

26th ANNUAL REPORT

2008 - 2009



BOARD OF DIRECTORS

Sri P. Veerananarayana

Vice Chairman and

Managing Director

Sri P. Madhuprathap

Technical Director

Sri. K. Subbaiah

Director

Sri. K. Eshwaraiah

Nominee Director (APIDC)

REGISTERED OFFICE

D4 & D5, Industrial Estate

Renigunta Road,

Tirupati-517506

FACTORY

D4, D5, D11 & Shed No.3 Industrial

Estate

Renigunta Road

Tirupati-517506

AUDITORS

Pinnamaneni & Co.,

Chartered Accountants

 3, 4th Ground Ram's VSR Aparts

Opp. VPS Siddharth Public School

Vijayawada-520010.

FINANCIAL INSTITUTIONS / BANKS

Industrial Development Bank of India,

Chennai

Central Bank of India, GS Mada St.

Tirupati

LISTING

The Stock Exchange, Mumbai

REGISTRAR FOR DEMAT

Bigshare Services Pvt. Ltd

E-2, Ansa Industrial Estate,

Sakivihar Road, Saki Naka,

Andheri(E),

Mumbai-400072

26th ANNUAL GENERAL MEETING

 Date : Saturday 21st November, 2009

Time : 3:30 pm

 Venue : Registered Office
 D4 & D5, Industrial Estate
 Renigunta Road
 TIRUPATI-517506

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NOTICE TO SHAREHOLDERS :

NOTICE is hereby given that the 26th Annual General Meeting of the Company will be held at its Registered Office: D4 & D5, Industrial Estate, Renigunta Road, Tirupati-517506 (AP) at 3.30 P.M on 21st November, 2009 to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the audited Balance sheet as at 31st March' 2009 and the Profit and Loss Account for the year ended on that date and the Report of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. K. Subbaiah who retires by rotation and being eligible, offers himself for re-appointment.
3. 3.To appoint Auditors to held office from the conclusion of the Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

By order of the Board of Directors.

P. Veernarayana
(Vice Chairman &
Managing Director)

P. Madhupratap
(Technical Director)

Place : Tirupati

Date : 20-07-2009.

NOTES:

- 1) A member entitled to attend and vote is entitled to appoint a Proxy to attend and vote instead of himself and the Proxy need not be a member of the Company. A form of proxy is enclosed. Proxies, in order to be effective, must be received at the Registered Office of the Company not less than forty eight hours before the commencement of the Meeting.
- 2) The Register of Members and Transfer Books of the Company will remain closed from Monday, 17th August 2009 to Friday, 21st August 2009 (both days inclusive).
- 3) The instrument appointing a proxy should however be deposited.
- 4) Shareholders are requested to notify change in address if any, immediately to the Company's Registered Office.
- 5) Shareholders are requested to bring their copies of Annual Reports to the Meeting. Copies of the Annual Report will not be available for distribution to shareholders at the Meeting hall.
- 6) Shareholders attending the Meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the Meeting hall.
- 7) Shareholders intending to require information about accounts to be explained in the meeting are requested to inform the company at least 7-days in advance of the Annual General Meeting.
- 8) Members are requested to note that herein after all shares related transactions i.e., transfer, transmission, transposition, nomination, change of name etc., are being handled by the company/ through share registrars.

DIRECTORS' REPORT

The Directors submit the Annual Report of the company together with the Audited Statements of the accounts for the year ended 31st March'2009.

1. FINANCIAL RESULTS:

The brief financial results of the company for the year ended 31st March 2009 are given hereunder

	(Rs in Lakhs)	
	2008-09	2007-08
i) Total Sales	888.80	752.63
ii) Profit before Depreciation, Interest and Tax	74.87	28.07
iii) Interest	0.18	1.53
iv) Depreciation	87.05	88.5
v) Other Income	3.51	3.35
vi) Profit before Tax	(8.85)	(58.62)
vii) Provision for Tax	--	--
viii) Net Profit for the Year	(8.85)	(58.62)

2. OPERATIONS:

The Company continued to see strong growth in the financial year 2008-09 driven by good performance in existing and new areas of business.

During the year under review, the turnover of your company has increased to Rs. 888.80 lakhs from Rs.752.63 lakhs thereby registering a growth of 14.42% over the previous year. The directors are hopeful of better results in the coming years.

3. DIVIDEND:

The Board has not recommended Dividend for the year 2008-09.

4. DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the requirements of Section 217(2AA) of the Companies Act, 1956, the directors hereby confirm that

i) In preparing the Annual Accounts for the year 2008-09, the applicable accounting Standards have been followed and no material departure are there.

ii) That the directors had selected such accounting policies and applied then consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the states of affair of the Company at the end of the financial year and of the profit or loss of the Company for that period.

iii) That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

iv) That the Directors had prepared the annual accounts on a going concern basis.

5. DIRECTORS:

Mr. Mr.K. Subbaiah, Director retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

Mr. K. Eswaraiah has been nominated as Nominee Director by APIDC.

6. DEPOSITS:

The Company has not accepted any deposits from the public within the meaning of Section 58A of the Companies Act, 1956.

7. CORPORATE GOVERNANCE:

As the net worth of the company is less than Rs 25 crores, corporate Governance clause is not applicable to the company.

8. REPLY TO AUDITORS COMMENTS:

Regarding the auditors comments on confirmation of balances from Debtors and Creditors, we submit that we have already sent the letters to the Debtors and Creditors to confirm the balances; we have received some of the confirmation letters.

The auditors commented for not making provision for gratuity liability. Earlier the Company had LIC Gratuity account and was closed due to non-payment of regular premiums. The Company is taking the necessary to open a new account. The Company is paying gratuity as and when the amount is ascertainable. As the Company has accumulated losses from the past years, it's not able to make provision for gratuity liability.

9. PARTICULARS OF EMPLOYEES:

Particulars of employees pursuant to Section 217(2A) of the Companies Act, 1956 read with the companies (particulars of Employees) rules, 1975 and forming part of the Directors Report for the year ended 31st March 2009.

During the year under report, none of the employee of your company were in receipt of remuneration in excess of the limits prescribed for disclosure as per Section 217(2A) of the Companies Act, 1956 read with the Companies (particulars of Employees) Rules, 1975 as amended.

10. AUDITORS:

Pinnamaneni & Co., Statutory Auditors of the Company retire at the conclusion

of this meeting. In view of the preoccupation of the present auditors with other assignments, your Board recommends the appointment of Sesha Prasad and Company, Chartered Accountants, Secunderabad as statutory auditors of the company to hold office from the conclusion of this annual general meeting till the conclusion of the next annual general meeting.

11. CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION.

The particulars as prescribed under section 217(2A) (1) (e) of the Act,, read with the companies (Disclosure of particulars in the report of Board of Directors) Rules, 1988, are set out in in an annexure to this report.

12. ACKNOWLEDGEMENTS

The Directors thank the Company's customers, vendors, investors, business associates, bankers for their support to the company.

The Directors appreciate and value the contributions made by every member of the SIBAR family.

For and on behalf of the Board.

P. Veernarayana

(Vice Chairman &
Managing Director)

P. Madhupratap

(Technical Director)

PLACE : Tirupati

Date : 20-07-2009.

ANNEXURE TO THE DIRECTORS' REPORT

A. CONSERVATION OF ENERGY:

A) Conservation of Energy:

As a part of continuing efforts to conserve various resources, following steps were taken to conserve energy:

- Electrical energy saving was achieved by installation of energy efficient motors, the production processes by eliminating high power consuming machines/equipments, optimization of central air conditioning plant, providing for automatic switch off for pump house motors, illumination systems, transparent roof sheets and use of CFL lamps in installation of natural draft air exhaust ventilators.

The Particulars of conservation of energy are as follows:

Particulars	Units	Amount in Rs.
Diesel	54130 Ltrs	1812297
Electricity	922946 KWH	3745948
Coal	11092 KGs	104043

B) TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION :

The Company continuous to use latest technology is for improving productivity and quality of its product.

- a) Research and Development cost NIL
- b) Technology absorption and innovation NIL

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

	2008-09 (Rs.in Lacs)	2007-08 (Rs. in Lacs)
A) Value of Imports (F.O.B.Value)	3.06	- Nil -

AUDITORS' REPORT

To

The Members of SIBAR AUTO PARTS LTD.,
Tirupathi

We have audited the attached Balance Sheet of Sibar Auto Parts Ltd., as at 31st March 2009 and Profit and Loss Account and Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with Auditing Standards Generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies(Auditors Report) Order 2003 issued by the Central Government of India in terms of section 227 (4A) of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraphs 4 & 5 of the said order.
3. Further to our comments in the annexure referred to above, We report that
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of accounts as required by law have been kept by the company so far as appears from the examination of the books of account.

- c). The balance sheet and Profit and Loss account and cash flow statement dealt with by this report are in agreement with the books of Account.
- d) In our opinion, the Balance Sheet and the Profit and Loss Account and cash flow statement dealt with by this Report comply with the Accounting Standards referred to in Sub-Section 3(C) of Section 211 of the Companies Act, 1956.
- e) On the basis of written representations received from the Directors as on 31.3.2009 and taken on record by the Board of Directors, we report that the none of the Directors is disqualified as on 31.3.2009 from being appointed as a Director in terms of Section 274 (1) (g) of the Companies Act, 1956.
- f) In our opinion and to the best of our information and according to the explanations given to us, we are of opinion that the financial statements give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounts principles generally accepted in India.
- i) In the case of Balances sheet of the state of affairs of the company as at 31st March 2009,
- ii) In the case of Profit and Loss Account of the loss for the year ended on that date and
- iii) In the case of Cash flow statements, of the Cash flow for the year ended on that date.

For **PINNAMANENI & COMPANY**
CHARTERED ACCOUNTANTS

PVV SATYANARAYANA
Partner

Date: 20-07-2009
Place: Tirupathi

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph (1) of our report of even date)

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) As explained to us, the fixed assets have been verified by the management during the year in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
(c) In our opinion, the Company has not disposed of substantial part of fixed assets during the period and the going concern status of the Company is not affected.
2. (a) The inventory has been physically verified during the year by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable.
(b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature business.
(c) The company is maintaining proper records of inventory and no material discrepancies were noticed.
3. (a) The company has not granted any loans secured or unsecured to companies, firms, or other parties listed in the register maintained u/s 301 of the Companies Act, 1956. Therefore, the provisions of sub clause (e), (f), and (g) of clause 4(iii) of the Order are not applicable to the company.
(b) The company has not taken any loans secured or unsecured from companies, firms, or other parties listed in the register maintained u/s 301 of the Companies Act, 1956. Therefore, the provisions of sub clause (a), (b), (c) and (d) of clause 4(iii) are not applicable to the company.
4. In our opinion and according to the information and explanations given to us there are adequate internal control procedures commensurate with the size of the company and the nature of its business, for the purchase of stores, raw materials, plant and machinery, equipment and other assets and for the sale of goods.
5. According to the information and explanations given to us, company has not entered into any transactions during the year in pursuance of contracts or arrangements with companies entered in the register maintained under section 301 of the Companies Act, 1956, aggregating to Rs. 5, 00,000/- or more.
6. In our opinion and as per the explanations given to us, the Company has not accepted any deposits from the public. Accordingly the provisions of this clause are not applicable to the Company.
7. In our opinion and as per the explanations given to us, the Company has an internal audit system commensurate with the size and nature of its business.
8. As explained to us, the Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the companies act, 1956 for the products of the company.
9. (a) According to the records, the company is regular in depositing with appropriate authorities statutory dues including Provident fund, ESI, Sales Tax, Excise duty and other material statutory dues applicable to it.

- (b) According to the records of the company, there are some arrears undisputed and outstanding for a period of more than six months from the date they became payable as at the end of the financial year.
10. In our opinion, the accumulated losses of the company are more than of its net worth. According to the information and explanations given to us there are no cash losses during the year under audit.
11. According to the information and explanations given to us, the matter relating to the payments due to Banks and financial institutions is before the Honorable Debt Recovery Tribunal. The matter is yet to be adjudicated. The company has amount of Rs. 50 lacs into the banks and financial institutions during the year under review.
12. According to the information and explanations given to us, the company has not given any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. As the Company is not a chit fund or not a nidhi or mutual benefit fund / Society, the provisions of this clause is not applicable to the Company.
14. The Company is not dealing in or trading in shares, securities, debentures and other investments. Therefore, the provisions of clause 4(xiv) of the Order are not applicable.
15. According to the information and explanations given to us the company has not given any guarantees for loans taken by others from banks or financial institutions. Therefore the provisions of clause 4(xv) of the Order are not applicable.
16. According to the information and explanations given to us the company has not taken any term loans during the year under review. Therefore the provisions of clause 4(xvi) of the Order are not applicable.
17. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company we report that no funds raised on short term bases have been used for long term investments.
18. According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained u/s 301 of the Companies Act.
19. According to the information and explanations given to us, the Company has not issued debentures.
20. During the year the Company has not raised any money by way of public issue.
21. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the period under audit.

For **PINNAMANENI & COMPANY**
CHARTERED ACCOUNTANTS

PVV SATYANARAYANA
Partner

Date: 20-07-2009

Place: Tirupathi

BALANCE SHEET AS ON MARCH 31, 2009

	Sch No.	Amount in Rs		Amount in Rs	
		As on 31.3.2009		As on 31.3.2008	
SOURCES OF FUNDS					
Share holders' funds					
Share capital	A	55,351,000		55,351,000	
Reserves & Surplus	B	1,535,979	56,886,979	1,535,979	56,886,979
Loan Funds					
Secured Loans	C	118,323,986		123,421,934	
Un Secured Loans	D	17,597,491	135,921,477	16,525,160	139,947,094
			192,808,456		196,834,073
TOTAL					
APPLICATION OF FUNDS					
Fixed Assets:					
Gross Block	E	131,221,531		130,940,766	
Less : Depreciation		109,690,611		101,041,843	
Net Block			21,530,920		29,898,923
Investments	F		701,500		701,500
Current Assets, Loans & Advances	G				
Inventories		3,384,268		5,416,988	
Sundry Debtors		19,071,362		17,653,018	
Cash & Bank Balance		1,452,146		1,054,656	
Loans & Other Advances		16,036,157		14,270,528	
		39,943,933		38,395,190	
Less: Current Liabilities & Provisions					
Current Liabilities	H	13,392,706		14,417,998	
Provisions		26,426,607		27,180,480	
Net Current Assets		39,819,313	124,620	41,598,478	(3,203,288)
Misc Expenditure to the extent not written off					
P&L Account			141,018,342		140,003,864
Development Expenditure not Capitalised	I		29,433,074		29,433,074
Total			192,808,456		196,834,073
Notes to Accounts	N				

As per our report of even date

For and on behalf of the Board of Directors

 For **Pinnamaneni & Co,**
 Chartered Accountants

PVV Satyanarayana
 Partner

P. Veernarayana
 Vice Chairman and Managing Director

P. Madhupratap
 Technical Director

 Place: Tirupati
 Date: 20-07-2009

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDING 31.3.2008

PARTICULARS	Sch No.	Amount in Rs.	Amount in Rs.
		31.3.2009	31.3.2008
INCOME			
Sales	J	88,880,317	75,263,228
Other Income	K	351,264	335,446
TOTAL		89,231,581	75,598,674
EXPENDITURE			
Cost of Goods Sold	L	73,510,727	66,045,182
Administrative Expenses	M	7,820,214	6,487,062
Depreciation		8,705,418	8,850,648
Total		90,036,359	81,382,892
Profit before Tax		(804,778)	(5,784,218)
Provision for FBT		80,376	77,467
Provision for Income Tax		-	-
Net Profit after Tax		(885,154)	(5,861,685)
Prior Period Items		129,324	836,491
Profit for the year		(1,014,478)	(6,698,176)
Balance Brought forward		(140,003,864)	(133,305,688)
Profit / (Loss) available for Appropriations		(141,018,342)	(140,003,864)
Transfer to General Reserve		-	-
Balance Carried Over to Balance Sheet		(141,018,342)	(140,003,864)

As per our report of even date

For and on behalf of the Board of Directors

For **Pinnamaneni & Co,**
Chartered Accountants

PVV Satyanarayana
Partner

P. Veernarayana
Vice Chairman and Managing Director

P. Madhupratap
Technical Director

Place: Tirupati
Date: 20-07-2009

SCHEDULES TO THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT

PARTICULARS	Amount in Rs.	
	31-3-2009	31.3.2008
<u>SCHEDULE A</u>		
SHARE CAPITAL		
Authorised Share Capital (1500000 of Equity Shares 10/- of each)	100,000,000	100,000,000
Issued ,Subscribed and Paidup Capital (55,35,100 Equity Shares 10/- of each)	55,351,000	55,351,000
Total	55,351,000	55,351,000

Particulars	Amount in Rs.	
	31-3-2009	31.3.2008
<u>SCHEDULE B</u>		
RESERVES & SURPLUS		
General Reserve	1,535,979	1,535,979
Add: Transferred During the Year	-	-
	1,535,979	1,535,979

Particulars	Amount in Rs.	
	31-3-2009	31.3.2008
SCHEDULE C		
SECURED LOANS		
Loans & Advances from Banks		
i. Cash Credit from Central Bank of India, Tirupati secured by hypothication of stock in Trade, Raw materials and Semi-finished Stocks, Stores and Spares etc. guaranteed by Directors on their individual capacity	14,826,289	19,826,289
ii. Cash credit from Central Bank of India, Tirupati branch secured by out ward bills, guaranteed by Debtors in their individual capacity	6,500,000	6,500,000
iii. Term loan from C.B.I., Tirupati branch secured by hypothication of Plant and Machinery of the Company, equitable mortgage of Land & Building of the Company in addition to the personal security of the Directors in their individual capacity	21,089,732	21,089,732
iv. Term Loan from Industrial Development Bank of India, Madras secured by Exclusive Charge on the Plant & Machinery acquired under the schem of equipment finance by the company in addition to the personal guarantee of the Directors.	22,500,000	22,500,000
Interest accrued and due thereon	41,706,576	41,706,576
v. Short term loan from APSPFC, Tirupati secured by personal security of Directors in their individual capacity	-	98,204
vi. State Bank of India, Sattipalli Branch	11,701,388	11,701,133
Total	118,323,986	123,421,934
Particulars	Amount in Rs.	
	31-3-2009	31.3.2008
SCHEDULE D		
UNSECURED LOANS		
Loans from others	2,371,500	2,396,500
Deferred Sales Tax	5,070,809	5,070,809
Interest free unsecured loans	5,567,772	5,416,501
Loans from Directors	4,587,410	3,641,350
Total	17,597,491	16,525,160

SCHEDULE-E: FIXED ASSETS

	GROSS BLOCK				Depreciation				Net Block	
DESCRIPTION	AS ON 01.04.08	ADDITIONS	DELETIONS	AS ON 31.03.09	Upto 31.3.08	Adjust - ment	For 2008-09	Upto . 31.03.09	As on 31.03.09	As on 31.03.08
LAND	4,382,786	256,415	-	4,639,201	-	-	-	-	4,639,201	4,382,786
FACTORY BUILDING	7,079,279	-	-	7,079,279	2,902,716	-	236,448	3,139,164	3,940,115	4,176,563
ADMINISTRATION BUILDING	7,668,465	-	-	7,668,465	1,595,716	-	124,996	1,720,712	5,947,753	6,072,749
PLANT & MACHINERY	105,165,512	-	-	105,165,512	90,800,309	-	8,199,071	98,999,380	6,166,132	14,365,203
FURNITURE & FIXTURE	1,251,788	-	-	1,251,788	957,198	-	79,238	1,036,436	215,352	294,590
COMPUTERS, FAX & O.EQUIP	3,406,679	81,000	-	3,487,679	2,799,647	-	65,665	2,865,312	622,367	607,032
VEHICLES	1,966,257	-	56,650	1,929,607	1,986,257	56,650	-	1,929,607	-	-
TOTAL	130,940,766	337,415	56,650	131,221,531	101,041,843	-	8,705,418	109,690,611	21,530,920	26,898,924

Particulars	Amount in Rs.	
	31-3-2009	31.3.2008
SCHEDULE F		
INVESTMENTS		
Unquoted Investments at Purchase Cost (150 Equity Shares of Rs. 10 each in India Automotive Ltd., Jamshedpur)	1,500	1,500
Quoted Investments at Cost (70000 Equity Shares of Rs. 10 each in Sibar Finance Ltd., Vijayawada)	700,000	700,000
Total	701,500	701,500

Particulars	Amount in Rs.	
	31-3-2009	31.3.2008
SCHEDULE G		
CURRENT ASSETS, LOANS AND ADVANCES		
A. CURRENT ASSETS		
i. Inventories (at lower of Cost or Net Realisable Value as taken, valued & certified by the Management)		
Raw Materials and Pistons	1,796,021	1,304,783
Stores and Spares	306,224	1,103,260
Packing Material	10,578	173,972
Chemicals and Others	391,908	935,507
Finished Stocks	501,021	279,500
Semi-finished Stock	374,900	1,613,310
HSD Stock	3,616	6,656
Total (i)	3,384,268	5,416,988

Particulars	Amount in Rs.	
	31-3-2009	31.3.2008
ii. Sundry Debtors (Unsecured and Considered good for which the Company holds no Security other than Debtors personal security)		
Debtors Outstanding for Period exceeding 6 months	14,454,777	10,426,865
Others	10,616,585	13,226,153
	25,071,362	23,653,018
Less: Provision for Doubtful Debts	6,000,000	6,000,000
Total (ii)	19,071,362	17,653,018
iii. Cash and Bank balances		
Cash in hand	36,532	15,102
Cash at Bank	1,214,891	838,830
SBI Dividend Account	200,724	200,724
Total (iii)	1,452,146	1,054,656
Total (A)	23,907,776	24,124,662
B. LOANS AND ADVANCES		
Advances Recoverable in Cash or in kind or for value to be received		
Income-tax deducted at source	1,466,243	1,364,536
Advance Tax	308,990	308,990
Deposits	704,856	698,306
Salary Advances	667,406	707,838
Advance to Others	11,407,841	10,330,868
IIBI	472,500	472,500
Excise Duty Recoverable under MODVAT	987,440	366,609
Interest Receivables	20,881	20,881
Total (B)	16,036,157	14,270,528
Grand Total (A and B)	39,943,933	38,395,190

Particulars	Amount in Rs.	
	31-3-2009	31.3.2008
SCHEDULE H		
CURRENT LIABILITIES AND PROVISIONS		
A. CURRENT LIABILITIES		
Sundry Creditors	12,624,444	13,146,129
Advances from Parties	160,000	160,000
Statutory Liabilities	407,538	911,145
Unclaimed Dividend	200,724	200,724
Total (A)	13,392,706	14,417,998
B. PROVISIONS		
Provision for Provident Fund	32548	22,249
Provision for ESI	14499	8,208
Others	26379560	27,150,023
Total (B)	26426607	27180480
Grand Total (A and B)	39,819,313	41,598,478

Particulars	Amount in Rs.	
	31-3-2009	31.3.2008
SCHEDULE I		
MISCELLANEOUS EXPENDITURE NOT WRITTEN OFF		
Development expenditure not capitalised	29,433,074	29,433,074
Total	29,433,074	29,433,074

Particulars	Amount in Rs.	
	31-3-2009	31.3.2008
SCHEDULE J		
SALES		
Indegeneous Sales less returns	68,934,805	58,428,894
Job Works	19,945,512	16,834,334
Total	88,880,317	75,263,228

Particulars	Amount in Rs.	
	31-3-2009	31.3.2008
SCHEDULE K		
Other Income		
MISCELLANEOUS INCOME	66,614	200,446
Rent Received A/c	228,000	135,000
PROFIT ON SALE OF VEHICLE	56,650	-
Total	351,264	335,446

Particulars	Amount in Rs.		Amount in Rs.	
	31.03.2009		31.03.2008	
SCHEDULE L				
COST OF GOODS SOLD				
Opening Stock of				
Raw Materials, Pistons, Chemicals & Others	2,240,290		1,512,729	
Work in Progress	1,613,310		5,091,790	
	3,853,600		6,604,519	
Add: Purchases	38,283,122	42,136,722	31,961,628	38,566,147
Less:				
Closing Stock of				
Raw Materials, Pistons, Chemicals & Others	2,187,929		2,240,290	
Work in Progress	374,900	2,562,829	1,613,310	3,853,600
		39,573,893		34,712,547
Material Consumed:				
Manufacturing Expenses				
Stores and Spares	10,540,425		8,240,066	
Fuel Expenses	565,504		381,416	
APGST	-		1,693	
CST Paid	1,320,580		1,642,695	
Excise Duty Paid	7,758,549		7,887,848	
Dies Milling	1,240,697		1,953,032	
Medical Expenses	61,302		48,664	
Machining Charges	322,547		86,159	
Packing Material	505,357		165,918	
Power Charges	3,745,948		3,452,283	
Repairs & Maintenance (Building)	472,561		442,771	
Repairs & Maintenance (Electricity)	276,584		207,423	
Repairs & Maintenance (Others)	328,609		341,512	
Repairs & Maintenance (Plant)	420,364		343,798	
SHE Cess	77,575		78,874	
Education Cess	155,163		157,758	
VAT	51,757		98,853	
Incentives	4,411,346		4,438,646	
Wages	1,707,288		1,263,797	
Vehicle hire charges	196,199	34,158,355	375,329	31,608,535
Cost of Goods Produced		73,732,248		66,321,082
Add: Opening Stock of Finished Goods		279,500		3,600
		74,011,748		66,324,682
Less: Closing Stock of Finished Goods		501,021		279,500
Total		73,510,727		66,045,182

SCHEDULE M	Amount in Rs.	
	31-3-2009	31.3.2008
ADMINISTRATIVE EXPENSES		
Advertisement Expenses	33,523	20,750
AGM Expenses	23,500	12,800
Audit Fees	45,000	45,000
Bank Charges	13,195	29,484
Canteen	705,568	319,125
Consultancy Charges	372,291	123,734
Conveyance	341,619	254,515
Custody Fee	22,472	-
Directors' foreign tour expenses	-	182,303
Directors' Remuneration	360,000	360,000
Directors' Sitting Fee	10,000	8,000
Directors' Travelling	277,905	150,219
ESI	112,495	78,499
Exgratia	88,900	79,750
Fees Paid	53,200	-
Filing Charges	783	2,280
Freight Outwards	127,150	480,395
Gratuity	41,110	45,144
House Rent Allowances	132,000	192,000
Insurance Charges	-	52,935
Interst Charges	18,423	152,862
Journals and Periodicals	10,453	39,999
Legal & Professional Expenses	654,443	163,860
Listing Fee	15,000	-
Miscellaneous Expenses	610,703	578,425
Office Maintenance	59,651	101,150
Pooja Expenses	218,077	-
Postage & Telegrams	29,411	16,548
Printing and Stationary	200,752	158,040
Providend Fund	195,976	143,638
Rates, Taxes, Fines and Fees	250,409	241,490
Rent	97,609	36,800
Repairs and Maintenance (Office Equipment)	17,330	-
Salaries	427,375	305,319
Sales Promotion	363,255	299,448
Service Charges	42,058	-
Staff Welfare Expenses	53,493	70,804
Staff Welfare Fund	448	728
Subscription Paid	4,000	-
Telephone Charges	307,884	401,807
Travelling Expenses	615,304	709,614
Vehicle Maintenance	255,366	284,376
Watch & Ward	384,483	345,221
Workmen Compensation	227,600	-
Total	7,820,214	6,487,062

SCHEDULE – N:

ACCOUNTING POLICIES AND NOTES TO ACCOUNTS:

SIGNIFICANT ACCOUNTING POLICIES:

1. Accounting Assumptions:

These accounts have been prepared under the historical cost convention and on the basis of a going concern, with revenues recognized and expenses accounted on their accrual including provisions/adjustments for committed obligations and amounts determined as payable or receivable during the year.

2. Fixed Assets

Fixed Assets are accounted at cost unless stated otherwise. Cost of acquisition inclusive of inward freight, duties and taxes and incidentals related to acquisitions.

3. Inventories

Inventories have been valued at lower of cost or net realizable value whichever is less. The cost of purchases of inputs includes excise duty, custom duty less CENVAT availed.

4. Depreciation :

Depreciation for the year calculated on straight line method basis at the rates prescribed in schedule-XIV to the Companies Act, 1956. Depreciation on assets purchased during the year is calculated on pro-rata basis from the date of purchase.

5. Revenue Recognition

Revenue is recognized from the sale of goods as and when the goods are delivered and title to the ownership is transferred. Sales is inclusive of Excise duty and sales tax.

6. Unclaimed dividend

Unclaimed dividend 1994-95, 1995- 96 for Rs. 46,969 and Rs. 1,53,754 respectively are not transferred to Central Government a/c. so far.

7. MISCELLANEOUS EXPENDITURE

Development expenditure not adjusted appearing in miscellaneous expenditure represents expenditure incurred in connection with Research Development expenditure on up gradation of existing technology.

8. DIRECTORS REMUNERATION

PARTICULARS:

	For the year	
	2008-09	2007-08
Basic Salary	360000	360000
Provident Fund	43200	43200
HRA	108000	132000
Other Perks	Nil	Nil

9. AUDIT FEE PARTICULARS:

	For the year	
	2008-09	2007-08
Statutory Audit	35000	35000
Management Services & Tax audit	5000	5000
Sales Tax Audit	5000	5000

10. QUANTITATIVE PARTICULARS :

Description	Opening Stock		Purchases		Production		Consumption		Sales		Closing Stock	
	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08
Raw Materials Indigenous (KGs)	7138	593	265050	235705	-	-	258974	229160	-	-	13214	7138
Cylinders (NOs)	632	12	-	-	117161	97196	-	-	116721	96576	1072	632
Others(KGs)	-	-	-	-	10516	12486	-	-	10516	12486	-	-
Dies(NOs)	-	-	-	-	6	12	-	-	6	12	-	-

10. CAPACITY :

	2008-09	2007-08
Licensed Capacity	NA	NA
Installed Capacity (No.'s)	540000	540000
Actual Production (No.'s)	117161	97196

12. CAPITAL COMMITMENTS:

The estimated amount of capital commitments on unexecuted order is Rs. NIL.

13. Sundry debtors and sundry creditors' balances are subject to reconciliation and confirmation.

14. Contingent liabilities not provided for.

(i) During the year 1996-97 the company has won the appeal against the order of Assistant commissioner of Income Tax Circle-1, Tirupati for the assessment year 1992-93 & 1993-94 and the company has got refund of Rs.3.33-lacs. The Income Tax Department has gone for second appeal for which the company is contesting. The liabilities in this regard are Rs.3.33-lacs.

(ii) The company has not provided liability for Income-tax as against the orders of Assistant Commissioner of Income- Tax, Circle-2(1), Tirupati for the assessment years 1997-98, 1999-00 & 2000-01 as the company is disputing the claim. The amount works out to Rs.3,27,849

(iii) The Company has not provided interest for the year on Loans outstanding to State

Bank of India, Central Bank of India and IDBI Bank balance amount as the Company is disputing the claims of the Banks. Since the matter is sub-judice and the amount of the settlement is not known, the same could not be ascertained.

(iv) The Company has not provided for claims arising from disputes amounting to Rs. 20 lakhs in connection with cases pending before the consumer court.

15. The Company has not provided gratuity liability; in the absence of Information the amount could not be quantified.

16. As the Company does not expect sufficient future taxable Income, no deferred tax assets has been provided.

17. Since the Company is manufacturing only one item no segment reporting is given.

18. There are no related party transactions during the year.

19. Previous year figures were regrouped or rearranged wherever considered necessary to be in line with the current year classification.

for **SIBAR AUTO PARTS LIMITED**

as per our Report of Even date
for Pinnamaneni & Co.,
Chartered Accountants

P.Veeranarayana
(Vice-Chairman &
Managing Director)

P. Madhuprathap
(Technical Director)

P.V.V.Satyanarayana
(Partner)

CASH FLOW STATEMENT PURSUANT TO LISTING AGREEMENT

	As At 31st March, 2009 (Amount in Rs.)		As At 31st March, 2008 (Amount in Rs.)	
A CASHFLOW FROM OPERATING ACTIVITIES				
Net profit before taxation, and extraordinary item	(885,154)		(5,861,686)	
Less: Prior period Items	129,324		836,491	
Add: Extra ordinary Items	-		-	
Netprofit /Loss after extraordinary Items		(1,014,478)		(6,698,177)
Adjustments for :				
Depreciation	8,705,418		8,850,648	
Unrealised exchange loss			-	
Interest income			-	
Dividend income			-	
Profit on sale of asset	(56,650)			
Interest expense	18,423		152,862	
Miscellaneous Expenses written off		8,667,191	-	9,003,510
Operating profit before working capital changes		7,652,713		2,305,333
Changes in sundry debtors	(3,183,973)		(5,583,052)	
Changes in inventories	2,032,722		3,332,462	
Changes in sundry creditors	(1,779,165)		2,043,102	
Changes in Other Current Assets	-		-	
Changes in Other Current Liabilities	-	(2,930,416)	-	(207,488)
Income Taxes Paid				
Net cash from operating activities		4,722,297		2,097,845
B Cash flows from investing activities				
Purchase of fixed assets	(337,415)		(1,590,313)	
Proceeds from sale of equipment	56,650		-	
Interest received			-	
Dividends received			-	
Net cash from investing activities		(280,765)		(1,590,313)
C Cash flows from financing activities				
Proceeds from issuance of share capital			-	
Proceeds from long-term borrowings	1,072,331		67,849	
Repayment of long-term borrowings	(5,097,948)		(341,033)	
Interest paid	(18,423)		(152,862)	
Dividends paid			-	
Net cash used in financing activities		(4,044,040)		(426,046)
Net increase in cash and cash equivalents		397,492		81,486
Cash and cash equivalents at beginning of period		1,054,654		973,168
Cash and cash equivalents at end of period		1,452,146		1,054,654

As per our report of even date

For and on behalf of the Board of Directors

For **Pinnamaneni & Co,**
Chartered Accountants

PVV Satyanarayana
Partner
Place: Tirupati
Date: 20-07-2009

P. Veernarayana
Vice Chairman and Managing Director

P. Madhupratap
Technical Director

**INFORMATION PURSUANT TO PART IV OF SCHEDULE VI OF
THE COMPANIES ACT, 1956**

**BALANCE SHEET ABSTRACT AND COMPANY'S
GENERAL BUSINESS PROFILE**

- I. Registration Details :
 Registration No. : 01-003817 State Code : 01
- Balance Sheet Date Date Month Year
 31 03 2009
- II. Capital Raised during the year (Rs. in Thousands)
 Public Issue : - Nil- Right issue : - Nil -
 Bonus Issue : - Nil - Private Placement : - Nil -
- III. Position of Mobilisation and Development of Funds (Rs. in Thousands)
 Total Liabilities : 192808 Total Assets : 192808

Sources of Funds

Paid up Capital	: 55351	Reserves & Surplus	: (139482)
Secured Loans	: 118323	Unsecured Loans	: 17597

Application of Funds

Net Fixed Assets	: 21531	Investments	: 702
Net Current Assets	: 125	Misc. Expen	: 29433
Accumulated Losses	: - Nil -		

- IV. Performance of the Company (Rs. in thousands)
 Turnover : 88880 Total Expenditure : 90036
 Profit/Loss Before Tax : (885) Profit/Loss After Tax : (885)
 Earnings per share (Rs.): - Nil - Dividend Rate : - Nil-

- V. Generic Names of three Principal Products / Services of Company
 (As per monetary terms).

Item Code 84073202
 Product Description Aluminium Chromeplated Cylinders capacity
 exceeding 50cc but not exceeding 250cc for
 motorcycles.

for **SIBAR AUTO PARTS LIMITED**

Place : Tirupati
 Date : 20.07.2009

P.Veeranarayana
 Vice-Chairman and Managing Director

P. Madhuprathap
 Technical Director

Attendance Slip

SIBAR AUTOPARTS LIMITED

**REGD. OFFICE : D-4 & D-5 INDUSTRIAL ESTATE
RENIGUNTA ROAD, TIRUPATI-517506**

Please complete this attendance slip and hand it over at the entrance of the hall.

*Only members or their proxies are entitled to be present at the Meeting.

*Please note that children will not be allowed inside the meeting hall.

Folio No.	No. of shares
Name & Address	

I hereby record my presence at the Twenty Six Annual General Meeting being held at Regd. Office : D-4 & D-5 Industrial Estate, Renigunta Road, Tirupati-517506, at 3.30 p.m. on Saturday, 21st November, 2009

Signature of the Shareholder / Proxy :

- Strike whichever is not applicable.

Proxy

SIBAR AUTOPARTS LIMITED

**REGD. OFFICE : D-4 & D-5 INDUSTRIAL ESTATE
RENIGUNTA ROAD, TIRUPATI-517506**

Folio No.

No. of Shares :

I / We _____

_____ being a Member / Members of Sibar Autoparts Limited here by appoint.

_____ of _____

of failing him _____ of _____

of failing him _____ of _____

as my / our proxy to attend and vote for me / us and on my / our behalf at Twenty Six Annual General Meeting of the company to be held at 3.30 p.m. on Saturday, the 21st November, 2009 and any adjournment thereof.

Dated this _____ day of _____ 2009

Signed by the said _____



Note : The proxy form duly signed by the member(s) across 1 Rupee Revenue stamp should reach the company's share department at Regd. Office of the company at least 48 hours before the time fixed for the meeting.

BOOK POST

If undelivered, Please return to :

SIBAR AUTOPARTS LIMITED

D-4 & D-5, Industrial Estate,
Renigunta Road, TIRUPATI - 517 506
Andhra Pradesh.

Tel : (0877) 22 74765, 2271990

Fax: 0877 - 2271991

E-mail:sibarauto77@yahoo.com