the chairman of the listed entity, taking into account the views of executive Directors and non-executive Directors;
- (c) 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.

Independent Directors met 1 (one) time during the year on February 7, 2018 and the meeting was attended by all Independent Directors.

15.5 SHAREHOLDING OF NON-EXECUTIVE INDEPENDENT DIRECTORS:

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

16. BOARD EVALUATION:

The Board of Directors carried out an annual evaluation of its own performance, committees and individual directors pursuant to the provisions of the Act and as prescribed by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The performance of the Board was evaluated after seeking inputs from all the directors on the basis of the criteria as under:

- Board composition and structure
- Effectiveness of Board processes, information and functioning

The performance of the committees was evaluated by the Board after seeking inputs from the committee members on the basis of the criteria such as:

- Composition of committees
- Effectiveness of committee meetings
- Achievements during the year based on their duties
- Reviewing the terms of reference of the committees

The Board and the Nomination and Remuneration Committee reviewed the performance of the individual directors on the basis of the criteria such as;

- Contribution of the director to the Board's strategic thinking
- Leadership and commitment of the director
- Participation in Board and Committee meetings
- Communication and interpersonal skills of the director
- Ethical issues and dilemmas faced by the director
- Relationship of the director with the senior management.

In addition, the Chairman was also evaluated on the key aspects of his role.

Performance evaluation of Independent directors was done by the entire Board on the basis of their role, accountability, objectivity, leadership qualities and personal attributes. The Directors being evaluated did not participate in the evaluation process.

17. RELATED PARTY TRANSACTIONS:

During the financial year 2017-18, your Company has not entered into transactions with related parties as defined under Section 2(76) of the Companies Act, 2013 read with Companies (Specification of Definitions Details) Rules, 2014 and hence provisions of Section 188 of the Companies Act, 2013 are not applicable to Company.

18. AUDITORS:

a) Statutory Auditor

M/s. Khurdia Jain & Co., Chartered Accountants, Mumbai, were appointed as the Statutory Auditors of the Company at the 28th Annual General Meeting (AGM) held on September 29, 2017 and will hold office until the conclusion of the 33rd AGM to be held in 2022.

The first proviso to section 139(1) of the Companies Act, 2013 has been omitted vide section 40 of the Companies (Amendment) Act, 2017 notified on 7th May, 2018. Therefore, it is not mandatory for the Company to place the matter relating to appointment of statutory auditor for ratification by members at every Annual General Meeting. Hence the Company has not included the ratification of statutory auditors in the Notice of AGM.

The Report given by M/s. Khurdia Jain & Co., Chartered Accountants, on the financial statements of the Company for the financial year 2017-2018 is a part of the Annual Report. There has been no qualification, reservation or adverse remark or disclaimer in their Report.

During the year under review, the Auditors have not reported any matter under Section 143 (12) of the Act, therefore no detail is required to be disclosed under Section 134 (3)(ca) of the Act.

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.

c) Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. GMJ & Associates, Company Secretaries to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is appended as **Annexure 'B'** forms part of this report.

There has been no qualification, reservation or adverse remark or disclaimer in their Report. During the year under review, the Secretarial Auditors have not reported any matter under Section 143 (12) of the Act, therefore no detail is required to be disclosed under Section 134 (3) (ca) of the Act.

d) Cost auditor:

Pursuant to the provisions of Section 148 of the Companies Act, 2013 read with Rules made thereunder, Cost Audit is not applicable to the Company for the financial year 2017-18.

19. CORPORATE SOCIAL RESPONSIBILITY:

Pursuant to the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules 2014, the net profit of the Company was below Rs. 5 Crores during the last three immediately preceding Financial Years. Accordingly, the provisions of CSR policy were not applicable for the Financial Year 2017-18.

20. 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 <http://www.aurolabs.com>.

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

21. PREVENTION OF INSIDER TRADING:

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

22. PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197 read with rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is '**Annexure C**' to this Report.

None of the employees have drawn remuneration as prescribed under Section 197 read with rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended time to time.

23. 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 audit function, 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.

24. 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.

25. 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 has been posted on the website of the Company www.aurolabs.com

26. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. The Company affirms that during the Year under review, no complaints were received by the Committee for redressal.

27. 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 in '**Annexure D**' to this Report.

28. ENVIRONMENT AND SAFETY:

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.

29. INDIAN ACCOUNTING STANDARD:

Pursuant to the notification, issued by the Ministry of Corporate Affairs dated February 16, 2015 relating to the Companies (Indian Accounting Standard) Rules, 2015, your Company has adopted "IND AS" with effect from April 01, 2017, with the comparatives for the periods ending March 31, 2018.

30. GOODS AND SERVICE TAX:

During the Financial Year, the Company has migrating to GST and has accelerate economic growth in the long run by simplifying the tax structure, enhancing tax compliances and facilitating the ease of doing business in a unified common market.

31. 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 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.

32. CORPORATE GOVERNANCE REPORT:

Pursuant to Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, compliance with the corporate governance provisions are not applicable to your Company as the Company's paid up Equity Share Capital does not exceed of Rs.10 Crores and net worth does not exceed of Rs.25 Crores as on March 31, 2018.

33. 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, 2018.

34. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:

The Management's Discussion and Analysis Report for the Year under review, as stipulated under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed to this report as '**Annexure E**'

35. THE DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

There are no significant / material orders passed by the Regulators or courts or Tribunals impacting the going concern status of your Company and its operations in future.

36. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THE FINANCIAL STATEMENTS RELATES AND THE DATE OF THE REPORT:

There were no material changes and commitments, affecting the financial position of the Company which have occurred between the end of the Financial Year of the Company to which the Financial Statements related i.e. March 31, 2018.

37. LISTING:

The Company's Shares are listed on BSE Limited, Mumbai. The Company has paid Listing Fees for the year 2017-18.

38. COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND ANNUAL GENERAL MEETINGS:

The Company has complied with secretarial standards issued by the Institute of Company Secretaries of India on Board Meetings and Annual General Meetings.

39. ACKNOWLEDGEMENT:

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,
Tarapur Industrial Area,
Palghar – 401 506.
Date: August 13, 2018.

For and on behalf of the Board
AURO LABORATORIES LIMITED

SHARAT DEORAH
(DIN: 00230784)
CHAIRMAN & MANAGING DIRECTOR