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NOVATEOR RESEARCH LABORATORIES LIMITED

(Innovative Cosmetic and Pharma Products)

Date: 7th September, 2021

To,
Department of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001

(Script Code: 542771)

Dear Sir/Madam,

Subject: Annual Report of the Company for the F.Y. 2020-21

Ref: Compliance to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The 10th Annual General Meeting of the company scheduled to be held on Thursday, September 30, 2021 at 11:00 a.m. (IST) at Conference Hall, Titanium City Center, Near Dhananjay Tower, 100 Feet Ring Road, Near Shyamal Cross Road, Anand Nagar, Ahmedabad- 380015

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are enclosing herewith the Annual Report of the company for the F.Y. 2020-21.

The Record Date for the purpose of determining the eligibility of the Members to attend the 10th Annual General Meeting of Company will be Friday, 24th September, 2021.

There being no physical shareholders in the Company, the Register of members and share transfer books of the Company will not be closed.

Please take same on your record and oblige.

Thanking you,

Yours faithfully,

For, NOVATEOR RESEARCH LABORATORIES LIMITED


Navdeep Subhashbhai Mehta
Managing Director
DIN 03441623



Encl: As annexure

• **Reg. Office:**

B-1001 Titanium City Center, Near Dhananjay Tower, 100 Feet Ring Road,
Near Shyamal Cross Road, Anand Nagar, Ahmedabad - 380015

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NOVATEOR RESEARCH LABORATORIES LIMITED

10TH ANNUAL REPORT - 2020-21

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MANAGING DIRECTOR'S MESSAGE TO STAKEHOLDERS



Dear Stakeholders,

The past 12 – 15 months have certainly been among the most challenging of times we as a human race have encountered in a long time. The pandemic, in some form or manner, has affected every one of us, directly or indirectly. While there remains uncertainty in the context of a third or even a fourth wave, our commitment of reimagining a healthier future for our people, the communities we serve, and our planet has only strengthened.

A year of extreme economic challenges for the world, a situation aggravated almost beyond measure by the unprecedented COVID-19 pandemic, your Company continued to play on its strengths and posted almost stable financial performance. I would like to extend my sincere gratitude to each and every team member of Novateor Research Laboratories Limited for their relentless efforts, who have responded beyond their call of duty during the nationwide lockdown. Our teams have demonstrated a strong sense of responsibility and have ensured that we continue with business as usual, despite the hardship.

The Company is leading the development of novel personal care products that are intended to provide safe, easy and innovative approach to the existing traditional personal care solutions. At Novateor Research Facility, we develop products that could provide significant clinical as well as commercial advantage.

The manufacturing facility located at Sanand Taluka, Ahmedabad District is well equipped with the state of the art building structure, machineries and technology. Through the semi-automation of our manufacturing processes, are able to reduce reliance on manual labors and raw materials wastage. The company is in advanced stage of undertaking construction of new unit to manufacture its wide range of products at Sanand, GIDC, Ahmedabad. Once the unit becomes operational, the company will cater to additional category of clients and customers under the dental segment by way of addition of new products and equipment.

Company's current Teeth Whitening products are sold under brand name **SmileShine**. It manufactures three different variants of Teeth Whitening Strips, Teeth whitening Toothpaste, Kid's toothpaste with two variants, Kid's tongue cleaner. Our products are first of a kind in India in teeth whitening industry with FDCA approval. Our Company intends to expand its business in cosmetics, various health care pharma products and specialty pharma in the near future.

Company's Customer base consists of well trained, highly skilled and experienced Dentists. Dentists and other end users have found our products to be innovative, user friendly, safe, pocket friendly and very effective results vis-à-vis traditional teeth whitening products.

We cherish the long-lasting and time-tested relationships with our customers, employees, regulators, business partners, government, lenders and other stakeholders. In conclusion, I would like to thank our business partners and other stakeholders for their continued faith in our abilities and their constant support. We will continue to create long-term, sustainable value for all by being consistent and flexible and I look forward to an exciting journey ahead, together.

Warm Regards,
Navdeep Subhashbhai Mehta
Managing Director

CORPORATE INFORMATION

NOVATEOR RESEARCH LABORATORIES LIMITED

BOARD OF DIRECTORS

NAME	DESIGNATION
Mr. Navdeep Subhashbhai Mehta	Managing Director
Mr. Tejal Navdeep Mehta	Whole Time Director & Woman Director
Mr. Anand Rajendra Shah	Non-Executive Independent Director
Mr. Chintan Pankaj Shah	Non-Executive Independent Director
Mr. Sindhav Vipulbhai	Non-Executive Independent Director

KEY MANAGERIAL PERSONNEL

NAME	DESIGNATION
Mr. Navdeep Subhashbhai Mehta	Managing Director & Chief Financial Officer
Ms. Poonam Pravinbhai Panchal	Company Secretary & Compliance Officer

AUDIT COMMITTEE

NAME	DESIGNATION
Mr. Chintan Pankaj Shah	Chairman
Mr. Anand Rajendra Shah	Member
Mr. Navdeep Subhashbhai Mehta	Member

STAKEHOLDER'S RELATIONSHIP COMMITTEE

NAME	DESIGNATION	NAME	DESIGNATION
Mr. Anand Rajendra Shah	Chairman	Mr. Chintan Pankaj Shah	Member
Mr. Chintan Pankaj Shah	Member	Mr. Navdeep Subhashbhai Mehta	Member
Mr. Navdeep Subhashbhai Mehta	Member		

NOMINATION & REMUNERATION COMMITTEE

NAME	DESIGNATION
Mr. Anand Rajendra Shah	Chairman
Mr. Chintan Pankaj Shah	Member
Mr. Sindhav Vipulbhai	Member

REGISTERED OFFICE	PLANT LOCATION
B-1001, 10 th Floor, Block B, Titanium City Center, Anandnagar Rd, 100 Feet Road, Near Sachin Tower, Satellite, Ahmedabad, Gujarat, 380015. Email: compliance@novateor.com Website: www.novateor.com Phone: +91 79 - 4039 5888	Natraj Ind. Estate, Opp. Bhagyoday Hotel, Village; Vasna-Iyasa, Taluka; Sanand, Ahmedabad- 382110, Gujarat, India
STATUTORY AUDITOR	SECRETARIAL AUDITOR
M/S. V.J. Maru & Associates, Chartered Accountants Santhali (Nani), Post- via Vadia, Taluka- Vadia, Dis: Amreli- 385480, Gujarat. Email: maru.vanraj@gmail.com	Mr. Mehul Raval, Practicing Company Secretary 406, Ganesh Plaza, Opp. Swaminarayan Avenue, Anjali Vasna Road, Anjali, Ahmedabad - 380007, Gujarat, India Email: mehulkraval@gmail.com
REGISTRAR & SHARE TRANSFER AGENT	BANKERS TO THE COMPANY
KFin Technologies Private Limited Selenium Tower B, Plot Nos. 31 & 32, Financial District Nanakramguda, Serilingampally Mandal, Hyderabad 50032, India Tel. Number: +91 4067162222/1595 Email: umesh.pandey@kfintech.com, einward.ris@kfintech.com Web: www.kfintech.com	The Cosmos Cooperative Bank Limited Shop No.: 3, Ground Floor, Olive Arcade, Off C G Road, Classic Gold Hotel Road, Navrangpura, Ahmedabad- 380009, Gujarat, India Central Bank of India Mithakhali Branch, Near Mahila Police Station, Mithakhali Six Road, Mithakhali, Navarangpura, Ahmedabad, Gujarat-380009

NOTICE OF 10TH ANNUAL GENERAL MEETING

NOTICE is hereby given that the Tenth (10th) Annual General Meeting (AGM) of the Members of Novateor Research Laboratories Limited will be held on Thursday, 30th September, 2021 at 11:00 A.M. IST at Conference Hall, Titanium City Center, Near Dhananjay Tower, 100 Feet Ring Road, Near Shyamal Cross Road, Anand Nagar, Ahmedabad- 380015

ORDINARY BUSINESSSES:

1. Adoption of Financial Statements:

To consider and adopt the Audited Financial Statement of the Company including the Audited Balance Sheet for the Financial Year ended on 31st March, 2021, the Statement of Profit and Loss and the Cash flow statement for the year end on that date and the report of the Board of Directors and Auditors thereon; and

In this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as Ordinary Resolution;

“RESOLVED THAT the audited financial statement of the Company for the financial year ended on 31st March, 2021, the Statement of Profit and Loss and the Cash flow statement for the year end on that date and the reports of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby considered and adopted.”

2. Re-Appointment of Mr. Navdeep Mehta (DIN: 03441623) as director liable to retire by rotation:

In this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution;

“RESOLVED THAT in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013, Mr. Navdeep Mehta (DIN:03441623), who retires by rotation at this meeting, be and is hereby re-appointed as a Director of the Company.”

3. Appointment of Statutory Auditors and fix their remuneration:

In this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as Ordinary Resolution;

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions if any of the Companies Act 2013 read with the Companies (Audit and Auditors) Rules 2014 (including any statutory modification(s) or reenactment(s) thereof for the time being in force), M/S V.J. Maru & Associates (Firm Registration No. 0134788W), Chartered Accountants be and is hereby appointed as the Statutory Auditor of the Company to hold office for a period of one year from the conclusion of 10th (Tenth) Annual General Meeting of the Company till the conclusion of next i.e.11th (Eleventh) Annual General Meeting of the Company on such remuneration as may be determined by the Board of Directors of the Company;

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorized to do all such acts, deeds, things matters and to execute all such documents as may be required to give effect to this Resolution.”

SPECIAL BUSINESSSES:

4. Appointment of Statutory Auditor to fill casual vacancy:

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

“RESOLVED THAT pursuant to the provisions of Section 139(8) and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions if any, M/S V.J. Maru & Associates (Firm Registration No. 0134788W), Chartered Accountants be and are hereby appointed as Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/S Purushottam Khandelwal& CO. (Firm Registration No. 123825W), Chartered Accountants, Ahmedabad.”

RESOLVED FURTHER THAT M/S V.J. Maru & Associates (Firm Registration No. 0134788W), Chartered Accountants, be and is hereby appointed as Statutory Auditor of the Company to hold the office from 21st June, 2021, until the conclusion of the 10thAnnual General Meeting of the Company, at such remuneration plus applicable taxes, and out of pocket expenses, as may be determined and recommended by the Audit Committee in consultation with the Auditor and duly approved by the Board of Directors of the Company.”

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to file necessary returns/ forms with the Registrar of Companies and to do all such acts, deeds and things as may be considered necessary, incidental and ancillary in order to give effect to this Resolution.”

5. Approval for Related Party Transactions:

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

“RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 (“Act”) and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and the Company’s policy on Related Party transaction(s), approval of Shareholders be and is hereby accorded to the Board of Directors of the Company to enter into contract(s)/ arrangement(s)/ transaction(s) with Mr. Navdeep Mehta, a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, for purchase/Sale of Goods and Services and other business related activities on such terms and conditions as the Board of Directors may deem fit, up to a maximum aggregate value of 30 Lacs for the financial year 2021-22, provided that the said contract(s)/ arrangement(s)/ transaction(s) so carried out shall be at arm’s length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company and to do all acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution.”

6. Approval for Related Party Transactions:

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

“RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 (“Act”) and other applicable provisions, if any, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014, as amended till date, Regulation 23(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and the Company’s policy on Related Party transaction(s), approval of Shareholders be and is hereby accorded to the Board of Directors of the Company to enter into contract(s)/ arrangement(s)/ transaction(s) with Mrs. Tejal Navdeep Mehta, a related party within the meaning of Section 2(76) of the Act and Regulation 2(1)(zb) of the Listing Regulations, for purchase/Sale of Goods and Services and other business related activities on such terms and conditions as the Board of Directors may deem fit, up to a maximum aggregate value of 30 Lacs for the financial year 2021-22, provided that the said contract(s)/ arrangement(s)/ transaction(s) so carried out shall be at arm’s length basis and in the ordinary course of business of the Company.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to delegate all or any of the powers conferred on it by or under this resolution to any Committee of Directors of the Company and to do all acts and take such steps as may be considered necessary or expedient to give effect to the aforesaid resolution.”

7. To consider resolution on the matters specified under Section 180 (1) (a) of the Companies Act, 2013

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

“RESOLVED THAT, in supersession of the earlier resolution passed at the 9th Annual General Meeting of the Company authorizing the Board to sell/transfer its factory pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014, and subject to other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification or re-enactment thereof for the time being in force), the provisions of the Memorandum and Articles of Association of the Company, and such other approvals, consents and permissions being obtained from the appropriate authorities to the extent applicable and necessary, the consent of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred as the “Board” which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute from time to time to exercise its powers including the power conferred by this resolution), to sell / transfer its factory land at Natraj Ind. Estate, Opp. Bhagyoday Hotel, Village; Vasna-Iyava, Taluka; Sanand, Ahmedabad- 382110, Gujarat, India by negotiation to any party, at a fair value, which in aggregate shall not be less than Rs. 42.00 Lakhs (Rupees Forty-Two Lakhs Only). The said value of Rs. 42.00 lacs does not include the value of Iron beam, structure and other material which will be used for construction of new manufacturing facilities at GIDC, Sanand, Dist. Ahmedabad.

RESOLVED, that the shareholders of the Company do hereby ratify and affirm all actions of the Board of Directors as presented to the shareholders.

8. Preferential cum Right Issue

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

“RESOLVED THAT in supersession of the earlier resolution passed at the 9th Annual General Meeting of the Company authorizing the Board in pursuant to the provisions of Section 42, 71 of the Companies Act, 2013 (“the Act”), read with Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014 and other applicable provisions, if any, of the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), as may be necessary, the consent of the Members of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as the ‘Board’ which term shall be deemed to include any Committee thereof) to create, offer, issue and allot Equity Shares of the company on Rights Basis/Preferential Basis in the aggregate amount of up to Rs. 3,50,00,000 (Rupees Three Crores fifty lakhs only), in one or more tranches on private placement/Rights basis during the F.Y. 2021 - 2023 to the eligible investors/Shareholders (the “Issue”) (whether residents, non - residents, institutions, banks, incorporated bodies, mutual funds, venture capital funds, financial institutions, individuals, trustees, stabilizing agents or otherwise and whether or not such investors are Members of the Company) within the overall Authorised Capital of the Company on such terms and conditions as the Board may from time to time determine proper and beneficial.

RESOLVED FURTHER THAT the Board, be and is hereby authorized to do all such acts, deeds, and things, as may, at its absolute discretion, deems necessary including increase of Authorised capital, deciding upon the Proportion of Rights Shares, Rates at which shares are to be issued and other matters in respect of rights Issue/Preferential issue. The Board can decide upon the Premium on equity share to be allotted in the rights issue/Preferential allotment.

RESOLVED FURTHER THAT the Board, be and is hereby authorized to do all such acts, deeds, and things, as may, at its absolute discretion, deems necessary including authorizing or directing the Nomination and Remuneration Committee to appoint Merchant Bankers, Brokers, Solicitors, Registrars, Advertisement Agency, Compliance Officer, Investors Service Centre and other Advisors, Consultants or Representatives, being incidental to the effective implementation and administration of Preferential/Rights issue as also to prefer applications to the appropriate Authorities, Parties and the Institutions for their requisite approvals as also to initiate all necessary actions for the preparation and issue of public announcement and filing of public announcement, if required, with the SEBI/Stock Exchange(s), and all other documents required to be filed in the above connection and to settle all such questions or difficulties whatsoever which may arise and take all such steps and decisions in this regard:

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion deem fit, for the aforesaid purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard at any stage, without being required to seek any further consent or approval of the members of the Company to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of this resolution, and further to execute all such deeds, documents, writings and to give such directions and / or instructions as may be necessary, proper or expedient to give effect to any modification, alteration, amendment, suspension, withdrawal or termination of Preferential/Rights issue and to take all such steps and do all acts as may be incidental or ancillary thereto"

For and on behalf of Board of Directors
Novateor Research Laboratories Limited

Date: 3rd September, 2021
Place: Ahmedabad

Navdeep Subhashbhai Mehta
Managing Director
DIN 03441623

IMPORTANT NOTES

1. Explanatory Statement in respect of special businesses to be transacted pursuant to Section 102 of the Companies Act, 2013 and/or Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed hereto.
2. The relevant details, pursuant to Regulations 26(4) and 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors retires by rotation and seeking appointment/re-appointment at this Annual General Meeting ("AGM") are annexed to the notice.
3. A member entitled to attend and vote is entitled to appoint a Proxy instead and the Proxy need not be a member of the Company. A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy or any other person or shareholder.
4. Proxies, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.
5. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
6. Members are requested to bring their copies of the Annual Report to the meeting. Members, Proxies and Authorized Representatives are requested to bring the duly completed Attendance Slip enclosed herewith to attend the AGM.
7. In case of joint holder attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. Members seeking any information with regards to the Accounts to be explained in the Meeting, are requested to inform the Company at least 7 days in advance of the Annual General Meeting.
9. Documents referred to in the Notice and the Explanatory Statement attached hereto are available for inspection by the shareholders at the Registered Office of the Company during business hours on any working day up to and including the date of the Annual General Meeting of the Company.
10. Route map showing directions to reach the venue of the 10th AGM is annexed.

11. The Record Date for the purpose of determining the eligibility of the Members to attend the 10th Annual General Meeting of Company will be 24th September, 2021.
12. There being no physical shareholders in the Company, the Register of members and share transfer books of the Company will not be closed.
13. The Notice of AGM along with Annual Report 2020-21 is being sent through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Member may note that Notice and Annual Report 2020-21 has been uploaded on the website of the Company at www.novateor.com. The Notice and Annual Report 2020-21 can also be accessed from the website of the Stock Exchanges i.e. Bombay Stock Exchange of India Limited at www.bseindia.com.
14. The shareholders whether holding equity shares and who have not submitted their email addresses and in consequence to whom the Notice of AGM along with Annual Report 2020-21 could not be serviced via Email; So for permanent submission of e-mail address, the shareholders are however requested to register their email address, in respect of electronic holdings with the depository through the concerned depository participants, by following the due procedure.
15. Those shareholders who have already registered their e-mail address are requested to keep their e-mail addresses validated with their depository participants / the Company's Registrar and Share Transfer Agent, KFin Technologies Private Limited to enable servicing of notices / documents / annual Reports electronically to their e-mail address.
16. Members holding the shares in dematerialized form are requested to notify immediately, the information regarding change of address and bank particulars to their respective Depository Participant.

EXPLANATORY STATEMENT

(Pursuant to Section 102 (1) of the Companies Act 2013 and Secretarial Standard 2 on General Meetings)

Item No. 4:

The Members of the Company at the 9th Annual General Meeting held on 29th September, 2020 had appointed M/S Purushottam Khandelwal & CO. (Firm Registration No. 123825W), Chartered Accountants, Ahmedabad as the Statutory Auditor of the Company to hold office from the conclusion of the 9th Annual General Meeting till the conclusion of the 14th Annual General Meeting of the Company. M/S Purushottam Khandelwal & CO. (Firm Registration No. 123825W), Chartered Accountants, Ahmedabad resigned from the position of Statutory Auditors of the Company w.e.f 12th May, 2021, resulting into a casual vacancy in the office of Statutory Auditors of the Company as envisaged by section 139(8) of the Companies Act, 2013.

The Board of Directors at its meeting held on 21st June, 2021, as per the recommendation of the Audit Committee and pursuant to the provisions of section 139(8) under Companies Act, 2013, appointed M/S V J Maru and Associates (Firm Registration No. 0134788W), Chartered Accountants as the Statutory Auditors to fill the casual vacancy caused due to resignation of M/S Purushottam Khandelwal & CO., Chartered Accountants, Ahmedabad (Firm Registration No. 123825W) subject to the approval by the members in 10th Annual General Meeting of the Company, at such remuneration plus out of pocket expenses, as may be determined and recommended by the Audit Committee in consultation with the Auditors and duly approved by the Board of Directors of the Company. The Company has received consent letter and eligibility certificate from M/S V J Maru and Associates (Firm Registration No. 0134788W), Chartered Accountants to act as Statutory Auditor of the Company in place of M/S Purushottam Khandelwal & CO., Chartered Accountants, Ahmedabad (Firm Registration No. 123825W), along with a confirmation that, their appointment, if made, would be within the limits prescribed under the Companies Act, 2013. Accordingly consent of the members is sought for passing Ordinary Resolution for Appointment of Statutory Auditors.

None of the Directors, Key Managerial Personnel of the Company and their relatives are in way concerned or interested, financially or otherwise, in the Resolutions at Item No: 04. The Board recommends the Resolution at Item No.: 04 for approval of the Members.

Item No. 5 & 6:

The Companies Act, 2013 aims to ensure transparency in the transactions and dealings with the related parties of the Company. The provisions of Section 188(1) of the Companies Act, 2013 govern the Related Party(ies), the company obtain the approval of Shareholders by way of a Resolution as prescribed in rule 15 of the Companies (Meeting of Board and its Power) Rules, 2014 in the following matters:

1. Sale, purchase or supply of any goods or materials;
2. Selling or otherwise disposing of, or buying, property of any kind;
3. Leasing of property of any kind.
4. Availing or rendering of any services;
5. Appointment of any agent for purchases or sale of goods, materials, Services or property;
6. Such related party's appointment to any office or place of profit in the Company, its subsidiary company or associate company and
7. Underwriting the subscription of any securities or derivatives thereof, of the company.

In the light of the provisions of the Companies Act, 2013, the Board of Directors of your company has approved the proposed transactions along with annual limit that your company may enter into with the related parties (as defined under section 2(76) of the companies Act, 2013)

The particulars of the transaction pursuant to the Provisions of Section 188 and Companies (Meetings of Boards and its powers) Rules, 2014 are as under:

Name of the Related Party	Nature, material terms, monetary value and particulars of the contract or arrangement
Mr. Navdeep Mehta	The transaction of Rs. 30.00 Lacs may be entered for the Financial year 2021-22 (or such extended period of time as may be decided by the Board of Directors) at Arm's length price or prevailing market price as may be mutually decided by the Board of Directors. Particulars of the Contract or Arrangement: Availing or rendering of any services or other business transactions upto Rs. 30.00 Lacs
Mrs. Tejal Navdeep Mehta	The transaction of Rs. 30.00 Lacs may be entered for the Financial year 2021-22 (or such extended period of time as may be decided by the Board of Directors) at Arm's length price or prevailing market price as may be mutually decided by the Board of Directors. Particulars of the Contract or Arrangement: Availing or rendering of any services or other business transactions upto Rs. 30.00 Lacs

After recommendation of the Audit Committee, the Board is of the opinion that the aforesaid related party transaction is in the best interests of the Company. Your directors recommend passing of these resolution No. 5 & 6 by way of an ordinary resolution.

Except, Mr. Navdeep Mehta and Mrs. Tejal Navdeep Mehta and their relatives, none of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in these resolution No. 5 & 6.

Item No. 7:

Members of the Company are requested to note that Section 180 (1)(a) of the Companies Act, 2013 mandates that the Board of Directors of a company shall exercise the power to sell, lease or otherwise dispose of the whole or substantially the whole of any undertaking(s) of the company, only with the approval of the members of the Company by way of a special resolution. Explanation (i) to Section 180(1) (a) of the Companies Act, 2013 states that the meaning of an 'undertaking' for the purposes of Section 180(1)(a) of the Companies Act, 2013 is an undertaking in which the investment of the company exceeds twenty percent of its net worth as per the audited balance sheet of the preceding financial year or an undertaking which generates twenty percent of the total income of the company during the previous financial year. Explanation (ii) to Section 180 (1)(a) of the Companies Act, 2013 states that the meaning of 'substantially the whole of the undertaking' for the purposes of Section 180(1)(a) is in any financial year, twenty percent or more of the value of the undertaking as per the audited balance sheet of the preceding financial year.

The Company's factory premise is operating from Natraj Ind. Estate, Opp. Bhagyoday Hotel, Village; Vasna-Iyasa, Taluka; Sanand, Ahmedabad- 382110, Gujarat, India.

Company is planning to develop series of verities in existing products, expand subsidiary and supporting products to existing products. These expansions required dedicated well occupied R&D Department with vast carpet area, well-occupied movable assets. So, Accordingly, pursuant to Section 180(1)(a) of the Companies Act, 2013, members of the Company are requested to note that their consent to the Board is being sought by way of a Special Resolution to sell existing factory premise Natraj Ind. Estate, Opp. Bhagyoday Hotel, Village; Vasna-Iyasa, Taluka Sanand, Ahmedabad- 382110, Gujarat, India by negotiation to any party, at a fair value, which in aggregate shall not be less than Rs.45.00 Lakhs (Rupees Forty- five Lakhs Only) in the 9th Annual General Meeting But due to detrimental effects of this pandemic of COVID 19 and partial material forming part of civil being - iron beam, structure, and other material not included in sale value, approval is being sought by way of consent of members of the company for the fair value, which in aggregate shall not be less than Rs.42.00 Lakhs (Rupees Forty two Lakhs Only). The above value of Rs. 42.00 lacs do not include the value of Iron beam, structure and other material which will be used for construction of new manufacturing facilities at GIDC, Sanand, Dist Ahmedabad.

All the operations as well as all the movable fixed assets consisting plant and machinery, electricals, furniture and fixtures and other movable assets of the company will be shifted to new place at Plot No.: PE-11, Sanand GIDC Phase 2, Sanand, Ahmedabad; which is also owned and registered in the name of the Company (i.e. Novateor Research Laboratories Limited) with full capacity.

None of the Directors or Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Special Resolution except to the extent of their shareholding in the Company.

The Board recommends the Special Resolution set forth in Item No. 7 of the Notice for approval of the Members.

Item No. 8:

As the members are aware, your Company is exploring various opportunities for the overall growth, Development and Expansion of the business operations of the Company. With a view to meet fund requirements for the aforesaid purpose, the Company would be required to infuse Equity Capital in the company from the existing shareholders of the company/Preferential Allotment to others so as to meet the requirement of Funds for the present and future expansion of the Company.

The Said issue of additional shares will further strengthen the financial position of the Company and will help the company in enabling it to meet its long term and short term needs of working capital and creation of new unit at Sanand, Ahmedabad. For the said purpose

Increasing the Authorised capital of the company will be required and alteration in the memorandum of the Company will also be required. The Said Equity shares will rank pari-passu with the existing shares in all rights and obligations.

The board of directors of the Company ("Board") in their meeting held on 31st August, 2020 subject to necessary approval(s), have approved the proposal for raising of funds for an amount not exceeding Rs. 3.50 Crores by way of issue of Equity shares having face value of Rs. 10/- each on Rights/Preferential Allotment Basis. In supersession of the earlier resolution passed at the 9th Annual General Meeting of the Company, your board to be sought approval of members of the company for the said resolution for the further F.Y. 2021 to 2023.

In terms of Section 62(1)(c) read with section 42 of the Companies Act, 2013 and Rules made thereunder (the 'Act'), and in accordance with the provisions of Chapter V "Preferential Issue" of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (the "ICDR Regulations") as amended, and on the terms and conditions and formalities as stipulated in the Act and the ICDR Regulations, the Preferential Issue requires approval of the Members by way of a special resolution. The Board therefore, seeks approval of the Members as set out in the notice, by way of a special resolution.

Subject to approval of the shareholders of the Company, the Board vide its board resolution dated 31st August, 2020 has authorized the issuance and allotment of Equity Shares of the company at a price to be decided as per the market condition, valuation of the company and Last 6 months' average Price at Stock Exchange provided that the minimum price of equity shares so issued shall not be less than the price arrived at, in accordance with Chapter V of the ICDR Regulations.

For and on behalf of Board of Directors
Novateor Research Laboratories Limited

Date: 3rd September, 2021
Place: Ahmedabad

Navdeep Subhashbhai Mehta
Managing Director
DIN 03441623

ANNEXURE TO THE NOTICE

The relevant details, pursuant to Regulations 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this Annual General Meeting ("AGM") are as follows:

Name of Director	Mr. Navdeep Mehta, (DIN: 03441623)
Date of Birth	6 th January, 1978
Date of Initial Appointment	1 st April, 2011
Date of Appointment (at current term)	12 th April, 2019
Educational Qualifications	He holds Bachelor degree in Engineering in Chemical Branch from Gujarat University and has done Master in Chemical Engineering from Illinois Institute of Technology, Chicago.
Expertise in specific functional areas - Job profile and suitability	Mr. Navdeep Mehta has 12 years of experience in process development and manufacturing, including 8 years of experience in cosmetics and pharmaceutical R&D and GMP Validation Documentation. Additional 5 years of experience in Marketing of innovative FMCG product in Indian market. Due to his vast experience in the R & D, he decided to start his own business under the name of Novateor Research Laboratories Pvt. Ltd. in 2011 in oral care & health sector. Currently in NRLL, he is one of the Promoters and is a Managing Director and looks after overall functioning of the company.
Directorships held in other companies (excluding foreign companies, Section 8 companies and Struck off Companies and our Company)	NIL
Memberships / Chairmanships of committees of other public companies	NIL
Shareholding in the Company:	14,28,858 Number of Equity Shares
Inter-se Relationship with other Directors	With Directors & KMP of the Company: Husband of Mrs. Tejal Navdeep Mehta (Promoter cum Managing Director & CFO)

**For and on behalf of Board of Directors
Novateor Research Laboratories Limited**

Date: 3rd September, 2021
Place: Ahmedabad

Navdeep Subhashbhai Mehta
Managing Director
DIN 03441623

DIRECTORS' REPORT

Dear Shareholders,

The Board of Directors hereby submits the report of the business and operations of your Company ("the Company"), along with the Standalone Audited Financial Statements, for the Financial Year ended on 31st March, 2021.

FINANCIAL RESULTS:

The Company's financial performance for the year ended on 31st March, 2021 is summarized below:

(In Rs.)

PARTICULARS	STANDALONE - YEAR ENDED	
	31.03.2021	31.03.2020
I. Net Sales/Income from Operations	18,77,518	39,47,179
II. Other Income	44,40,223	26,83,412
III. Total Revenue (I+II)	63,17,741	66,30,590
IV. Earnings Before Interest, Taxes, Depreciation and Amortization Expense	11,44,290	13,06,554
V. Finance Cost	17,457	83,892
VI. Depreciation and Amortization Expense	9,61,335	9,56,882
VII. Profit Before Tax (IV-V-VI)	1,65,498	265,781
VIII. Tax Expense:		
Less: Current Tax Expense	0.00	45,500
Less: Deferred Tax	47,481	299,185
Profit After Tax (VII-VIII)	1,18,017	(78,904)

COMPANY'S PERFORMANCE:

STANDALONE FINANCIAL RESULTS:

The Total Income from Operations (net) of the Company for the year under review is ₹63,17,741 as compared to ₹66,30,590 in the previous year. Profit after tax stood at ₹1,18,017 as compared to Loss after tax of ₹ 78,904 in the previous year.

DIVIDEND:

For the Financial Year 2020-21, based on the Company's performance, the Board of Directors have not recommended any dividend.

TRANSFER TO RESERVES:

The Company has not transferred any amount in Reserve and Surplus.

BUSINESS DESCRIPTION:

The Company is leading the development of novel personal care products that are intended to provide safe, easy and innovative approach to the existing traditional personal care solutions. At Novateor Research Facility, we develop products that could provide significant clinical as well as commercial advantage.

The manufacturing facility located at Sanand Taluka, Ahmedabad District is well equipped with the state of the art building structure, machineries and technology. Through the semi-Automation of our manufacturing processes, are able to reduce reliance on manual labors and raw materials wastage.

Company's current Teeth Whitening products are sold under brand name **SmileShine**. It manufactures three different variants of Teeth Whitening Strips, Teeth Whitening Toothpaste and brush, Kids Toothpaste and tongue cleaner. Our products are first of a kind in India in teeth whitening industry with FDCA approval. Our Company intends to expand its business in cosmetics, various health care pharma products and specialty pharma in the near future for which the company will shift its manufacturing operations to the new premises located at GIDC, Sanand.

Company's Customer base consists of well trained, highly skilled and experienced Dentists as well as Cosmetic Parlors. Dentists and other end users have found our products to be innovative, user friendly, safe, pocket friendly and very effective results vis-à-vis traditional teeth whitening products.

CHANGE IN NATURE OF BUSINESS:

During the year, your Company has not changed its business or object and continues to be in the same line of business as per main object of the Company.

THE REGISTERED OFFICE:

The registered office of the company is situated at B-1001, 10th Floor, Titanium City Center, Nr Sachin Tower, Anandnagar Rd, 100 Ft Rd, Satellite, Ahmedabad- 380015, Gujarat, India.

SHARE CAPITAL:

During the year under review, the authorized and paid-up share capital of the Company are as follows:

➤ **AUTHORIZED CAPITAL:**

The Authorised Capital of the Company is ₹ 4,88,00,000 (Rupees Four Crore Eighty Eight Lakhs Only) divided into 48,80,000 (Forty Eight Lakhs Eighty thousand) Equity Shares of ₹ 10/- (Rupees Ten Only) each.

➤ **ISSUED, SUBSCRIBED & PAID-UP CAPITAL:**

The issued, subscribed and paid-up capital of the Company is ₹ 4,83,41,700/- (Rupees Four Crore Eighty Three Lakhs Forty One Thousand Seven Hundred Only) divided into 48,34,170 (Forty Eight Lakhs Thirty Four Thousand One Hundred and Seventy) Equity Shares of ₹ 10/- (Rupees Ten Only) each.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Constitution of Board:

As on the date of this report, the Board comprises of following Directors;

Name of Director	Designation	Date of Original Appointment	Date of Appointment at current Term & designation	Total Director ship	No. of Committee ¹		No. of Shares held as on 31 st March, 2021
					in which Director is Member	in which Director is Chairperson	
Mr. Navdeep Subhashbhai Mehta	Managing Director	1 st April, 2011	12 th April, 2019	1	2	-	14,28,858 Equity Shares
Mrs. Tejal Navdeep Mehta	Whole Time Director & Woman Director	1 st April, 2011	12 th April, 2019	1	-	-	5,40,378 Equity Shares
Mr. Anand Rajendra Shah	Non-Executive Independent Director	1 st May, 2019	12 th September, 2019	3	2	1	Nil
Mr. Chintan Pankaj Shah	Non-Executive Independent Director	15 th July, 2019	12 th September, 2019	1	2	1	Nil
Mr. Sindhav Vipulbhai	Additional Non-Executive Independent Director	24 th October, 2019	29 th September, 2020	1	-	-	Nil

¹ Committee includes Audit Committee and Stakeholder's Relationship Committee across all Public Companies.

² Excluding LLPs, Section 8 Company & Struck Off Companies.

The composition of Board complies with the requirements of the Companies Act, 2013 ("Act"). Further, in pursuance of Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Company is exempted from the requirement of having composition of Board as per Regulation 17 of Listing Regulations.

None of the Directors of Board is a member of more than ten Committees or Chairman of more than five committees across all the Public companies in which they are Director. The necessary disclosures regarding Committee positions have been made by all the Directors.

None of the Director of the Company is serving as a Whole-Time Director / Managing Director in any Listed Company and is holding position of Independent Director in more than 3 Listed Company. Neither any of the Director of the Company is holding position as Director in more than 7 listed entities nor any of the Director of the Company serve as an Independent Director in more than 7 listed entities.

DISCLOSURE BY DIRECTORS:

The Directors on the Board have submitted notice of interest under Section 184(1) i.e. in Form MBP 1, intimation under Section 164(2) i.e. in Form DIR 8 and declaration as to compliance with the Code of Conduct of the Company.

BOARD MEETING:

Regular meetings of the Board are held at least once in a quarter. Additional Board meetings are convened, as and when require, to discuss and decide on various business policies, strategies and other businesses. The Board meetings are generally held at the registered office of the Company.

During the year under review, Board of Directors of the Company met 7 times on 25th May, 2020; 24th July, 2020; 31st July, 2020; 22nd August, 2020; 31st August, 2020; 12th November, 2020; 16th January, 2021.

The meetings of the Board of the Companies within the intervals provided in section 173 of the Companies Act, 2013 (120 days) were compiled between two Board Meetings.

The details of attendance of each Director at the Board Meetings and Annual General Meeting are given below:

Name of Director	Mr. Navdeep Subhashbhai Mehta	Mrs. Tejal Navdeep Mehta	Mr. Anand Rajendra Shah	Mr. Chintan Pankaj Shah	Mr. Sindhav Vipulbhai
Number of Board Meeting held	7	7	7	7	7
Number of Board Meetings Eligible to attend	7	7	7	7	7
Number of Board Meeting attended	7	7	7	7	7
Presence at the previous AGM of F.Y. 2019-2020	Yes	Yes	Yes	Yes	Yes

GENERAL MEETINGS:

During the year under review, the following General Meetings were held, the details of which are given as under:

Sr. No.	Type of General Meeting	Date of General Meeting
1.	Annual General Meeting	29 th September, 2020

INDEPENDENT DIRECTORS:

The Company has received necessary declaration from each Independent Director under Section 149 (7) of the Companies Act, 2013 that they meet the criteria of independence laid down in Section 149 (6) of the Act. A separate meeting of Independent Directors was held on 30th March, 2021 to review the performance of Non-Independent Directors and Board as whole and performance of Chairperson of the Company including assessment of quality, quantity and timeliness of flow of information between Company management and Board.

The terms and conditions of appointment of Independent Directors and Code for Independent Director are incorporated on the website of the Company at www.novateor.com.

INFORMATION ON DIRECTORATE:

In the 9th Annual General Meeting for the F.Y. 2019-20 held on 29th September, 2020; the Members have, up on recommendation by the Board of Directors and pursuant to notice received under Section 160 of the Companies Act, 2013, appointed Mr. Sindhav Vipulbhai as Non-Executive Independent Director of the Company for a period of five years upto Annual General Meeting of the Company to be held in the calendar year 2024.

In accordance with the provisions of the Articles of Association and Section 152 of the Companies Act, 2013, Mr. Navdeep Mehta, Managing Director of the Company retires by rotation at the ensuing annual general meeting. He, being eligible, has offered himself for re-appointment as such and seeks re-appointment. The Nomination and Remuneration Committee and Board of Directors recommends his re-appointment on the Board.

The relevant details, as required under Regulation 36 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), of the person seeking appointment / re-appointment as Director is annexed to the Notice convening the 10th annual general meeting.

DETAILS OF KEY MANAGERIAL PERSONNEL:

In terms of Section 203 of the Companies Act, 2013, Mr. Navdeep Subhashbhai Mehta is Managing Director as well as Chief Financial Officer, as Key Managerial Personnel of the Company.

Moreover, Ms. Poonam Pravinbhai Panchal is a Company Secretary & Compliance Officer of the Company.

PERFORMANCE EVALUATION:

The Board of Directors has carried out an annual evaluation of its own performance board committees and individual directors pursuant to the provisions of the Act.

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of the criteria such as the board composition and structure effectiveness of board processes information and functioning etc.

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 the composition of committees, effectiveness of committee meetings etc.

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

The Board and the Nomination and Remuneration Committee reviewed the performance of the individual Directors on the basis of the criteria such as the contribution of the individual Director to the Board and Committee Meetings like preparedness on the issues to be discussed meaningful and constructive contribution and inputs in meetings etc.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to section 134(5) of the Companies Act, 2013; the Board of Directors to the best of their knowledge and ability confirm that:

- a) In preparation of Annual Accounts for the year ended 31st March, 2021; the applicable accounting standards have been followed and that no material departures have been made from the same;
- b) The Directors have selected such accounting policies and applied them consistently and have 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 or loss of the Company for that year;
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors have prepared the Annual Accounts for the year ended 31st March, 2021 on going concern basis;
- e) The Directors have laid down the internal financial controls to be followed by the Company and that such Internal Financial Controls are adequate and were operating effectively; and
- f) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

COMMITTEE OF BOARD:

The Board of Directors in line with the requirement of the Companies Act, 2013 has formed various committees, details of which are given hereunder:

A. AUDIT COMMITTEE:

During the year under review, the Audit Committee met 6 (Six) times during the Financial Year 2020-21, on 24th July, 2020; 31st July, 2020; 22nd August, 2020; 31st August, 2020; 12th November, 2020; 16th January, 2021.

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

Name of the Directors	Category	Designation	Number of meetings during the Financial Year 2020-21		
			Held	Eligible to attend	Attended
Mr. Chintan Pankaj Shah	Non-Executive Independent Director	Chairperson	6	6	6
Mr. Anand Rajendra Shah	Non-Executive Independent Director	Member	6	6	6
Mr. Navdeep Subhashbhai Mehta	Managing Director & CFO	Member	6	6	6

The Statutory Auditors and Chief Financial Officer of the Company are invited in the meeting of the Committee wherever requires. Further, the Company Secretary of the Company is acting as Secretary to the Audit Committee.

Recommendations of Audit Committee wherever / whenever given have been accepted by the Board.

Vigil Mechanism:

The Company has established a vigil mechanism and accordingly framed a Whistle Blower Policy. The policy enables the employees to report to the management instances of unethical behavior actual or suspected fraud or violation of Company's Code of Conduct.

Further the mechanism adopted by the Company encourages the Whistle Blower to report genuine concerns or grievances and provide for adequate safeguards against victimization of the Whistle Blower who avails of such mechanism and also provides for direct access to the Chairman of the Audit Committee in exceptional cases. The functioning of vigil mechanism is reviewed by the Audit Committee from time to time. None of the Whistle blowers has been denied access to the Audit Committee of the Board. The Whistle Blower Policy of the Company is available on the website of the Company at www.novateor.com.

B. STAKEHOLDER'S RELATIONSHIP COMMITTEE:

The Stakeholder's Relationship Committee mainly to focus on the redressal of Shareholders' / Investors' Grievances if any like Transfer / Transmission / Demat of Shares; Loss of Share Certificates; Non-receipt of Annual Report; Dividend Warrants; etc. The Stakeholders Relationship Committee shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. The detailed terms of reference of the Committee is as per Section 178 of the Companies Act, 2013.

During the year under review, Stakeholder's Relationship Committee met 4 (Four) times viz on 24th July, 2020; 31st August, 2020; 12th November, 2020; 16th January, 2021. The composition of the Committee and the details of meetings attended by its members are given below:

Name of the Directors	Category	Designation	Number of meetings during the Financial Year 2020-21		
			Held	Eligible to attend	Attended
Mr. Anand Rajendra Shah	Non-Executive Independent Director	Chairperson	4	4	4
Mr. Chintan Pankaj Shah	Non-Executive Independent Director	Member	4	4	4
Mr. Navdeep Subhashbhai Mehta	Managing Director & CFO	Member	4	4	4

During the year under review, the Company had not received any complaint from the Shareholder during F.Y. 2020-21.

C. NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration committee in line with the provisions of Section 178 of the Companies Act 2013. The detailed terms of reference of the Committee is as per Section 178 of the Companies Act, 2013.

During the year under review; Nomination and Remuneration Committee met 4 (Four) times viz on 24th July, 2020; 22nd August, 2020; 31st August, 2020; 12th November, 2020. The composition of the Committee and the details of meetings attended by its members are given below:

Name of the Directors	Category	Designation	Number of meetings during the Financial Year 2020-21		
			Held	Eligible to attend	Attended
Mr. Anand Rajendra Shah	Non-Executive Independent Director	Chairperson	4	4	4
Mr. Chintan Pankaj Shah	Non-Executive Independent Director	Member	4	4	4
Mr. Vipulbhai Sindhav	Non-Executive Independent Director	Member	4	4	4

NOMINATION AND REMUNERATION POLICY:

Nomination and Remuneration Policy in the Company is designed to create a high-performance culture. It enables the Company to attract motivated and retained manpower in competitive market, and to harmonize the aspirations of human resources consistent with the goals of the Company. The Company pays remuneration by way of salary, benefits, perquisites and allowances to its Executive Directors and Key Managerial Personnel.

The Nomination and Remuneration Policy, as adopted by the Board of Directors, is placed on the website of the Company at www.novateor.com and is annexed to this Report as **Annexure - A**.

REMUNERATION OF DIRECTORS:

The details of remuneration paid during the Financial Year 2020-21 to Directors of the Company is provided in Financial Statement.

PUBLIC DEPOSIT:

The company has not accepted any deposits from the public. Hence the directives issued by the Reserve Bank of India & the Provision of Section 73 to 76 of the Company Act 2013 or any other relevant provisions of the Act and the Rules there under are not applicable.

PARTICULARS OF LOANS GUARANTEES INVESTMENTS & SECURITY:

Details of Loans Guarantees Investments and Security covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statement.

ANNUAL RETURN:

Pursuant to the amendments to Section 134(3)(a) and Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return (Form MGT-7) for the financial year ended March 31, 2021, is available on the Company's website and can be accessed at www.novateor.com

SUBSIDIARIES OF THE COMPANY:

Your Company does not have any subsidiary company during the year; hence consolidation of financial data of the subsidiary company is also not applicable to the Company for the financial year 2020-21.

ASSOCIATES AND JOINT VENTURE OF THE COMPANY:

During the year under review, the Company does not have any Associate or Joint Venture.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

During the financial year 2020-21, there was no materially significant related party transaction undertaken by the Company under Section 188 of the Companies Act, 2013 read with rules framed there under and Regulation 23 of SEBI (LODR) Regulations, 2015 that may have potential conflict with the interest of the Company. Disclosure on related party transactions is set out in financial statements.

PARTICULAR OF EMPLOYEES:

The ratio of the remuneration of each director to the median of employees' remuneration as per Section 197(12) of the Companies Act, 2013, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this Report as **Annexure - B**.

The statement containing names of top 10 employees in terms of remuneration drawn and the particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the Members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company.

MATERIAL CHANGES AND COMMITMENT:

There are no material changes and commitments affecting the financial position of the Company have occurred between the ends of Financial Year of the Company i.e. 31st March, 2021 to the date of this Report other than as stated above.

SIGNIFICANT AND MATERIAL ORDERS:

There are no significant and material orders passed by the regulators or courts or tribunals which impact the going concern status and the Company's operations in future.

SEXUAL HARASSMENT OF WOMEN AT WORKPLACE:

To foster a positive workplace environment free from harassment of any nature we have framed Prevention of Sexual Harassment Policy through which we address complaints of sexual harassment at all workplaces of the Company. Our policy assures discretion and guarantees non-retaliation to complainants. We follow a gender-neutral approach in handling complaints of sexual harassment and we are compliant with the law of the land where we operate.

During the year under review there were no incidences of sexual harassment reported.

ENERGY CONSERVATION TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information on conservation of energy technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with Rule 8 of The Companies (Accounts) Rules 2014 as amended from time to time is annexed to this Report as **Annexure -C**.

SECRETARIAL STANDARDS OF ICSI:

The Company is in compliance with the Secretarial Standard on Meetings of the Board of Directors (SS-1) and General Meeting (SS-2) issued by the Institute of Company Secretaries of India and approved by the Central Government.

RISK MANAGEMENT:

A well-defined risk management mechanism covering the risk mapping and trend analysis risk exposure potential impact and risk mitigation process is in place. The objective of the mechanism is to minimize the impact of risks identified and taking advance actions to mitigate it. The mechanism works on the principles of probability of occurrence and impact if triggered. A detailed exercise is being carried out to identify evaluate monitor and manage both business and non-business risks.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The Company has adequate and efficient internal and external control system, which provides protection to all its assets against loss from unauthorized use and ensures correct reporting of transactions. The internal control systems are further supplemented by internal audits carried out by the respective Internal Auditors of the Company and Periodical review by the management. The Company has put in place proper controls, which are reviewed at regular intervals to ensure that transactions are properly authorised, correctly reported and assets are safeguarded.

CORPORATE GOVERNANCE:

Integrity and transparency are key factors to our corporate governance practices to ensure that we achieve and will retain the trust of our stakeholders at all times. Corporate governance is about maximizing shareholder value legally, ethically and sustainably. Our Board exercises its fiduciary responsibilities in the widest sense of the term. Our disclosures seek to attain the best practices in international corporate governance. We also endeavor to enhance long-term shareholder value and respect minority rights in all our business decisions.

As our company has been listed on SME Platform of Bombay Stock Exchange Limited (BSE), by virtue of Regulation 15 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 the compliance with the corporate Governance provisions as specified in regulation 17 to 27 and Clause (b) to (i) of sub regulation (2) of Regulation 46 and Para C D and E of Schedule V are not applicable to the company. Hence Corporate Governance Report does not form a part of this Board Report, though we are committed for the best corporate governance practices.

STATUTORY AUDITOR AND THEIR REPORT:

The Company in its Board Meeting held on 21st June, 2021 appointed M/S V J Maru and Associates (Firm Registration No. 0134788W), Chartered Accountants as Statutory Auditor of the company, to fill the causal vacancy of resignation of M/S Purushottam Khandelwal

& CO. (Firm Registration No. 123825W), Chartered Accountants, Ahmedabad. The appointed Statutory Auditor has hold office from the board meeting held on 21st June, 2021 to 10th Annual General Meeting subject to Re-appointment from the conclusion of 10th (Tenth) Annual General Meeting of the Company, till the conclusion of the 11th (Eleventh) Annual General Meeting of the company. However, his terms of appointment and remuneration shall be ratified by the members of the Company in this AGM.

The Notes to the Standalone Financial Statements referred in the Auditors Report are self-explanatory and therefore do not call for any comments under Section 134 of the Companies Act 2013.

The Auditors' Report does not contain any qualification reservation or adverse remark. The Auditors' Report is enclosed with the financial statements in this Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

In terms of Regulation 34 and Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 a review of the performance of the Company for the year under review Management Discussion and Analysis Report is presented in a separate section which is annexed to this Report as **Annexure - D**.

INTERNAL AUDITOR AND HIS REPORT:

The Company has appointed M/s. N. C. Vasa & Co. (FRN: 125841W), Chartered Accountants, Ahmedabad, to conduct the secretarial audit of the Company for the Financial Year 2020-21, as required under Section 138 of the Companies Act, 2013 and Rules thereunder. Board of Directors taken note of recommendation of him and implement the same.

SECRETARIAL AUDITOR AND THEIR REPORT:

The Company has appointed Mr. Mehul Raval, Practicing Company Secretaries, to conduct the secretarial audit of the Company for the Financial Year 2020-21, as required under Section 204 of the Companies Act, 2013 and Rules thereunder. The Secretarial Audit Report for the Financial Year 2020-21 is annexed to this report as an **Annexure - E**.

REPORTING OF FRAUD:

The Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Companies Act, 2013.

WEBSITE:

As per Regulation 46 of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 the Company has maintained a functional website namely "www.novateor.com" containing basic information about the Company. The website of the Company is containing information like Policies, Shareholding Pattern, Financial and information of the designated officials of the Company who are responsible for assisting and handling investor grievances for the benefit of all stakeholders of the Company etc.

GENERAL DISCLOSURE:

Your Directors state that the Company has made disclosures in this report for the items prescribed in section 134 (3) of the Act and Rule 8 of The Companies (Accounts) Rules 2014 and other applicable provisions of the act and listing regulations to the extent the transactions took place on those items during the year. Your Directors further state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- (i) Details relating to deposits covered under Chapter V of the Act;
- (ii) Issue of Equity Shares with differential rights as to dividend, voting or otherwise;
- (iii) Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and ESOS;
- (iv) Annual Report and other compliances on Corporate Social Responsibility;
- (v) There is no revision in the Board Report or Financial Statement;
- (vi) No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

ACKNOWLEDGEMENT:

Your Directors acknowledge the dedicated service of the employees of the Company during the year. They would also like to place on record their appreciation for the continued co-operation and support received by the Company during the year from bankers, business partners and other stakeholders.

For and on behalf of Board of Directors
Novateor Research Laboratories Limited

Date: 3rd September, 2021
Place: Ahmedabad

Navdeep Subhashbhai Mehta
Managing Director & CFO
DIN: 03441623

Tejal Navdeep Mehta
Whole Time Director
DIN: 03441577

NOMINATION AND REMUNERATION POLICY

This Nomination and Remuneration Policy is being formulated in Compliance with Section 178 of the Companies Act, 2013, as amended from time to time. This policy on Nomination and Remuneration of the Directors, Key Managerial Personnel and Senior Management has been approved by the Board of Directors in its duly held Board Meeting dated 15th July, 2019.

Our Policy on the Appointment and Remuneration of Directors, Key Managerial Personnel and Senior Management Personnel provides a framework based on which our human resources management aligns their recruitment plans for strategic growth of the Company.

DEFINITIONS:

“**Act**” means the Companies Act, 2013 and rules framed there under, as amended from time to time.

“**Board of Directors**” or “**Board**”, in relation to the Company, means the collective body of the Directors of Company.

“**Committee**” means the Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board.

“**Company**” means Novateor Research Laboratories Limited.

“**Managerial Personnel**” means Managerial Personnel or Persons, applicable under Section 196 and other applicable provisions of the Companies Act, 2013.

“**Policy**” or “**This Policy**” Nomination and Remuneration Policy.

“**Remuneration**” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-Tax Act, 1961;

“**Key Managerial Personnel**” means an Individual as defined under Section 2(51) and Section 203 of the Companies Act, 2013:

- i) the Chief Executive Officer or the Managing Director or the Manager;
- ii) the Company Secretary;
- iii) the Whole-Time Director;
- iv) the Chief Financial Officer;
- v) such other officer, not more than one level below the directors who is in the whole-time employment, designated as key managerial personnel by the Board; and
- vi) such other person as may be prescribed by the Company from time to time.

“**Senior Managerial Personnel**” mean officers/personnel of the listed entity who are members of its core management team excluding the Board of Directors and normally this shall comprise all members of management one level below the chief executive director/managing director/whole time director/manager (including chief executive officer/manager, in case they are not part of the Board) and shall specifically include company secretary and chief financial officer.

PURPOSE:

Pursuant to the Section 178 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014, the Board of Directors shall constitute the Nomination and Remuneration Committee, to guide the Board on various issues on appointment, evaluate the performance, remuneration of Directors, Key Managerial Personnel, etc.

CONSTITUTION OF NOMINATION AND REMUNERATION COMMITTEE:

The Board has constituted the “Nomination and Remuneration Committee” of the Board on 15th July, 2019. This is in line with the requirements under the Companies Act, 2013.

APPLICABILITY:

This Policy is applicable to all Directors, Key Managerial Personnel and Senior Managerial Personnel and such other officer as may be prescribed by the Board of Novateor Research Laboratories Limited.

OBJECTIVE:

The objective of the Policy is to ensure that:

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and;
- Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

ROLE OF THE COMMITTEE:

The role of the NRC will be the following:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;

- To ensure that the relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal and shall carry out evaluation of every director's performance.

APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT:

- 1) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his/her appointment, as per Company's Policy.
- 2) A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient/satisfactory for the position.
- 3) The Company shall not appoint or continue the employment of any person as Whole-Time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

TERM/TENURE:

- 1) **Chairman/Managing Director/Whole-time Director:** The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time under the terms of the applicable provisions of the law. No re-appointment shall be made earlier than one year before the expiry of term.
- 2) **Independent Director:** An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's Report.
- 3) No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director in case such person is serving as a Whole-time Director of Listed Company or such other number as may be prescribed under the Act.

EVALUATION:

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

REMOVAL:

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013 rules and regulations and the policy of the Company.

RETIREMENT:

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL:

1) Remuneration to Managing Director/Whole-time Directors:

- a) The Remuneration/Commission etc. to be paid to Managing Director/Whole-time Directors, etc. shall be governed as per the applicable provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the requisite approvals obtained from the Members of the Company and from other concerned authorities, if required as per the applicable provisions.
- b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director/Whole-time Directors.

2) Remuneration to Non-Executive/Independent Directors:

- a) The Non-Executive/Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of the Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
- b) All the remuneration of the Non-Executive/Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197(5) of the Companies Act, 2013) shall be subject to ceiling/limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
- c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share-based payment schemes of the Company.

- d) Any remuneration paid to Non-Executive/Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
 - i) The services are rendered by such Director in his capacity as the professional; and
 - ii) In the opinion of the Committee, the Director possesses the requisite qualification for the practice of that profession.
- e) The Nomination and Remuneration Committee of the Company, constituted for the purpose of administering the Employee Stock Option/Purchase Schemes, shall determine the stock options and other share-based payments to be made to Directors (other than Independent Directors).

3) Remuneration to Non-Executive/Independent Directors:

- a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive any, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy, to the extent it is applicable to the Company.
- b) The Nomination and Remuneration Committee of the Company, constituted for the purpose of administering the Employee Stock Option/Purchase Schemes, shall determine the stock options and other share-based payments to be made to Key Managerial Personnel and Senior Management.
- c) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from time to time.
- d) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

IMPLEMENTATION:

- The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- The Committee may delegate any of its powers to one or more of its members.

AMENDMENT TO THE POLCIY:

The Board of Directors on its own and/or as per the recommendations of Nomination and Remuneration Committee can amend this Policy, as and when required. In case of any amendment(s), clarification(s), circular(s), etc. issued by the relevant authorities, not being consistent with the provisions of this Policy, then such amendment(s), clarification(s), circular(s), etc. shall prevail upon the provisions hereunder and this Policy shall stand amended accordingly from the effective date as laid down under such amendment(s), clarification(s), circular(s), etc. However, to bring the effects of such amendment(s), clarification(s), etc. Committee may recommend such changes in this Policy to the Board for the approval in the meeting of the Board of Directors.

PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rules made there under.

A. Information as per Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:

- a) The ratio of remuneration of each director to the median remuneration of employees for the Financial Year and the Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial Year:

Sr. No.	Name	Designation	Nature of Payment	Ratio against median employee's remuneration*	Percentage Increase
1.	Mr. Navdeep Subhashbhai Mehta	Managing Director & Chief Financial Officer	Remuneration	15:0.9	Not Applicable
2.	Mr. Tejal Navdeep Mehta	Whole Time Director	Remuneration	15:0.9	Not Applicable
3.	Mr. Anand Rajendra Shah	Non-Executive Independent Director	Sitting Fees	-	Not Applicable
4.	Mr. Chintan Pankaj Shah	Non-Executive Independent Director	Sitting Fees	-	Not Applicable
5.	Mr. Sindhav Vipulbhai	Non-Executive Independent Director	Sitting Fees	-	Not Applicable
6.	Ms. Poonam Pravinbhai Panchal	Company Secretary & Compliance Officer	Remuneration	-	Not Applicable

* During the previous financial year, the company had not change in the Remuneration paid to any Directors, KMPs and Employees of the company. So, there is no change in the ratio against median employee's remuneration.

*During the year under review, all the Non-Executive Directors of the Company were not paid Sitting Fees for attending the Board Meeting and other Committees Meetings. Hence, the ratio of remuneration of all Non-Executive Directors to the median remuneration of employees are not disclosed or compared.

b) The percentage increase in the median remuneration of employees in the financial year:

There is no change in median remuneration of the employees in current financial year over the previous financial year.

c) The number of permanent employees on the rolls of the Company:

9 permanent Employees as on 31st March, 2021.

d) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

There is no change in the Average salary of employees. The remuneration paid to executive directors were within the limit as per approved by the shareholders of the Company.

For and on behalf of Board of Directors
Novateor Research Laboratories Limited

Date: 3rd September, 2021
Place: Ahmedabad

Navdeep Subhashbhai Mehta
Managing Director & CFO
DIN: 03441623

Tejal Navdeep Mehta
Whole Time Director
DIN: 03441577

Annexure - C

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

(Pursuant to Section 134 (3) (m) of the Companies (Accounts) Rules, 2014 and rules made there under)

A. CONSERVATION OF ENERGY:

i.) The steps taken or impact on conservation of energy:

The Company has taken measures and applied strict control system to monitor day to day power consumption, to endeavor to ensure the optimal use of energy with minimum extent possible wastage as far as possible. The day to day consumption is monitored and various ways and means are adopted to reduce the power consumption in an effort to save energy.

ii.) The steps taken by the Company for utilizing alternate sources of energy:

The Company has not taken any step for utilizing alternate sources of energy.

iii.) The capital investment on energy conservation equipment:

During the year under review, Company has not incurred any capital investment on energy conservation equipment.

B. TECHNOLOGY ABSORPTION:

i.) The effort made towards technology absorption:

The Company has not imported any technology and hence there is nothing to be reported here.

ii.) The benefit derived like product improvement, cost reduction, product development or import substitution:

None

iii.) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) -

- a. The details of technology imported: Nil
- b. The year of import: Not Applicable
- c. Whether the technology has been fully absorbed: Not Applicable
- d. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Not Applicable

iv.) The expenditure incurred on Research and Development:

During the year under review, the Company has not incurred any Expenditure on Research and Development

C. FOREIGN EXCHANGE EARNINGS & EXPENDITURE:

i.) Details of Foreign Exchange Earnings:

(In Rs.)

Sr. No.	Particulars	F.Y. 2020-21	F.Y. 2019-20
1.	FOB Value of Export	NIL	NIL

ii.) Details of Foreign Exchange Expenditure:

(In Rs.)

Sr. No.	Particulars	F.Y. 2020-21	F.Y. 2019-20
1.	Foreign Exchange Expenditure	NIL	NIL

For and on behalf of Board of Directors
Novateor Research Laboratories Limited

Date: 3rd September, 2021
Place: Ahmedabad

Navdeep Subhashbhai Mehta
Managing Director & CFO
DIN: 03441623

Tejal Navdeep Mehta
Whole Time Director
DIN: 03441577

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

GLOBAL ECONOMY

The global Oral Care Products market is valued at USD 37300 million in 2019. The market size will reach USD 42030 million by the end of 2027, growing at a CAGR of 1.7% during 2021-2027. Oral Care Products market is segmented by Type, and by Application. Players, stakeholders, and other participants in the global Oral Care Products market will be able to gain the upper hand as they use the report as a powerful resource. The segmental analysis focuses on sales, revenue and forecast by Type and by Application for the period 2016-2027.

INDIAN ECONOMY

India oral care market has shown tremendous growth in the last few years. The market was mainly driven by change in lifestyle of Indian consumers, demand for premium products, rising disposable incomes and awareness regarding hygiene and sanitation. Rise in awareness of oral hygiene has created a huge demand for premium and innovative products in metros and urban cities. Penetration level of oral care products in urban area is high as compare to that of rural area. Low penetration level in rural area poses latent opportunity for global as well as domestic players to grow the presence of their oral care products in India. As a result, players are now focusing more into rural cities and villages to increase the penetration as well as their product sales. Rural Indian consumers have started shifting to toothpaste & toothbrushes from toothpowder. Premium products like mouthwash have gained popularity among rich and upper middle class consumers. Although the market is growing at a fast pace, per capita consumption of oral care products in India is very low as compared to countries like U.S, China etc.

INDUSTRY STRUCTURE AND DEVELOPMENTS

According to "India Oral Care Market Outlook, 2022" the oral care market is categorized into five major categories viz. toothpaste, toothbrush, toothpowder, mouthwash and others. Toothpaste dominates the space as it is a primary product for Indians in their daily oral hygiene care and has huge presence in urban as well as rural India. Toothpaste market is further segmented into two product types' - regular whites and gel. With regards to the benefits, toothpaste is also segmented into Standard/ General, Herbal/ Naturals, Sensitivity and Beauty & Whitening. Among all, demand for herbal toothpaste is increasing in the country and currently is a hot favorite trend among consumers as well as companies, who are trying to launch as many herbal variants as possible. Toothbrushes are the second largest category in the oral care market. They have two product types, one is manual and the other is electric & battery powered. Manual toothbrushes have huge potential in Indian oral care market whereas electric toothbrush is a niche product type with limited number of rich people experimenting with it.

Toothpowder category is at a declining stage due to changing consumer taste and preferences. Before some years, toothpowder had huge presence in rural India but now even they are shifting towards toothpaste. Mouthwash falls under premium category and comes as a secondary product for oral hygiene. Consumers are bending towards mouthwash products for better oral hygiene. Others products like tongue cleaners and dental floss are expanding gradually in the Indian market.

OPPORTUNITIES

Oral hygiene awareness is one of the major contributors to market growth in the overall oral care/oral hygiene market through efforts made by dentists as well as key players in the market. These stakeholders conduct various seminars and programs & take part in various Exhibitions to increase awareness of dental hygiene and demonstrate newly launched and technologically advanced products. This helps players to showcase their product portfolio, thereby raising the adoption of oral care products.

There has been a marked shift in the retailing of oral care products across the globe in recent years. Online retailers are gradually being preferred over traditional distributors, retailers, and pharmacies. Purchasing oral care products through e-commerce portals offers several advantages, such as the availability of multi-brand oral care products at relatively lower prices, ease of purchasing, and free shipping. The successful sale of oral care products through e-commerce has prompted increasing investment towards these channels by major market players.

THREATS

Customers are not that much aware about Products of the Company as they are innovative and first timed launched in India. The oral care/oral hygiene market is highly competitive, with a growing number of players operating at the regional level. The emergence of local players in developing markets such as India, China, and Brazil further increases the pricing pressure on global players. Local/regional players offer oral care products at discounted prices as compared to the global players and sell their products through e-commerce channels at low prices, creating pricing pressure on global players.

SEGMENT-WISE OR PRODUCT WISE PERFORMANCE

The oral care/oral hygiene market is broadly segmented by product categorized into Teeth Whitening Strips, toothpaste, toothbrushes & accessories, mouthwashes/rinses, denture products, dental accessories/ancillaries, and dental prosthesis cleaning solutions. The growth in this market is mainly due to growing awareness about oral health and technological innovations.

OUTLOOK

Geographically, the global oral care/oral hygiene market is segmented into North America, Europe, the Asia Pacific, Latin America, and the Middle East & Africa. Asia Pacific is expected to show the highest growth rate during the forecast period. The high growth rate of this region can mainly be attributed to the increase in the number of the geriatric population associated with edentulism, growing prevalence of dental caries and other periodontal diseases in children and adults, increasing healthcare expenditure (coupled with the rising disposable income), rising awareness about oral healthcare, and willingness to spend more on dental care. Moreover, increasing the focus of prominent players in emerging Asian countries will further support the growth of the market in this region.

RISKS & CONCERNS

Volatility in input costs and foreign exchange continues to remain a risk coupled with general slowdown in the economy. The market is highly fragmented with the presence of numerous small and large manufacturers who compete in terms of prices and quality. In today's complex business environment almost every business decision requires executives and managers to balance risk and reward. Effective risk management is therefore critical to an organization's success. Timely and effective risk management is of prime importance to our continued success.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company maintains an adequate and effective Internal Control System, equivalent with its size and complexity. It believes that these systems provide, among other things, a reasonable assurance that transactions are executed with management authorization. It also ensures that they are recorded in all material respects to permit preparation of financial statements in conformity with established accounting principles, along with the assets of the Company being adequately safeguarded against significant misuse or loss. This is supplemented through an extensive internal audit programme and periodic review by the management and the Audit Committee.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The Company's financial performance for the year ended 31st March, 2020 is summarized below:

(In Rs.)

PARTICULARS	STANDALONE - YEAR ENDED	
	31.03.2021	31.03.2020
I. Net Sales/Income from Operations	18,77,518	3,947,179
II. Other Income	44,40,223	2,683,412
III. Total Revenue (I+II)	63,17,741	6,630,590
IV. Earnings Before Interest, Taxes, Depreciation and Amortization Expense	1,144,290	1,306,554
V. Finance Cost	17,457	83,892
VI. Depreciation and Amortization Expense	9,61,335	956,882
VII. Profit Before Tax (IV-V-VI)	1,65,498	265,781
VIII. Tax Expense:		
Less: Current Tax Expense	-	45,500
Less: Deferred Tax	47,481	299,185
Profit After Tax (VII-VIII)	1,18,017	(78,904)

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS

The company believes that 'great people create great organizations. The Company's relations with the employees continued to be cordial and harmonious with its employees. It considers manpower as its assets and that people had been driving force for growth and expansion of the Company. The Company acknowledge that its principal assets is it employees. The Company has continued its efforts in building a diverse and inclusive workforce. The Company will continue to create opportunity and ensure recruitment of diverse candidates without compromising on meritocracy. Hence, it remains committed in creating an engaging environment and a learning culture which facilitates each member to gather knowledge, sharpen their skills and deliver superior performance.

CAUTIONARY STATEMENT

Statement in this report describing the Company's objectives projections estimates and expectation may constitute "forward looking statement" within the meaning of applicable laws and regulations. Forward looking statements are based on certain assumption and expectations of future events. These Statements are subject to certain risk and uncertainties. The Company cannot guarantee that these assumption and expectations are accurate or will be realized. The actual results may different from those expressed or implied since the Company's operations are affected by many external and internal factors which are beyond the control of the management. Hence the Company assumes no responsibility in respect of forward-looking statements that may be amended or modified in future on the basis of subsequent developments information or events.

For and on behalf of Board of Directors
Novateor Research Laboratories Limited

Date: 3rd September, 2021
Place: Ahmedabad

Navdeep Subhashbhai Mehta
Managing Director & CFO
DIN: 03441623

Tejal Navdeep Mehta
Whole Time Director
DIN: 03441577

SECRETARIAL AUDIT REPORT

Form No. MR-3

For the financial year ended 31st March, 2021

[Pursuant to section 204(1) of the Companies Act, 2013 and

Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
NOVATEOR RESEARCH LABORATORIES LIMITED
Ahmedabad

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **NOVATEOR RESEARCH LABORATORIES LIMITED** having CIN: L24230GJ2011PLC064731 (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the **NOVATEOR RESEARCH LABORATORIES LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st march ,2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2020 According to the provisions of:

- i. The Companies Act, 2013(the Act) and the rules made there under;
- ii. The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act,1996 and Regulations and Bye-Laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings. **(The Company does not have ECB)**
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992('SEBI Act'): -
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009;
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines,1999;**(Not applicable to the Company during the Audit Period)**
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations,2008;**(Not applicable to the Company during the Audit Period)**
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not applicable to the Company during the Audit Period)**
 - h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations,1998 **(Not applicable to the Company during the Audit Period)**
- vi. Other laws as may be applicable specifically to the company as per ANNEXURE I

I have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with BSE Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, guidelines, standards etc mentioned above subject.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

DIN/DPIN/PAN	Full Name	Designation	Date of Appointment	Type
02104452	ANAND RAJENDRA SHAH	Director	01/05/2019	Independent Director
03441577	TEJAL MEHTA	Whole Time Director	01/04/2011	Woman Director
ABIPM7813L	NAVDEEP MEHTA	CFO(KMP)	24/06/2019	CFO/KMP
03441623	NAVDEEP MEHTA	Managing Director	01/04/2011	Managing Director
BQLPP6934N	POONAM PRAVINBHAI PANCHAL	Company Secretary	14/10/2019	Company Secretary
08510947	CHINTAN PANKAJ SHAH	Director	15/07/2019	Independent Director
08595440	VIPULBHAI SINDHAV	Director	24/10/2019	Independent Director

Adequate notice is given to all the directors to schedule the Board Meeting, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure Compliance with applicable laws, rules, regulations and guidelines.

The Compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial auditor and other designated professionals.

None of the Director is disqualified under Section 164(2) of CA-2013 as per the records available on the portal.

I further report that during the audit period, there were no instances of:

- I. Public/Rights/Preferential issue of Shares/debentures/ sweat equity of the Company.
- II. Redemption/buy-back of securities.
- III. Merger/ amalgamation/ reconstruction etc.
- IV. Foreign technical collaborations.

However

- The Special Resolution to the effect of Section 180(1)(a) and 180(1)(c) were passed in the AGM dated 29/09/2020 and as on even date of report there has been no charge on the assets of the Company on the portal of www.mca.gov.in and it is stated that there is no open charge on the portal of the www.mca.gov.in.
- The Company has filed the Annual Returns and Balance Sheet with the Office of Registrar of Companies-Gujarat and has KMPs in line with Section 203 of CA-2013.
- Details of Committees Formed are available on the website of the Company. The Company is not under the gamut of CSR as per Section 135 of CA-2013.
- Since the Paid up Share capital of the Company is not exceeding ten crores and net worth of the Company is not exceeding Twenty Five Crores and considering this Regulation 17, 17A, 18, 19, 20,21,22,23,24 & 24 A, 25, 26 and 27 and Schedule V of SEBI (LODR) Regulations, 2015 which is amended from time to time shall not apply to the Company.

**For, MEHUL KEDARBHAI RAVAL
Practicing Company Secretary**

**Date : 03-09-2021
Place : Ahmedabad**

UDIN: A028155C000888113

**Mem. No. A28155
COP No. 10500**

ANNEXURE I

Management has identified and confirmed the following laws as specifically applicable to the Company.

- Prevention of Sexual Abuse.
- Taxation Laws
- GST
- Indian Stamp Act
- Laws of Registration
- Negotiable Instrument Act
- Shops and Establishment Act
- Professional Tax
- Pollution Control Laws
- Indian Contract Act
- Drugs and Cosmetics Act, 1940
- Factories Act and Labour laws
- Transfer of Properties Act
- And other laws as may be applicable from time to time

During the period under review the Company has generally complied with the material aspects of applicable provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We have not checked about the Compliance of GST and Income Tax as the separate audit under these fiscal laws are being done by the separate qualified professional(s).

**For, MEHUL KEDARBHAI RAVAL
Practicing Company Secretary**

**Date: 03-09-2021
Place: Ahmedabad**

**Mem. No. A28155
COP No.10500**

ANNEXURE II

To,
The Members
**NOVATEOR RESEARCH LABORATORIES LIMITED
Ahmedabad**

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

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

**For, MEHUL KEDARBHAI RAVAL
Practicing Company Secretary**

**Date: 03-09-2021
Place: Ahmedabad**

**Mem. No. A28155
COP No.10500**

INDEPENDENT AUDITOR'S REPORT

To the Members of
Novateor Research laboratories Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Novateor Research Laboratories Limited, which comprises the Balance Sheet as at 31st March, 2021 and the Statement of Profit and Loss and statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2021, and profit and its cash flows for the year ended on that date.

Basis for Opinion

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

Emphasis of matter

We draw attention to Note 19 of the Statement, which describes that the potential impact of COVID-19 pandemic on the financial results of the Company is dependent on future developments, which remain uncertain. Our opinion is not modified in respect of this matter.

Key Audit Matters.

We have determined that there are no key audit matters to communicate in our report.

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014
 - e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
 - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and
 - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

With reference to the Annexure A referred to in the Independent Auditor's Report to the members of the Company on the Financial Statements for the year ended 31 March 2021, we report the following:

Sl. No.	Comment Required on	Auditor's Opinion on Following Matter	Auditor's Remark
(i)	Fixed Assets	(A) Whether the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;	Yes the company is maintaining full particulars of fixed assets
		(B) Whether these fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;	Yes the Management verifies the fixed assets at regular intervals and as informed to us no material discrepancies were noticed on such verification between Physical fixed Assets and fixed assets as per Books
		(C) Whether the title deeds of immovable properties are held in the name of the company. If not, provide the details thereof;	Yes Title deeds of both the immovable property are held in the name of the company.
(ii)	Inventory	Whether physical verification of inventory has been conducted at reasonable intervals by the management and whether any material discrepancies were noticed and if so, whether they have been properly dealt with in the books of account;	The inventory has been physically verified by the management from time to time. As informed to us no material discrepancies were noticed on such verification

			between Physical Stock and Stock as per Books
(iii)	Loans Secured or Unsecured Granted	Whether the company has granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. If so,	Not Applicable. No Loans and Advances have been given to any company, firm, LLP or other Parties covered under Section 189 of the companies Act, 2013
		(A) Whether the terms and conditions of the grant of such loans are not prejudicial to the company's interest;	NA
		(B) Whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular;	NA
		(C) If the amount is overdue, state the total amount overdue for more than ninety days, and whether reasonable steps have been taken by the company for recovery of the principal and interest;	NA
(iv)		In respect of loans, investments, guarantees, and security whether provisions of section 185 and 186 of the Companies Act, 2013 have been complied with. If not, provide the details thereof.	Complied With.
(v)	Public Deposits	In case, the company has accepted deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under, where applicable, have been complied with? If not, the nature of such contraventions be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?	The company has not accepted any deposits from the Public. As on 31.03.2021 there are no Public deposits Payable by the company.
(vi)	Cost Accounting Records	Whether maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and whether such accounts and records have been so made and maintained.	Not Applicable
(vii)	Statutory Compliance	(a) Whether the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated;	The company has paid all its liabilities in respect of all direct and indirect taxes and there is No such overdue amount.
		(b) Where dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not be treated as a dispute).	No
(viii)	Loan from Banks/ Financial Institution	Whether the company has defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders? If yes, the period and the amount of default to be reported (in case of defaults to banks, financial institutions, and Government, lender wise details to be provided).	No
(ix)	Application of Money Received from Equity or Loan	Whether moneys raised by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purposes for which those are raised. If not, the details together with delays or default and subsequent rectification, if any, as may be applicable, be reported;	Yes. The company has raised funds by way of IPO in FY 2019-20 which has been utilized for the purpose of business. The excess funds have been given as loan/ advance on which the company has earned interest income.
(x)	Fraud Reporting	Whether any fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year; If yes, the nature and the amount involved is to be indicated;	No Such Fraud noticed

(xi)	Managerial Remuneration	Whether managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act? If not, state the amount involved and steps taken by the company for securing refund of the same;	Yes -Complied With
(xii)	Nidhi Company - Compliance with Deposits	Whether the Nidhi Company has complied with the Net Owned Funds to Deposits in the ratio of 1: 20 to meet out the liability and whether the Nidhi Company is maintaining ten per cent unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability;	Not Applicable
(xiii)	Related Party Transactions	Whether all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;	Yes. Complied with. All transactions with related parties are disclosed in the notes to accounts forming part of financial statements.
(xiv)	Issue of Share Capital and use of Amount Raised	Whether the company has made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and if so, as to whether the requirement of section 42 of the Companies Act, 2013 have been complied with and the amount raised have been used for the purposes for which the funds were raised. If not, provide the details in respect of the amount involved and nature of non-compliance;	Not Applicable.
(xv)	Transaction with Director	Whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether the provisions of section 192 of Companies Act, 2013 have been complied with;	No such transaction entered
(xvi)	Registration from RBI	Whether the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and if so, whether the registration has been obtained.	No the company is not required to be registered under Section 45-IA of the Reserve Bank of India.

For, V J Maru & Associates
Chartered Accountants

Vanraj J Maru
Proprietor
Membership No. 0141899
FRN No. 0134788W
Date : 30.06.2021
UDIN : 21141899AAAAEK8500

Annexure - B to Independent Auditors' Report - 31st March 2021
(Referred to in our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act

We have audited the internal financial controls over financial reporting of **Novateor Research Laboratories Limited** as at 31st March 2021 in conjunction with our audit of the Financial Statements of the Company for the year ended as on 31st March 2021.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under section 143(10) of the Companies Act 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable

assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that:

- (a) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the company; and
- (c) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitation of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, V J Maru & Associates
Chartered Accountants

Vanraj J Maru
Proprietor
Membership No. 0141899
FRN No. 0134788W
Date: 30.06.2021
UDIN: 21141899AAAAEK8500

BALANCE SHEET AS AT 31ST MARCH, 2021

(In Rs.)

Particulars	Note No.	As at 31 st March, 2021	As at 31 st March, 2020
I. EQUITY AND LIABILITIES			
1. Shareholders' Funds			
(a) Share Capital	2	48,341,700	48,341,700
(b) Reserves and Surplus	3	37,389,911	37,271,894
2. Share Application Money Pending Allotment		-	-
3. Non-Current Liabilities			
(a) Long-Term Borrowings	4	2,436,465	1,413,167
(b) Deferred Tax Liabilities (Net)	5	450,638	403,157
(c) Other Long-Term Liabilities		-	-
(d) Long Term Provisions		-	-
4. Current Liabilities			
(a) Short-Term Borrowings	6	-	-
(b) Trade Payables	7	591,920	115,304
(c) Other Current Liabilities	8	(151,792)	107,732
(d) Short Term Provisions	9	660,397	295,619
TOTAL		87,719,239	87,948,573
II ASSETS			
1. Non-Current Assets			
(a) Property, Plants and Equipment	10	33,599,862	34,516,196
i) Tangible Assets		-	-
ii) Intangible Assets		-	-
iii) Capital Work-In-Progress		-	-
(b) Non-current Investments	11	98,250	98,250
(c) Deferred Tax Assets (NET)	5	-	-
(d) Long-term Loans and Advances	12	-	-
(e) Other non-current assets	13	1,155,486	1,935,393
2. Current Assets			
(a) Inventories	14	4,875,880	4,751,660
(b) Trade receivables	15	1,978,152	2,452,662
(c) Cash and Bank Balances	16	6,585,653	6,936,532
(d) Short-Term Loans and Advances	17	497,705	36,000
(e) Other current assets	18	40,928,251	37,221,879
TOTAL		89,719,239	87,948,573
Summary of Significant Accounting Policies and Notes to Accounts an integral part of the Balancesheet	1		

As per our report of event date

For, V J Maru & Associates
Chartered Accountant

For and on behalf of Board of Directors
Novateor Research Laboratories Limited

For and on behalf of Board of Directors
Novateor Research Laboratories Limited

Vanraj J Maru
Proprietor
Membership No. : 0141899
FRN No. : 0134788W
UDIN- 21141899AAAAEK8500

Navdeep Subhashbhai Mehta
Managing Director & CFO
DIN: 03441623

Tejal Navdeep Mehta
Whole Time Director
DIN: 03441577

Date: 30th June, 2021
Place: Ahmedabad

Date: 30th June, 2021

Poonam Pravinbhai Panchal
Company Secretary
Place: Ahmedabad

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH, 2021

(In Rs.)

Particulars	Note No.	Year ended on 31 st March, 2021	Year ended on 31 st March, 2020
I. Revenue from Operations	19	1,877,518	3,947,179
II. Other Income	20	4,440,223	2,683,412
III. Total Revenue (I + II)		6,317,741	6,630,590
EXPENSES:			
Raw material Consumption	21	2,375,588	1,302,990
Changes In Inventories Of Finished Goods/ Traded Goods	22	(250,380)	1,204,920
Employee Benefit Expense	23	1,639,631	1,619,519
Finance Cost	24	17,457	83,892
Depreciation	10	961,335	956,882
Other Expenses	25	1,408,612	1,196,607
IV. Total Expenses		6,152,243	6,364,810
V. Profit before tax (III-IV)		165,498	265,781
VI. Tax Expense:			
i. Current Income Tax		0	45,500
ii. Deferred Tax		47,481	299,185
IX. Profit (Loss) for the period (VI - V)		1,18,017	(78,904)
X. Earnings per Equity Share: (In ₹)			
i. Basic		0.02	(0.02)
ii. Diluted		0.02	(0.02)
Summary of Significant Accounting Policies and Notes Forming Part of Financial Statement			

* Not Annualised, Except Year End Basic and Diluted EPS

Significant Accounting policies and

1

Notes to Accounts forming an integral part of the Balance Sheet

As per our report of event date

For, V J Maru & Associates
Chartered Accountant

For and on behalf of Board of Directors
Novateor Research Laboratories Limited

For and on behalf of Board of Directors
Novateor Research Laboratories Limited

Vanraj J Maru
Proprietor
Membership No.: 0141899
FRN No. :0134788W
UDIN- 21141899AAAAEK8500

Navdeep Subhashbhai Mehta
Managing Director & CFO
DIN: 03441623

Tejal Navdeep Mehta
Whole Time Director
DIN: 03441577

Date: 30th June, 2021
Place: Ahmedabad

Date: 30th June, 2021

Poonam Pravinbhai Panchal
Company Secretary
Place: Ahmedabad

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2021

(In Lacs)

PARTICULARS	Year ended on 31 st March, 2020	Year ended on 31 st March, 2020
I. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before Tax	1.73	2.66
<u>Adjustments for:</u>		
Depreciation & Amortization	9.61	9.57
Interest / Finance Charges	0.17	0.84
Prior Period Adjustment	2.80	0.00
Operating Profit Before Working Capital Changes	14.31	13.7
<u>Adjustments for Changes in Working Capital</u>		
(Increase)/ Decrease in Inventories	(1.24)	5.83
(Increase)/ Decrease in Debtors	4.75	(9.17)
(Increase)/ Decrease in Other Current Assets	(37.06)	(372.22)
(Increase)/ Decrease in Loans & Advances	(4.62)	4.80
Increase/ (Decrease) in Trade Payables	(4.77)	11.14
Increase/ (Decrease) in Current Liabilities	2.60	0.53
Increase/ (Decrease) in Provisions	0.00	4.67
Cash Generated from Operations	(26.03)	(341.34)
Taxes Paid	0.00	0.46
Net Cash Generated from Operations	(26.03)	(341.80)
II. CASH FLOW FROM INVESTING ACTIVITIES:		
(Increase) / Decrease in Fixed Assets (net)	(9.16)	(9.57)
(Increase) / Decrease in Investments & Accrued	0.00	0.00
Interest Thereon	0.00	0.00
Net Cash Generated from Investing Activities	(9.16)	(9.57)
III. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Share Capital Issued (Net)	0.00	187.20
Proceeds from Securities Premium	0.00	262.08
Increase / (Decrease) in Long term Borrowings	10.23	(12.75)
(Increase) / Decrease in Long term Loans and Advance	7.80	(19.35)
Interest Expenses	14.20	0.84
Net Cash Generated from financing Activities	32.23	418.01
Net Increase / (Decrease) in Cash & Cash Equivalents	(2.97)	67.34
Opening Balance of Cash & Cash Equivalents	69.37	2.03
Closing Balance of Cash & Cash Equivalents	65.86	69.37
Net Increase / (Decrease) in Cash & Cash Equivalents	3.51	(67.34)

For, V J Maru & Associates
Chartered Accountant

For and on behalf of Board of Directors
Novateor Research Laboratories Limited

For and on behalf of Board of Directors
Novateor Research Laboratories Limited

Vanraj J Maru
Proprietor
Membership No.: 0141899
FRN No. :0134788W
UDIN- 21141899AAAAEK8500

Navdeep Subhashbhai Mehta
Managing Director & CFO
DIN: 03441623

Tejal Navdeep Mehta
Whole Time Director
DIN: 03441577

Date: 30th June, 2021
Place: Ahmedabad

Date: 30th June, 2021

Poonam Pravinbhai Panchal
Company Secretary
Place: Ahmedabad

Note No.: 1

I. Corporate information:

Our Company was originally incorporated as Novateor Research Laboratories Private Limited on April 01, 2011 under the Companies Act, 1956 vide certificate of incorporation issued by the Registrar of Companies, Gujarat. Subsequently, the company was converted into Limited and name of the company was changed from

"Novateor Research Laboratories Private Limited" to "Novateor Research Laboratories Limited" under the Companies Act, 2013 pursuant to a special resolution passed by our shareholders at the EGM held on April 12, 2019 and had obtained fresh certificate of incorporation dated April 22, 2019 issued by the Registrar of Companies, Gujarat. The CIN of the Company L24230GJ2011PLCO64731.

Our company is promoted by Mr. Navdeep S Mehta and Mrs. Tejal N Mehta. Our individual promoters manage and control the major affairs of our business operations. Through their combined 10 plus years of experience, industry knowledge and understanding, our company has a competitive advantage over our competitors which enables us to expand our geographical and customer presence in existing as well as target markets, while exploring new growth avenues. The company came up with an Initial Public Offer which has got listed on the BSE SME Platform on 13.09.2019 with ISIN INE08JY01013 and trading ID 542771.

II. Basis of Preparation

"The financial statements are prepared and presented under the historical cost convention and evaluated on a going-concern basis using the accrual system of accounting in accordance with the accounting principles generally accepted in India (Indian GAAP) and the requirements of the notified sections, schedules and rules of the Companies Act 2013 including the Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006 as per section 211(3C) of the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of Companies (Accounts) Rules, 2014)."

The presentation of financial statements requires estimates and assumption to be made that affect the reported amount of assets and Liabilities on the date of financial statements and the reported amount of revenue and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which results are known/materialized.

III. Significant Accounting Policies

1. Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

2. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

3. Cash and Cash Equivalents

Cash and cash equivalents for the purpose of Cash Flow Statement comprise cash and cheques in hand, bank balances, demand deposits with banks (other than deposits pledged with government authorities and margin money deposits) with an original maturity of three months or less, highly liquid investments that are readily convertible in to cash and which are subject to insignificant risk of changes in values. The yearend cash balance as on 31.03.2021 is as certified by the directors of the company.

4. Property, Plant & Equipment

Property, Plant & Equipment including intangible assets are stated at their original cost of acquisition including taxes, freight and other incidental expenses related to acquisition and installation of the concerned assets less depreciation till date.

Company has adopted cost model for all class of items of Property Plant and Equipment.

Immovable property being Land is revalued by independent professional valuers on a triennial basis and whenever their carrying amounts are likely to differ materially from their revalued amounts. When an asset is revalued, any accumulated depreciation at the date of revaluation is eliminated against the gross carrying amount of the asset. The net amount is then restated to the revalued amount of the asset.

Increases in carrying amounts arising from revaluation, including currency translation differences, are recognised in the asset Value, unless they offset previous decreases in the carrying amounts of the same asset, in which case, they are recognised in profit or loss. Decreases in carrying amounts that offset previous increases of the same asset are recognized against the asset revaluation reserve. All other decreases in carrying amounts are recognised as a loss in the statement of

Profit & Loss. As the revaluation of land has been undertaken there arises no need to provide Depreciation and hence the value of asset has been shown at historical cost plus revaluation value.

5. **Depreciation**

Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. All fixed assets individually costing Rs. 5000/- or less are fully depreciated in the year of installation/purchase. Depreciation on assets acquired/sold during the year is recognised on a pro-rata basis to the statement of profit and loss till the date of acquisition/sale.

6. **Impairment**

The carrying amounts of property, plant & equipment are reviewed at each balance sheet date to determine, if there is any indication of impairment based on external/internal factors. An impairment loss is recognized wherever the carrying amount of the property, plant & equipment exceeds its recoverable amount which represents greater of the "net selling price" and "value in use" of the respective assets. The impairment loss recognized in prior accounting period is reversed if there has been an improvement in recoverable amount.

7. **Revenue Recognition**

- Sales are recognized when goods are supplied. Sales are net of trade discounts and rebates. It does not include interdivisional sales.
- Revenue in respect of other items is recognized when no significant uncertainty as to its determination or realization exists.
- **Other Income:** Dividend income on investments is recognized when the right to receive dividend is established. Interest income is recognized on a time proportionate basis taking into account the amounts invested and the rate of interest.

8. **Segment Reporting**

As the Company's principle business activities fall within the single segment, the disclosure requirement of Accounting Standard 17 on Segment Reporting prescribed u/s 133 of the Companies Act, 2013 ("The Act") read with Rule 7 of the Companies (Accounts) Rule, 2014 is not applicable.

9. **Inventories**

Items of Inventories are measured at lower of cost and net realizable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other cost including manufacturing overheads incurred in bringing them to their respective present location and condition, Cost of raw materials, process chemicals, stores and spare, packing materials, trading and other products are determined on weighted average basis. Products are valued at net realizable value. The closing stock as on the balance sheet date is as certified by the directors of the company.

10. **Borrowing cost**

Borrowing costs that are attributable to the acquisition or construction of the qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended uses or sale. All other borrowing costs are charged to revenue in the year of incurrence. The amount of borrowing cost capitalized during the year is Nil.

11. **Employee Benefits**

Short term employee benefits are recognized as an expense at the undiscounted amount in the Profit and Loss account of the year in which the related service is rendered.

Post-employment and other long term employee benefit are recognized as an expense in the Profit and Loss account for the year in which the liabilities are crystallized.

12. **Taxation**

The current charge for income tax is calculated in accordance with the relevant tax regulations applicable to the Company.

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the Year. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date.

In case the Company is liable to pay income tax under provision of Minimum Alternate Tax r-r/s. 115J8 of Income Tax Act, 1961, the amount of tax paid in excess of normal income tax liability is recognized as an asset only if there is convincing evidence for realization of such asset during the specified period. MAT Credit Entitlement is recognized in accordance with the Guidance Note on accounting treatment in respect of Minimum Alternate Tax (MAT) issued by The Institute of Chartered Accountants of India.

13. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

14. Principles of consolidation

The Company as on date does not have any subsidiary and hence no consolidation of accounts has been undertaken.

15. Foreign currency Transactions

Transactions arising in foreign currencies during the year are converted at the rates closely approximating the rates ruling on the transaction dates. Liabilities and receivables in foreign currency are restated at the year-end exchange rates. All exchange rate differences arising from conversion in terms of the above are included in the statement of profit and loss.

16. Investments

Investments, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as non-current investments.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminutions in value is made to recognize a decline other than temporary in the value of the investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

17. Retirement Benefits

The Company has not entered in any formal plan or agreement with Individual employee, group of employees or their representatives for retirement benefits. Hence its recognition, measurement and disclosures are not made.

18. Provisions, Contingent Liabilities and Contingent Assets (AS-29)

Provisions are recognized only when there is a present obligation as a result of past events and when a reliable estimate of the amount of the obligation can be made.

Contingent Liabilities is disclosed in Notes to the account for:

- (i) Possible obligations which will be confirmed only by future events not wholly within the control of the company or
- (ii) Present Obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognized in the financial statement since this may result in the recognition of the income that may never be realized.

General:

Except wherever stated, accounting policies are consistent with the generally accepted accounting principles and have been consistently applied.

(B) Notes on Financial Statements

- 1. The SSI status of the creditors is not known to the Company; hence the information is not given.
- 2. Salaries includes directors' remuneration on account of salary Rs. 3,00,000/- (Previous Year Rs. 3,00,000/-)
- 3. Trade receivables, Trade payables, Loans & Advances and Unsecured Loans have been taken at their book value subject to confirmation and reconciliation.
- 4. Payments to Auditors:

Auditors Remuneration	2020-21	2019-20
Audit Fees	30000	30000
Tax Audit Fees	0	0
Company Law Matters	0	0
GST	0	0
Total	30000	30000

5. Loans and Advances are considered good in respect of which company does not hold any security.
6. No provision for retirement benefits has been made, in view of accounting policy No. 17. The impact of the same on Profit & Loss is not determined.
7. Advance to others does not include any advances to concerns in which directors are interested.
8. Related Party disclosure as identified by the company and relied upon by the auditors:

(A) Related Parties and their Relationship

(I) Key Management Personnel

1. Navdeep Mehta
2. Tejal Mehta

(II) Relative of Key Management Personnel

1. Jyoti Mehta - Mother of the Director
2. Navdeep Mehta HUF

(III) Enterprises owned or significantly influenced by Key Management personnel or their relatives: Nil

Transactions with Related parties

(In Rs.)

Particulars	Transactions during the year			
	2020-21		2019-20	
	Key Management Personnel	Relative of Key Management Personnel	Key Management Personnel	Relative of Key Management Personnel
Advance Paid	0	0	0	0
Received Back	0	0	0	0
Deposit/USL Received	879233	200000	5725192	2760000
Deposit/ USL Repaid	55935	0	4312025	2760000
Interest Received	0	0	0	0
Interest Paid	0	0	0	0
Remuneration Paid	300000	0	300000	0
Purchase	0	0	0	0
Rent Paid	240000	0	150000	0
Other Payment	0	0	0	0
Job Charges	0	0	0	0

Outstanding Balances

Particulars	2020-21		2019-20	
	Key Management Personnel	Relative of Key Management Personnel	Key Management Personnel	Relative of Key Management Personnel
Loans Taken	2236466	200000	1413167	0
Loans Repaid	0	0	0	0

9. Expenditure in Foreign Currency Nil Nil

10. Earning in Foreign Exchange Nil Nil

11. Previous year figures have been regrouped/rearranged wherever necessary.

Note No.: 2 SHARE CAPITAL

Particular	31.03.2021	31.03.2020
Authorised Share Capital		
48,80,000 Equity Shares of Rs. 10/- each	48,800,000	48,800,000
Issued, Subscribed and Paid Up Share Capital		
48,34,170 Equity Shares of Rs. 10/- each	48,341,700	48,341,700
Total	48,341,700	48,341,700

Reconciliation of the number of shares outstanding is set out below

Particulars	31.03.2021		31.03.2020	
	Equity Shares		Equity Shares	
	Number	Number	Number	In Rs.
Shares outstanding at the beginning of the year	4,834,170	48,341,700	2,962,170	29,621,700
Add:-Shares Issued during the year				
Fresh Issue	-	-	1,872,000	18,720,000
Bonus Shares Issued				
Less: Shares bought back during the year				
Other Changes	-	-	-	-
Shares outstanding at the end of the year	4,834,170	48,341,700	4,834,170	48,341,700

Details of Shareholders holding more than 5 % shares

Name of Shareholder	31.03.2021		31.03.2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Navdeep Mehta	1428858	29.56	1428858	29.56
Tejal Mehta	540378	11.18	540378	11.18
Subhash Mehta	249588	5.16	249588	5.16
Jyoti Mehta	659898	13.65	659898	13.65
Yash Deepkumar Jain	-	-	258000	5.34

NOTE No.:3 RESERVE AND SUPLUS

Particular	31.03.2021	31.03.2020
Share Premium		
Opening Balance	27,214,445	1,006,445
Add: Addition during the year	-	26,208,000
Less: Transferred Bonus Shares	-	-
Closing Balance	27,214,445	27,214,445
Revaluation Reserve	8,045,032	8,045,032
Profit & Loss Account		
As per Last Year	2,012,417	2,091,321
Addition during the year	118,017	(78,904)
Closing Balance	2,130,434	2,012,417
Total	37,389,911	37,271,894

NOTE No.:4 LONG TERM BORROWINGS

Particular	31.03.2021	31.03.2020
Secured Loans		
Term Loan	-	-
Unsecured Loans & Long Term Liabilities	2,436,465	1,413,167
Total	2,436,465	1,413,167

NOTE No.:5 DEFERRED TAX LIABILITY (NET)

Particular	31.03.2021	31.03.2020
Deferred Tax Liability		
Opening Balance	403,157	103,972
Addition during the year	47,481	299,185
Less:		
Deferred Tax Assets	-	-
Closing Balance	450,638	403,157

NOTE No.: 6 SHORT TERM BORROWINGS

Particular	31.03.2021	31.03.2020
From Banks	-	-
From Related Parties	-	-
Total	-	-

NOTE No.:7 TRADE PAYABLE

Particular	31.03.2021	31.03.2020
Sundry Creditors		
Due to Micro, Small & Medium Enterprise	591,920	115,304
Due to Other than Micro, Small & Medium Enterprise		
Total	591,920	115,304

NOTE No.:8 OTHER CURRENT LIABILITIES

Particular	31.03.2021	31.03.2020
Interest accrued but not due on borrowings		
Other Payables		
Statutory remittances (Contributions to Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	(151,792)	107,732
Installments of Term Loan	-	-
Total	(151,792)	107,732

NOTE No.: 9 SHORT TERM PROVISIONS

Particular	31.03.2021	31.03.2020
Provision for employee benefits		
Contribution to PF	-	-
Salary & Bonus Payable	630,397	220,119
Provision- Others		
Provision for Income Tax	-	45,500
Others	30,000	30,000
Total	660,397	295,619

NOTENO.:10 Fixed Assets and Depreciation

Particulars	Fixed Assets				Depreciation			WDV as on 31.03.2021	WDV as on 31.03.2020	Useful life for Depreciation Calculation
	Opening	Addition during the Year	Sales During the Year	Closing	Opening	Depreciated on for the year	Total as on 31.03.2021			
Tangible Assets										
LAND	19000000	0		19000000	0	0	0	19000000	19000000	
BUILDING & CIVIL WORKS	7901044	0		7901044	199246	125100	324347	7576697	7701797	60
PLANT & MACHINERY	9049770	0		9049770	2644901	573152	3218053	5831717	6404869	15
OFFICE EQUIPMENTS	6150	0		6150	4096	1169	5265	885	2054	5
FURNITURE & FIXTURE	34221	0		34221	13003	3251	16255	17966	21217	10
PRINTER	207384	45000		252384	98500	29080	127581	124803	153883	8
CAR	1400000			1400000	235550	166250	401800	998200		8
LAPTOP	200000	0		200000	87073	63333	150407	49593	112927	3
GRAND TOTAL	37798569	0	0	37843569	3282373	961335	4243707	33599862	33396746	

NOTE No.:11NON-CURRENT INVESTMENTS

Particular	31.03.2021	31.03.2020
Un-Quoted & Trade		
- Investments in Government securities	-	-
- Investments in Unlisted Companies	98,250	98,250
Total	98,250	98,250

NOTE No.:12 LONG- TERM LOANS & ADVANCES

Particular	31.03.2021	31.03.2020
Security Deposits - Unsecured, Considered good	-	-
Total	-	-

NOTE No.:13 OTHER NON-CURRENT ASSETS

Particular	31.03.2021	31.03.2020
Unamortised expenses		
<u>Share Issue Expenditure:</u>		
Opening Balance	1,935,393	-
Addition during the year	(500,000)	2,177,615
1/5 Written Off	279,907	242,222
Total	1,155,486	1,935,393

NOTE No.: 14 INVENTORY

Particular	31.03.2021	31.03.2020
Stock		
Raw material	3,288,500	3,414,660
Finished goods	1,454,880	1,222,000
Work in progress	132,500	115,000
Fuel, Stores, Consumables and other Stock	-	-
Total	4,875,880	4,751,660

NOTE No.: 15 TRADE RECEIVABLES

Particular	31.03.2021	31.03.2020
Trade receivables outstanding for a period less than six months from the date they are due for payment	841,835	2,452,662
Unsecured, considered good	1136317	
Less: Provision for doubtful debts		
Unsecured, considered good		
Total	1,978,152	2,452,662

NOTE No.:16 CASH AND CASH EQUIVALENTS

Particular	31.03.2021	31.03.2020
Balance with banks		
In current accounts	115,100	452,272
In deposit accounts		
Cash on Hand	6,470,553	6,484,260
Total	6,470,553	6,936,532

NOTE No.: 17 SHORT- TERM LOANS AND ADVANCES

Particular	31.03.2021	31.03.2020
Loans and advances to related parties - Unsecured, Considered good	36,000	36,000
other than related parties	-	-
Others Advances - Unsecured, Considered Good		
- Advance Income Tax/TDS	2425	-
- Advance to the empoyee	-	-
- Prepaid Expenses	-	-
- Others (Advance Recoverable in cash or in kind)	459,280	-
Total	497,705	36,000

NOTE No: 18 OTHER CURRENT ASSETS

Particular	31.03.2021	31.03.2020
Advance to suppliers	40,928,251	37,221,879
Security Deposits - Unsecured, Considered good		
Total	40,928,251	37,221,879

NOTE No.:19 REVENUE FROM OPERATION

Particular	31.03.2021	31.03.2020
Sales and other Incomes	1,877,518	3,947,179
Total	1,877,518	3,947,179

NOTE No.:20 OTHER INCOME

Particular	31.03.2021	31.03.2020
Rent, Interest and Other Incomes	4,394,723	2,683,412
Provision of IT Write off	45,500	
Total	4,440,223	2,683,412

NOTE No.:21 Raw Material Consumption

Particular	31.03.2021	31.03.2020
Opening Stock	3,414,660	2,792,920
Add: Purchases & other Direct Expenses	2,249,428	1,924,730
Less Closing Stock	3,288,500	3,414,660
Raw Material Consumption	2,375,588	1,302,990

NOTE No.: 22 Change in inventories

Particular	31.03.2021	31.03.2020
WIP		
Opening Balances of WIP	115,000	400,000
Closing Balances of WIP	132,500	115,000
Change in inventory of finished goods	(17,500)	285,000
FINISHED GOODS		
Opening Balances of Finished Goods:	1,222,000	2,141,920
Closing Balances of Finished Goods:	1,454,880	1,222,000

Change in inventory of finished goods	(232,880)	919,920
TOTAL	(250,380)	1,204,920

NOTE No. :23 EMPLOYEE BENEFITS EXPENSES

Particular	31.03.2021	31.03.2020
Salaries and wages	1,639,613	1,619,519
Contributions to provident and other funds	-	-
Staff welfare expenses	-	-
TOTAL	1,639,613	1,619,519

NOTE No. : 24 FINANCE COST

Particular	31.03.2021	31.03.2020
Interest	644	1,718
Other Borrowing Costs	16,813	82,174
Applicable net loss on foreign currency transactions and translation	-	-
TOTAL	17,457	83,892

NOTE No: 25 OTHER EXPENSES

Particular	31.03.2021	31.03.2020
Audit Fees	30,000	45,000
Legal & Professional Fees	114,250	62,060
Preliminary Pre-Operative Expenses - IPO	279,906	242,222
Advertisement Expenses	28,508	27,973
other expenses	133,057	12,981
Selling and Distribution Expenses	343,221	258,248
Rent Expenses	234,000	202,000
Electric Expense	43,331	0
Listing, BSE, NSDL & CDSL Fees	145,230	303,769
Transportation, Clearing & forwarding Expenses	57,109	42,354
Total	1,408,612	1,196,607

For, V J Maru & Associates
Chartered Accountant

For and on behalf of Board of Directors
Novateor Research Laboratories Limited

For and on behalf of Board of Directors
Novateor Research Laboratories Limited

Vanraj J Maru
Proprietor
Membership No. : 0141899
FRN No. : 0134788W
UDIN- 21141899AAAAEK8500

Navdeep Subhashbhai Mehta
Managing Director & CFO
DIN: 03441623

Tejal Navdeep Mehta
Whole Time Director
DIN: 03441577

Date: 30th June, 2021
Place: Ahmedabad

Date: 30th June, 2021

Poonam Pravinbhai Panchal
Company Secretary
Place: Ahmedabad

NOVATEOR RESEARCH LABORATORIES LIMITED

B-1001, 10th Floor, Block B, Titanium City Center, Anandnagar Rd, 100 Feet Road, Near Sachin Tower,
Satellite, Ahmedabad, Gujarat, 380015.

Email:compliance@novateor.com **Website:**www.novateor.com **Phone:** +91 79 - 4039 5888

ATTENDANCESLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE AUDITORIUM

Name and address of the registered member	:	
Folio No./DP ID No./ Client IDNo.	:	
No. of Shares	:	

I hereby record my presence at the Tenth (10th) Annual General Meeting (AGM) of the company will be held on Thursday, 30th September, 2021 at 11:00 A.M. IST at the registered office of the company at Conference Hall, Titanium City Center, Near Dhananjay Tower, 100 Feet Ring Road, Near Shyamal Cross Road, Anand Nagar, Ahmedabad- 380015

Signature of the Member/Joint Member/Proxy attending the Meeting

Note: Person attending the Meeting is requested to bring this Attendance Slip and Annual Report with him/her. Duplicate AttendanceSlip and Annual Report will not be issued at the Annual General Meeting.

#

NOVATEOR RESEARCH LABORATORIES LIMITED

B-1001, 10th Floor, Block B, Titanium City Center, Anandnagar Rd, 100 Feet Road, Near Sachin Tower,
Satellite, Ahmedabad, Gujarat, 380015.

Email:compliance@novateor.com **Website:** www.novateor.com **Phone:** +91 79 - 4039 5888

10th Annual General Meeting on Thursday, 30th September, 2021 at 11:00 A.M.

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN	L24230GJ2011PLC064731
Name of the Company	NOVATEOR RESEARCH LABORATORIES LIMITED
Registered Office	B-1001, 10 th Floor, Block B, Titanium City Center, Anandnagar Rd, 100 Feet Road, Near Sachin Tower, Satellite, Ahmedabad, Gujarat, 380015383215
Name of Member(s)	
Registered Address	
Email ID	
Folio No./ DP ID - Client ID	

I/We, being the Member(s) of and hold/holds _____ shares of above named Company, hereby appoint:

1) Name:
Address:
Email ID:
Signature

Or failing him/her

2) Name:
Address:
Email ID:
Signature

Or failing him/her

3) Name:
Address:
Email ID:
Signature

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 10th Annual General Meeting of the Company to be held on **Thursday, 30th September, 2021 at 11:00 A.M.** at Conference Hall, Titanium City Center, Anandnagar Rd, 100 Feet Road, Near Sachin Tower, Satellite, Ahmedabad, Gujarat, 380015 and at any adjournment thereof in respect of such resolutions as are indicated below:

ORDINARY BUSINESS:

Resolution No.	Resolution	For	Against
1.	To consider and adopt the Audited Financial Statement of the Company including the Audited Balance Sheet for the Financial Year ended on 31 st March, 2021, the Statement of Profit and Loss and the Cash flow statement for the year end on that date and the report of the Board of Directors and Auditors thereon		
2.	To appoint a Director in place of Mr. Navdeep Mehta (DIN: 03441623) who retires by rotation and, being eligible, offers himself for re-appointment		
3.	To appoint M/S V.J. Maru & Associates (Firm Registration No. 0134788W), Chartered Accountants as the Statutory Auditor of the Company to hold office for a period of one year from the conclusion of 10 th (Tenth) Annual General Meeting of the Company till the conclusion of next i.e. 11 th (Eleventh) Annual General Meeting of the Company on such remuneration		

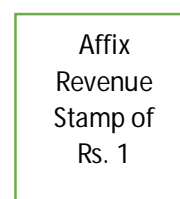
SPECIAL BUSINESS:

Resolution No.	Resolution	For	Against
4.	To appoint M/S V.J. Maru & Associates (Firm Registration No. 0134788W), Chartered Accountants as Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/S Purushottam Khandelwal & CO. (Firm Registration No. 123825W), Chartered Accountants, Ahmedabad."		
5.	Approval of Related Party Transactions with Mr. Navdeep Mehta		
6.	Approval of Related Party Transactions with Mrs. Tejal Navdeep Mehta		
7.	To consider resolution on the matters specified under Section 180 (1) (a) of the Companies Act, 2013		
8.	Preferential cum Right Issue		

Signed this.....day of.....2021

Signature of Member(s):

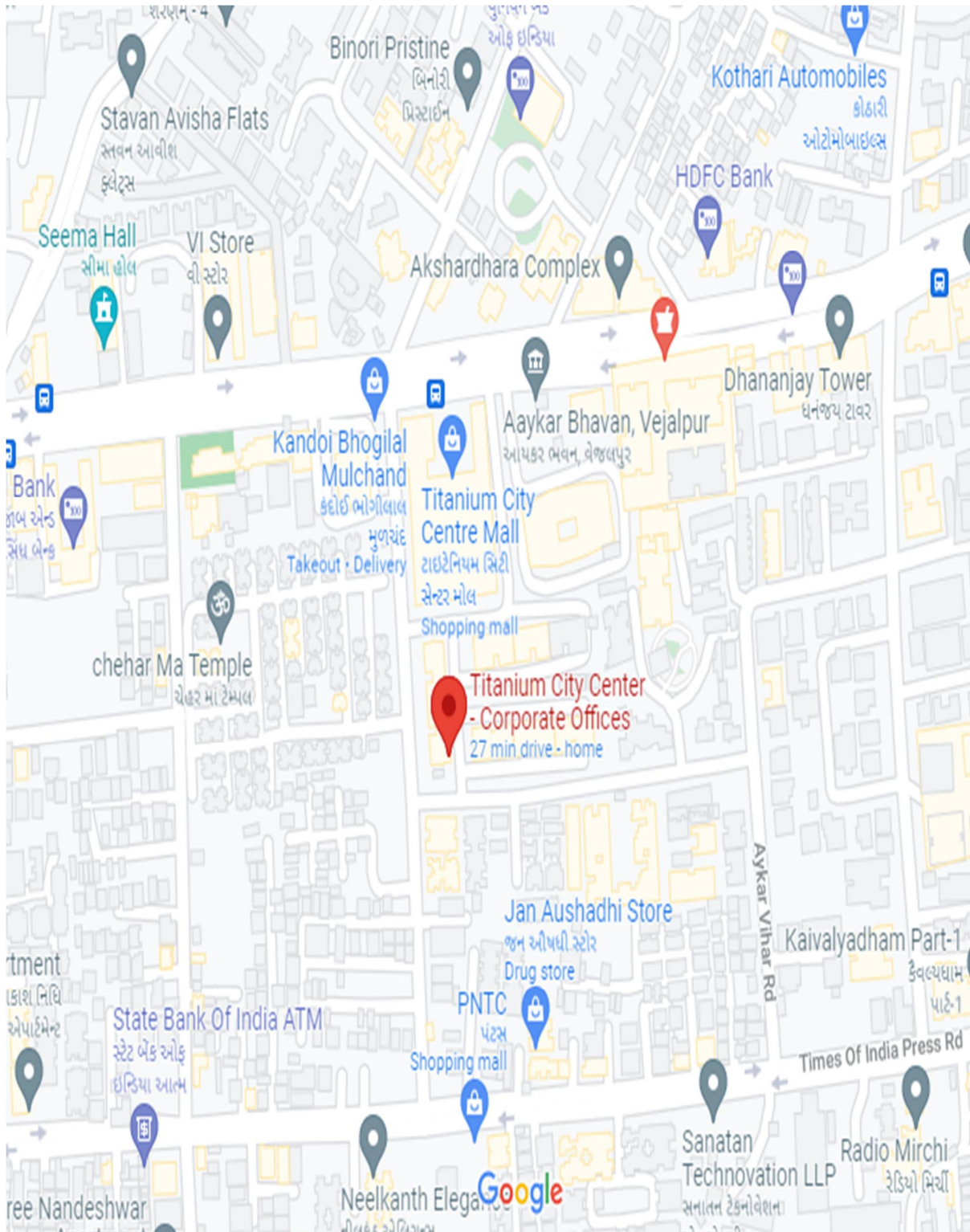
Signature of Proxy holder(s):



Notes:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Statement setting out material facts thereon and notes, please refer to the Notice of the 10th Annual General Meeting.
3. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or Member.

ROAD MAP TO VENUE OF 10TH ANNUAL GENERAL MEETING



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