

SAR AUTO PRODUCTS LIMITED

BOARD OF DIRECTORS Shri Rameshbhai Dhurlajibhai Virani
Shri Shreyas Rameshbhai Virani
Shri Amit Jayantilal Gosaliya (Upto 29th February,2012)
Shri Issacthomas Charianthomas Kavunkal

AUDITORS Arun M. Kothari
Chartered Accountant
4, Jaygujarat society,
Opp. Police Commissioner Office,
Shahibaugh,
Ahmedabad-380 004

BANKERS Industrial Development Bank of India
Amrish, Near K K V Circle,
Kalawad Road,
Rajkot (Gujarat) – 360 005.

REGISTERED OFFICE 50-E, Bhaktinagar Industrial Estate,
Rajkot – 360 002.

**REGISTRARS &
SHARE TRANSFER
AGENTS** Link Intime India Private Limited.
Unit No. 303,03rd Floor,
Shoppers Plaza V,Opp. Municipal Market
Behind Shoppers Plaza II,
Off: C.G. Road
Ahmedabad – 380 009.

SAR AUTO PRODUCTS LIMITED

50E, Bhaktinagar Industrial Estate,
Rajkot 360 002

NOTICE

Notice is hereby given that the **TWENTY FIFTH ANNUAL GENERAL MEETING** of the Members of the Company will be held on 29th September, 2012, at 11.00 A. M., at the Registered Office of the Company situated at 50E, Bhaktinagar Industrial Estate, Rajkot 360002, to transact the following business

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012 and the Profit & Loss Account for the year ended on that date together with the Report of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Issacthomas C. Kavunkal who retires by rotation and being eligible offers himself for re- appointment.
3. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS:

4. 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 269, 309 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956(including any statutory modification or reenactment thereof, for the time being in force) Shri Rameshbhai D. Virani, director of the company be and is hereby re- appointed as Managing Director for a period of 5 years w.e.f 29th September, 2012 liable to retire by Rotation at remuneration as approved by Remuneration Committee and subject to ratification from time to time.

RESOLVED FURTHER THAT in event of any statutory amendment or modification or relaxation by the Central Government to Schedule XIII to the Companies Act, 1956 the remuneration committee be and is hereby authorised to vary or increase the remuneration, including salary, perquisites, allowance etc. within such prescribed limit or ceiling without any further reference to the Company in general meeting and to take all steps to give effect to this resolution.”

Registered Office:
50, Bhaktinagar Industrial Estate,
Rajkot 360 002

By Order of the Board

Date :29th May, 2012

RAMESHBHAI D VIRANI
Chairman - Managing Director

NOTES

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER THE INSTRUMENT APPOINTING PROXY SHOULD HOWEVER BE DEPOSITED AT THE SHARE DEPARTMENT OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- (b) The Register of Members and Share Transfer Books will remain closed from 23rd September, 2012 to 29th September, 2012 (both days inclusive) for the purpose of Annual General Meeting.
- (c) All correspondence relating to the Change of Address and Shares of the Company may please be addressed to the Company's Registrar and Share Transfer Agent, LINK INTIME INDIA PRIVATE LIMITED at Unit No. 303, 3rd Floor Shoppers Plaza V, Opp. Municipal Market, Behind Shoppers Plaza II, Off: C. G. Road Ahmedabad 380 009.
- (d) The Members/Proxies are requested to produce the attendance slip duly completed and signed at the entrance of the meeting.
- (e) Members are requested to bring their copy of the Annual Report to the Meeting, as copies of the Report will not be distributed at the Meeting.
- (f) Members seeking further information about the Accounts and/or Operations of the Company, are requested to send their queries to the Company at its Registered Office atleast TEN days before the date of the Meeting.

Registered Office:
50, Bhaktinagar Industrial Estate,
Rajkot 360 002

By Order of the Board

Date:29th May, 2012

RAMESHBHAI D VIRANI
Chairman - Managing Director

EXPLANATORY STATEMENT PURSUANT TO PROVISION OF SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM NO: 4

Shri Rameshbhai D. Virani is the Managing Director of the company and his term as Managing Director is to be expired and his work has been appreciated and now Board of Director recommends to re-appoint him as a Managing Director for the period of 5 years with effect from 29th September, 2012

The Board recommends the resolution for your approval.

Except Shri Rameshbhai D. Virani no other director is deemed to be concerned or interested in the Resolution.

DIRECTORS' REPORT

To,
The Members

Your Directors have pleasure in presenting their **ANNUAL REPORT** together with the Audited Statement of Accounts of your Company for the year ended **31st March, 2012**.

(Rupees in Lac)

Financial Results	2011-12	2010-11
Income from operations	222.89	213.33
Add : Other Income	52.13	59.47
Total Income	275.02	272.79
Less : Total Expenditure	224.48	182.23
Profit/(Loss) before Depreciation write off and Interest	50.54	90.56
Less: Interest	1.99	4.68
Less: Depreciation & Miscellaneous Expenses Written Off	72.88	85.91
Profit / (Loss) before tax	(24.33)	(0.03)
Less: Provision for tax:		
Current Tax		
Deferred Tax Assets	4.27	3.00
Fringe Benefit tax		
Profit/(Loss) after tax	(20.06)	2.97

Dividend

Looking at the current position of the business, Your Directors do not recommend any dividend.

Directors

Shri Issacthomas C. Kavunkal will retire by rotation and being eligible offers himself for re-appointment.

Review of Operations

There is Increase in sales compare to previous year. During the year the Company has made turnover of Rs. 2,22,88,930 /- in comparison to previous of Rs. 2,13,32,638. However the company has incurred Loss of Rs. 20,06,563 in comparison to previous year of loss of Rs. 2,97,830/-

Directors' Responsibility Statement

Your directors confirm:

- (i) that in the preparation of the annual accounts, the applicable accounting standards have been followed;
- (ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the year ended **31st March,2012** and of the Profit of the company for that year;
- (iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act,1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors have prepared the accounts on a going concern basis.

Corporate Governance:

A separate report on Corporate Governance along with Auditor's Certificate on its compliance is attached as a part of the Annual Report.

Audit Committee:

Pursuant to the provisions of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement of the Stock Exchanges, the Audit Committee comprises of the following Directors:

Mr. Amit Jayantilal Gosaliya (Upto 29-02-2012)(Ceased as Director due to Death) :
Mr. Issac Thomas C Kavunkal
Mr. Rameshbhai D. Virani
Mr. Shreya R. Virani (After 29-02-2012)

The Audit Committee reviews, acts and reports to the Board with respect to various auditing and accounting matters

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings And Outgo

In accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956, the required information relating to the same is annexed.

Particulars of Employees

There are no employees whose details are required to be mentioned as per Section 217(2A) of the Companies Act, 1956.

Auditors

ARUN M. KOTHARI, Chartered Accountant the Auditors of the Company will retire at the conclusion of the ensuing Annual General Meeting. They have consented to continue and act as Auditors of the Company for the current year, if re-appointed.

Secretarial Compliance Certificate:

In accordance with Section 383A of the Companies Act, 1956 and Companies (Compliance Certificate) Rules, 2001, the company has obtained a certificate from a Company Secretary in whole time practice pursuant to the provisions of the Companies Act, 1956 and a copy of such certificate is attached to this report.

Acknowledgement

The Directors takes this opportunity to thank the Bank and the members for their continued confidence in the company.

For and on behalf of the Board

RAMESHBHAI D. VIRANI
Chairman - Managing Director

Date : 29-05-2012
Place: Rajkot

ANNEXURE TO DIRECTORS' REPORT

FORM - A

Conservation of Energy

Annexure 1 to Directors' Report - Information under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 and Forming part of Director's Report.

		2011-2012	2010-2011
I	Power & Fuel Consumption		
	Electricity		
	a) Purchased	Nil	Nil
	Units	168789	140474
	Total Amount Rs.	917944	830990
	Rate/Unit Rs.	5.44	5.92

FORM - B

Form for disclosure of particulars with respect to Technology Absorption

1.	Expenditure on R & D	
	a) Capital	Rs. NIL
	b) Recurring	Rs. NIL
	c) Deferred	Rs. NIL
	d) Total	Rs. NIL

Foreign Exchange Earnings and Outgo

1.	Earning in Foreign Exchange	Rs.	97.97 lacs
2.	Expenditure in Foreign Exchange	Rs.	1.98 lacs

For and on behalf of the Board

RAMESHBHAI D. VIRANI
Chairman - Managing Director

Date: 29-05-2012

Place: Rajkot

K. P. Rachchh & Co.

317, Krishna Con-Arch-2, 3rd Floor, Tagor Road, Rajkot.

E-mail : rachhkalpesh@gmail.com Cell : 98242 90889,

Ph : 0281 3013899, 3015119

----- Company Secretaries

CIN: L34100GJ1987PLC010088

COMPLIANCE CERTIFICATE

To,
The members of
SAR AUTO PRODUCTS LIMITEED
50-E BHAKTINAGAR INDUSTRIAL ESTATE
RAJKOT.

We have examined the registers, records, books and papers of SAR AUTO PRODUCTS LIMITEED as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2012. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, We certify that in respect of the aforesaid financial year :

1. The company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made thereunder and all entries have been duly recorded.
2. The company has filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies within the time prescribed under the Act and the rules made thereunder.
3. The company being Public limited company this clause is not applicable.
4. The Board of Directors duly met 06 times on 30-04-2011, 28-05-2011, 30-07-2011, 30-10-2011, 31-01-2012 and 01-03-2012 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed the Minutes Book maintained for the purpose.
5. The company has closed its Register of Members from 24th September, 2011 to 30th September, 2011 for the purpose of AGM.
6. The Annual General Meeting for the financial year ended on 31st March, 2011 was held on 30th September, 2011 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No extra ordinary general meeting was held during the financial year.
8. The company has not Advanced any loans to its directors or persons or firms or companies referred to under section 295 of the Act
9. The company has not entered into any contract during the financial year under scrutiny which attracts the provisions of section 297 of the Act.

K. P. Rachchh & Co.

317, Krishna Con-Arch-2, 3rd Floor, Tagor Road, Rajkot.

E-mail : rachhkalpesh@gmail.com Cell : 98242 90889,

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----- Company Secretaries

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10. The Company has made necessary entries in the register maintained under section 301 of the Act.
 11. As there were no instances falling within the purview of section 314 of the Act, the company has not obtained any approvals from the Board of directors, members or Central Government.
 12. The Company has not issued any duplicate share certificates during the financial year under scrutiny.
 13. The company has :
 - a. Delivered all the certificates on lodgment there of for transfer/transmission or any other purpose in accordance with the provisions of the Act;
 - b. not deposited any amount in separate Bank account as no dividend was declared during the financial year.
 - c. not required to post warrants to any member of the company as no dividend was declared during the financial year.
 - d. no amount lying in the Books of Account in respect of unpaid dividend, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years.
 - e. Duly complied with the requirements of section 217 of the Act.
 14. The Board of Directors of the company is duly constituted.
 15. The company has not appointed managing director/whole time director/Manager under section 269 of the Act during the year.
 16. No sole selling agent was appointed during the financial year under scrutiny.
 17. The company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such authorities prescribed under the various provisions of the Act during the financial year.
 18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
 19. The company has not issued any shares/debentures/other securities during the financial year.
 20. The Company has not bought back any shares during the year.
 21. The company has not redeemed any preference shares/debentures during the financial year.
 22. There were no transactions necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
 23. The company has not invited/accepted any deposits including any unsecured loans falling within the purview of section 58A during the financial year.

K. P. Rachchh & Co.

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----- Company Secretaries

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24. The amount borrowed by the Company from Directors, public Financial Institution, Banks and others during the financial year ending 31st March, 2012 is within the borrowing limits of the Company.
 25. The company has not made any loans or advances or given guarantees or provided Securities to other bodies corporate and consequently no entries have been made in the Registers kept for the Purpose.
 26. The company has not altered the provisions of the memorandum with respect to situation of the registered office of the Company during the year under scrutiny.
 27. The company has not altered the provisions of the memorandum with respect to the objects of the company during the year under scrutiny.
 28. The company has not altered the provisions of the memorandum with respect to name of the company during the year under scrutiny.
 29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under review.
 30. The Company has not altered its Articles of Association during the year.
 31. There was no prosecution initiated against or show cause notice received by the company during the financial year, for offences under the Act.
 32. The Company has not received any security whatsoever from its employees during the year.
 33. The company was not required to deposit both employee's and employer's contribution to Provident Fund with prescribed authorities pursuant to Section 418 of the Companies Act, 1956.

For: K. P. RACHCHH & CO.
Company Secretaries,

Signature:

Place: Rajkot
Date : 29th May, 2012

(CS KALPESH RACHCHH)
Proprietor
C.P. No.: 3974

K. P. Rachchh & Co.

317, Krishna Con-Arch-2, 3rd Floor, Tagor Road, Rajkot.

E-mail : rachhkalpesh@gmail.com Cell : 98242 90889,

Ph : 0281 3013899, 3015119

----- Company Secretaries

Annexure A

Registers as maintained by the Company

1. Register of Charges u/s 143/ Copies of instruments creating charges u/s 136
2. Register of Members u/s 150
3. Register of Transfer
4. Register of directors, managing director, manager and secretary u/s 303
5. Register of directors' shareholding u/s 307
6. Register of Contracts, companies and firms in which Directors of the Company are interested u/s 297, 299, 301 and 301(3) of the Act.
7. Minutes of the General Meeting & Board Meeting u/s 193 of the Act.

Annexure B

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending on 31st March, 2012.

Sr. no.	Forms	Purpose	Filed on
1	Form 23AC & FM 23ACA	Under Section 220 of the Act.	26-12-2011
2	Form 20B	Under Section 159 of the Act.	29-11-2011
3	Form 66	Under Section 383(A) of the Act	11-10-2011
4	Form 32	Under Section 303(2) of the Act	20-03-2012

The company has not filed any forms or returns with Regional Director, Central Government or other Authorities during the financial year ending on 31st March, 2012.

For: K. P. RACHCHH & CO.
Company Secretaries,

Signature:

Place: Rajkot
Date : 29th May, 2012

(CS KALPESH RACHCHH)
Proprietor
C.P. No.: 3974

SAR AUTO PRODUCTS LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Clause 49 of Listing Agreement, a Management Discussion & Analysis report is given below:-

INDUSTRY STRUCTURE AND DEVELOPMENTS

In this year there is increase in Production. In this year there is Production of 49348 auto parts as compared to last year production of 31132 auto parts components. In terms of Turnover the company has achieved the turnover of Rs. 2,22,88,930/-.

OUTLOOK ON OPPORTUNITIES, THREATS, RISK AND CONCERN

The Company is carrying on the business of manufacturing of auto components. In today's parlance Auto component industry has growth potential as the population is increasing, demand of vehicle in all segment is increasing. However government policy and increasing inflation ratio are the major risk to all the industries.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company is committed to maintaining high standards of internal controls designed to provide accuracy of information, efficiency of operations, and security of assets. The company has adequate internal controls commensurate with the size and nature of its operations to ensure orderly and efficient conduct of business.

These controls ensure the safeguarding of assets, prevention and detection of fraud and error, Irregularities. The accuracy and completeness of the accounting records, timely preparation of reliable financial information and adherence to Companies' policies, procedures and legal obligations. The audit committee of the Board of Directors meets periodically to review the performance as reported by the auditors.

FINANCIAL PERFORMANCE

As stated earlier, the Company has started its commercial production and achieved the turnover of Rs.2,22,88,930/- in the Financial year 2011-2012. The company has incurred loss due to high cost of Manufacturing and administration expenses and market situation Company has incurred loss of Rs. 24.33 lacs in comparison to Loss of Previous Year of Rs. 0.025 Lacs.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT.

There has been no material development on the Human Resource/ Industrial Relations Front during the year.

CAUTIONARY STATEMENT

Management Discussion and Analysis Report are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized by the Company. Actual results could differ materially from those expressed or implied. Important factors that could make deference to the Company's operation include global and Indian market conditions, changes in the Government Regulations, Tax regimes, WTO Regulations and such other factor.

The Company assumes no responsibility to publicly amend, modify or revise any of these statements on the basis, of any subsequent developments, information or events.

SAR AUTO PRODUCTS LIMITED

REPORT ON CORPORATE GOVERNANCE

As required under clause 49 of the Listing Agreement, a Separate Report on Corporate Governance is given below for the financial year ended 31st March, 2012 along with certificate of auditors of the Company.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance is very important to built confidence and trust which leads to strong, stable and long term partnership with the Investors and all other Stakeholders. The detailed Report on implementation of Corporate Governance Code as incorporated in Clause 49 of the Listing Agreement with the Stock Exchange/s is set out below.

2. BOARD OF DIRECTORS:

(I) Composition of Board:

The Board consists of 3 Directors showing the fair combination of Executive, Non-Executive and Independent Directors. The directors are different in respect of the knowledge and expertise in the field. Some of the directors are professionals from different field; some are having the vast knowledge and experience of marketing/Production

(II) Attendance of each Director at the Board Meetings and Annual General Meeting:-
6 (Six) Board Meetings were held during the financial year 2011-2012.

No.	Name of Director	Category	No. Of Board Meeting Attended	Attendance at Last AGM
1	Shri Rameshbhai Virani	NI- E	6	Yes
2.	Shri Shreyas Virani	NI-E	6	Yes
3	Shri IssacThomas C Kavunkal	IND-NE	6	Yes
4.	*Shri Amit Jayantilal Gosaliya	IND-NE	5	Yes

NI- non independent, NE- non executive, IND- independent, E- executive

* Ceassed on 29th February, 2012 due to Death

(III) No. of other Companies or Committees The Director is Director/Chairman

No.	Name of Director	No. of other Directorship	No. of Committees in which Member
1	Shri Ramesh Virani	Nil	3
2	Shri Shreyash Virani	Nil	3
3	Shri Issac Thomas C Kavunkal	Nil	3
4	*Shri Amit Jayantilal Gosaliya	Nil	1(Upto 29-02-2012)

(III) Details of Director Appointment/Reappointment in Forthcoming Annual General Meeting

Name Of Director	Issacthomas C. Kavunkal
Date of Birth	24-05-1959
Date of Appointment	01-03-2010
Expertise is Specific functional Area	Administration
List of Public Limited Companies	Nil

in which Directorship held	
Chairman	2
Member of the committees	1
Chairman/Member of the committees of Directors of other companies	Nil

(IV) NUMBER OF BOARD MEETINGS HELD AND THE DATES OF BOARD MEETING

6 (Six) Board Meetings were held during the financial year 2011-2012 on following dates:
30-04-2011, 28-05-2011, 30-07-2011, 30-10-2011, 31-01-2012 and 01-03-2012

3. AUDIT COMMITTEE:

(I) COMPOSITION OF COMMITTEE:

As a measure of good corporate governance and to provide assistance to the Board of Directors in overseeing the Boards responsibilities your company had constituted an Audit Committee. The Committee covers matters specified as per Clause 49 of the Listing Agreements.

At present consist following members of the Committee:

Shri Amit J. Gosaliya (Chairman of the Committee)(Upto 29-02-2012)
Shri Issac Thomas C Kavunkal (Chairman of the Committee)(After 29-02-2012)
Shri Rameshbhai D. Virani (Member of the Committee)
Shri Shreyash R. Virani (Member of the Committee)(After 29-02-2012)

The terms of reference of the Audit Committee mandated by your Board of Directors which is also in line with the statutory and regulatory requirement are:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending the appointment and removal of external auditors, fixation of audit fees and also approval for payment for any other services.
- Reviewing with management the annual financial statements before submission to the board.
- Reviewing with management, external and internal auditors, the adequacy of internal control systems.
- Reviewing the adequacy of internal audit function including structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors on any significant findings and follow-up thereon.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- Discussion with external auditors before the audits commences, nature and scope of audit as well as has post-audit discussions to ascertain any area of concern.
- Reviewing the company's financial and risk management policies.

Whistle Blower Policy

The Audit Committee has approved framing of a Whistle Blower Policy and reviews the same from time to time which provides a formal mechanism for all employees of the Company to approach the Ethics Counsellor/Chairman of the Audit Committee of the Company and make protective disclosures about the unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. The Whistle Blower Policy is an extension of the exiting Code of Conduct of the company, which requires every employee to promptly report to the Management any actual or possible violation of the Code or an event he becomes aware of that could affect the business or reputation of the Company. The disclosures reported are addressed in the manner and within the time frames prescribed in the Policy. Under the Policy, each employee of the Company has an assured access to the Ethics Counselor/Chairman of the Audit Committee.

(II) MEETINGS AND ATTENDANCE DURING THE YEAR:

Four Meetings of Audit Committee were held during financial year 2011 - 2012, and all members were present at the meetings.

4. REMUNERATION COMMITTEE:

The Committee decides remuneration policy of the Company. It also reviews from time to time the overall Compensation structure and related policies with a view to attract, motivate and retain employees

The Committee comprises the following Directors as members

1. Shri Issac Thomas C Kavunkal -Director - Chairman
2. Rameshkumar Durlabhjibhai Virani - Managing Director
3. Shri Shreyas R. Virani - Whole-Time Director

Details of remuneration paid:

1. Shri Shreyas R. Virani, Whole-Time Director was paid Rs. 10,68,729/- as Managerial remuneration during the year 2011-12.
2. Shri Rameshbhai D. Virani, Managing Director was paid Rs. 11,63,868 /- as Managerial remuneration during the year 2011-12.

One meeting of the Remuneration Committee was held during the financial year all the members were present

5. SHARE HOLDERS/INVESTOR'S GRIEVANCE COMMITTEE:

Your Company had constituted Shareholders/Investor's Grievance Committee as required under clause 49 of the Listing Agreement.

The Committee resolves Complaints like transfer of shares, non-receipt of Annual Reports etc. as received from the Investors and provide information to the Board of Directors of the Company.

The Committee comprises the following Directors as members

1. Shri Shreyas R. Virani - Chairman
2. Shri Ramesh D. Virani - Managing Director
3. Shri Issac Thomas C Kavunkal Director

6. GENERAL BODY MEETING:

(I) DETAILS OF THE LAST THREE ANNUAL GENERAL MEETINGS:

Year	Location	Date	Day	Time	No. of Special Resolution
2008-2009	50 E, Bhaktinagar Industrial Estate, Rajkot - 360 002	7 th September, 2009	Monday	11.00 A. M.	Nil
2009-2010	50 E, Bhaktinagar Industrial Estate, Rajkot - 360 002	30 th September, 2010	Thursday	11.00 A. M.	Nil
2010-11	50 E, Bhaktinagar Industrial Estate, Rajkot - 360 002	30 th September, 2011	Friday	11.00 A.M.	Nil

Whether Special Resolution :

(a) Were put through postal ballot last year : No

(b) Are proposed to be conducted through postal ballot this year : No

7. DISCLOSURES:

- (I) No transaction of material nature has been enter into by the Company with its promoters, directors, relatives or management of the Company that may have potential conflict with the interests of Company.
- (II) The Company has complied with the requirement of statutory/ regulatory authorities on capital market and no penalties\strictures have been imposed on the Company by SEBI or Stock Exchanges during the last three financial year

8. GENERAL SHAREHOLDERS INFORMATION:

I. ANNUAL GENERAL MEETING:

Date :29th September, 2012

Time : 11.00 A. M.

Day : Saturday

Venue : 50/ E, Bhaktinagar Industrial Estate,
Rajkot - 360 002.

II. FINANCIAL CALENDAR:

Results for Quarter:(Tentative)

1st Quarter Results : End- July,2012.

Half-yearly Results : End-October, 2012.

3rd Quarter Results : End-January, 2013.

Audited yearly Results : End-May, 2013.

III. DATE OF BOOK CLOSURE : 23rd September, 2012 to 29th September, 2012 (Both Days Inclusive)

IV. LISTING ON STOCK EXCHANGES:

1. Ahmedabad Stock Exchange Ltd. Kamdheni Complex, Opp: Sahjanand College, Panjarapole Ahmedabad- 380 015	2. Vadodara Stock Exchange Ltd. Fortune Tower, 3rd Floor, Sayajigunj, Vadodara - 390 005	3. Pune Stock Exchange Ltd. "Shivleela Chambers" 752, Sadashiv Peth, R. B. Kumthekar Marg, Pune - 411 030
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V. LISTING FEES:

The Company has paid the Annual Listing fees to each of the above Stock Exchanges for the financial year 2011-2012.

VI. DEMAT INTERNATIONAL SECURITIES IDENTIFICATION NUMBER (ISIN) IN NSDL AND CDSL FOR EQUITY SHARES: INE002E01010

VII. DEMATERIALISATION OF SECURITIES:

97.23 % of the Company's Equity Share Capital is dematerialised as on 31st March, 2012, by the members of the Company through CDSL and NSDL.

VIII. SHARE TRANSFER SYSTEM:

Trading in equity share of the Company is permitted in physical and dematerialized form. Share transfer in physical form received by the Registrar and Transfer agent are registered and returned within the prescribed time period from the date of receipt of the documents, provided all documents are valid and complete in all respects. As per SEBI Guidelines upon completion of the transfers the Registrar and Transfer Agent send an offer letter to the transferee with an option to receive credit of transferred shares in electronic form under the transfer cum demat facility. In case option is not exercised or if offer is not submitted within stipulated time the share certificates are sent to the transferee.

IX. REGISTRAR & TRANSFER AGENT:

Link Intime India Private Limited
Unit No. 303, 03rd Floor,
Shoppers Plaza V,
Opp. Municipal Market,
Behind Shoppers Plaza II,
Off: C.G. Road
Ahmedabad - 380 009.
Phone /Fax No.: 079 - 26465179.
Email : ahmedabad@intimespectrum.com

X. ADDRESS FOR COMMUNICATION:

Sar Auto Products Ltd.
50 E Bhaktinagar Industrial Estate,
Rajkot - 360 002.

XI. PLANT LOCATIONS:

Sar Auto Products Ltd.
50 E Bhaktinagar Industrial Estate,
Rajkot - 360 002

XII. SHAREHOLDING PATTERN AS ON 31ST MARCH, 2012.

SR. NO.	CATEGORY	NO. OF SHARES HELD	PERCENTAGE OF SHAREHOLDING
1	Indian Public	867200	18.20
2	NRI/ OCBs	-	-
3	Mutual Funds and UTI	-	-
4	Bank, Financial Institutions, Insurance Companies, (Central/ Institutions)	228000	4.79
5.	Private Corporate Bodies	106400	2.23
6.	Indian Promoters	3563140	74.78
	TOTAL	4764740	100.00

**CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER
OF THE COMPANY :**

We, Shri Rameshbhai Virani, Managing Director and Chief Executive Officer and Shri Shreyash Rameshbhai Virani, Chief Financial Officer, of Sar Auto Products Limited (the Company), hereby certify to the Board that:

- (a) We have reviewed the financial statements and the cash Flow Statement for the year and that to the best of our knowledge and belief :
 - (i) these statement do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
 - (ii) these statement together present a true and fair view of the Company affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate of the Company's Code of Conduct.
- (c) We are responsible for establishing and maintaining internal controls for financial reporting in the Company and we have evaluated the effectiveness of the internal control system of the Company pertaining to financial reporting. We have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the audit Committee:
 - (i) Significant changes in internal controls over financial reporting during the year.
 - (ii) Significant changes in accounting polices during the year and the same have been disclosed in the notes to the financial statements and
 - (iii) Instance of Significant fraud of which we have become aware and the involvement therein, if any, of the Management or an employee having a significant role in the Company internal control system.
- (e) We affirm that we have not denied any personal access to the Audit committee of the Company (in respect of matters involving alleged misconduct, if any,)
- (f) We further declare that all Board Members and Senior Management have affirmed compliance with the Code of Conduct for the current year.

Shri Rameshbhai Virani
Director & Chief Executive Officer

Shri Shreyash R. Virani Managing
Chief Financial Officer

Place : Rajkot

Date : 29th May, 2012

To,
The Members of
SAR AUTO PRODUCTS LIMITED
Rajkot.

We have read the Report of Directors on Corporate Governance and have examined the relevant records relating to compliance of conditions of Corporate Governance by the Sar Auto Products Limited for the year ended 31st March, 2012, as stipulated in Clause 49 of the Listing Agreement executed by Company with the Stock Exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance.

It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations give to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Agreement.

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

PLACE: AHMEDABAD
DATE : 29th May, 2012

FOR ARUN M. KOTHARI
CHARTERED ACCOUNTANTS

(Arun M. Kothari)
Proprietor

Auditor's Report

To,
The Members,
SAR AUTO PRODUCTS LIMITED

We have audited the attached Balance Sheet of **SAR AUTO PRODUCTS LIMITED**, as at **31st MARCH 2012**, the Profit & Loss Account and Cash Flow Statement for the year ended on that date. 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.

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 misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order

Further to our comments in the Annexure referred to above, we report that:

- (i) 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;
- (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
- (iii) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (iv) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956
- (v) On the basis of written representations received from the directors, as on 31st March, 2012 and taken on records by the Board of Directors, we report that none of the director is disqualified as on 31st March, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at **31st March, 2012** ;
 - (b) in the case of the Profit & Loss Account, of the Loss for the year ended on that date.
 - (c) in the case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

For ARUN M. KOTHARI,
Chartered Accountant

Arun M. Kothari
Proprietor
(Membership No.108669)

Statement on the Companies (Auditor's Report) Order, 2003

To,
The Members,
Sar Auto Products Limited

Referred to in paragraph 3 of our report of even date

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) According to the information and explanation given to us, the fixed assets of the Company were physically verified by the management in a phased & periodical manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) During the year, the Company has not disposed off substantial part of fixed assets and the going concern status of the Company is not affected.
- (ii) (a) According to the information and explanation given to us, the inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information & explanations given to us, 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 of its business.
- (c) The Company has maintained proper records of inventory. As explained to us, there was no material discrepancies noticed on physical verification of inventory as compared to the book records.
- (iii) (a) The Company has not granted loans to the party covered in the Register maintained under section 301 of the Companies Act, 1956. Accordingly, clause 4 (iii) (b), (c) and (d) does not apply.
- (e) The Company has accepted secured or unsecured loans from party covered in the Register maintained under section 301 of the Companies Act, 1956.

Sr. No.	Name of the Related Party	Maximum amount due at any time during the year Amount (Rs.)	Balance due as at the end of the financial year Amount (Rs.)
1	Mr. Ramesh D. Virani	14,30,000/-	10,48,690/-
2	Mr. Shreyas R. Virani	3,59,712/-	77,672/-

- (f) In our opinion and according to the information and explanation given to us, the same is prima facie, not prejudicial to the interest of the company.
- (g) There is no stipulation for repayment of the said loan.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchases of fixed assets and for sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.

- (V) (a) In our opinion and according to the information and explanations given to us, the particulars of contracts and arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that section.
- (b) In respect of transactions made in pursuance of such contracts or arrangements exceeding the value of Rupees Five lakhs entered into during the financial year, because of the unique and specialized nature of the transaction and absence of any comparable prices, we are unable to comment whether the transactions were made at prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposits from the Public.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have however, not made detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (ix) In respect of statutory dues;
- (a) According to the information and explanations given to us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, ESIC, Income Tax, Wealth Tax, Sales Tax, Value Added Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues apart from few cases of delay in payment of tax deducted at source.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, ESIC, Income Tax, Wealth Tax, Sales Tax, Value Added Tax, Service Tax, Customs Duty, Excise Duty and Cess were in arrears, as at 31st March, 2012 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, there are no dues in respect of Provident Fund, ESIC, Income Tax, Wealth Tax, Sales Tax, Value Added Tax, Service Tax, Customs Duty, Excise Duty and Cess that have not been deposited with the appropriate authorities on account of any dispute.
- (x) In our opinion, the Company has no accumulated losses. The Company has not incurred cash losses during the year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institutions and banks.
- (xii) In our opinion and according to the information & explanations given to us, no loans and advances have been granted on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, Clause 4 (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is not a chit fund or a *nidhi* mutual benefit fund/ society. Accordingly, Clause 4 (xiii) of the Order is not applicable
- (xiv) In our opinion, the Company has maintained proper records of transactions and contracts relating to dealing or trading in shares, securities, debentures and other investments during the year and timely entries have been made therein. The shares, securities, debentures and other investments have been held by the Company in its own name except as permissible under Section 49 of the Companies Act, 1956.

- (xv) In our opinion, and according to the information and explanations given to us, the Company has not given guarantees for loans taken by others from banks or financial institutions. Accordingly, clause 4(xv) of the Order is not applicable.
- (xvi) In our opinion and according to the information and explanations given to us and on an overall examination, no term loan was raised during the year under review. Thus the provision of Clause (xvi) of the order is not applicable.
- (xvii) 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 basis have been used for long-term investment.
- (xviii) The Company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act. Accordingly, clause 4(xviii) of the Order is not applicable.
- (xix) The Company has not issued any debentures. Accordingly, clause 4(xix) of the Order is not applicable.
- (xx) The Company has not raised any money by public issues during the year. Accordingly, clause 4(xx) of the Order is not applicable.
- (xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For ARUN M. KOTHARI,
Chartered Accountant

Arun M. Kothari
Proprietor
(Membership No.108669)

Ahmedabad, 29th May, 2012

SAR AUTO PRODUCTS LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2012

Particulars	Note No.	31.12.2012 ₹	31.03.2011 ₹
I. EQUITY AND LIABILITIES			
1 Shareholders' Funds:			
(a) Share capital	01	47,647,400	47,647,400
(b) Reserves and Surplus	02	108,526,719	110,533,282
2 Non-current Liabilities			
(a) Long-term Borrowings	03	1,429,750	1,429,750
(b) Deferred Tax Liabilities (Net)	04	2,273,440	2,700,240
3 Current Liabilities			
(a) Short-term Borrowings	05	1,126,362	1,397,764
(b) Trade Payables	06	1,880,774	1,774,578
(c) Other Current Liabilities	07	351,622	1,620,354
(d) Short-Term Provisions	08	716,239	944,851
TOTAL		163,952,305	168,048,218
II. ASSETS			
1 Non-current Assets			
(a) Fixed Assets	09		
(i) Tangible Assets		41,553,184	49,835,663
(b) Non-current Investments	10	2,908,082	2,908,082
(c) Long-term Loans and Advances	11	53,541,164	51,531,889
2 Current Assets			
(a) Current Investments	12	4,597,562	9,620,137
(b) Inventories	13	8,878,024	8,345,703
(c) Trade Receivables	14	33,052,571	26,995,732
(d) Cash & Cash Equivalents	15	16,557,773	14,912,133
(e) Short-term Loans and Advances	16	2,863,945	3,898,879
TOTAL		163,952,305	168,048,218

Significant Accounting Policies

Accompanying notes to the financial statements

1 to 34

As per our Report of even date

For, ARUN M. KOTHARI
Chartered Accountants

For & on behalf of the Board Of Directors,

Rameshbhai D. Virani
Director

Shreyasbhai R. Virani
Director

Arun M. Kothari
Proprietor
Membership No. 108669

Issacthomas Charianthomas Kavunkal
Director

Ahemdabad, dated 29th, May 2012

Rajkot, dated 29th, May 2012

SAR AUTO PRODUCTS LIMITED

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	Note No.	31.03.2012 ₹	31.03.2011 ₹
I Income			
Revenue from operations	17	22,288,930	21,332,638
Other Income	18	5,213,026	5,946,568
Total Revenue		27,501,956	27,279,206
II Expenses			
(a) Cost of Materials consumed	19	7,519,422	4,296,471
(b) Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	20	(563,134)	(837,949)
(c) Employee benefit expense	21	3,288,720	3,374,928
(d) Financial costs	22	195,069	467,963
(e) Depreciation and amortization expense		7,287,747	8,590,553
(f) Other expenses	23	12,207,495	11,389,763
Total Expenses		29,935,319	27,281,729
III Loss before tax (I - II)		(2,433,363)	(2,523)
IV Tax expense:			
(1) Current tax		(426,800)	(300,353)
(2) Deferred tax			
V Profit/(Loss) for the period		(2,006,563)	297,830
VI Earning per equity share (Face value per share is ₹10/-):			
(1) Basic & Diluted		(0.42)	0.06

Significant Accounting Policies

Accompanying notes to the financial statements

1 to 34

As per our Report of even date

For, ARUN M. KOTHARI
Chartered Accountants

For & on behalf of the Board Of Directors,

Arun M. Kothari
Proprietor
Membership No. 108669

Rameshbhai D. Virani

Shreyasbhai R. Virani

Issachthomas Charianthomas Kavunkal
Director

Ahemdabad, dated 29th, May 2012

Rajkot, dated 29th, May 2012

SAR AUTO PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS AS AT & FOR THE YEAR ENDED 31st March, 2012

Previous figures have been regrouped/reclassified wherever necessary to confirm the current year presentation.

1. Share Capital

1.1 Details relating to Authorised, Subscribed, Issued & Paid up Share Capital

Particulars	31.03.2012 ₹	31.03.2011 ₹
I Authorised Share Capital: 1,00,00,000 Equity Shares of ₹ 10/- each	100,000,000	100,000,000
II Issued, Subscribed & Paid-up Capital: 47,64,740 Equity Shares of ₹ 10/- each fully paid up	47,647,400	47,647,400
TOTAL	47,647,400	47,647,400

1.2 Reconciliation of the Share Capital

Particulars	31.03.2012	
	No. of shares	₹
(a) Shares outstanding as at the beginning of the year	4,764,740	47,647,400.00
(b) Shares issued during the year	-	-
(c) Shares bought-back during the year	-	-
(d) Shares outstanding as at the end of the year	4,764,740	47,647,400.00
Particulars	31.03.2011	
	No. of shares	₹
(a) Shares outstanding as at the beginning of the year	4,764,740	47,647,400.00
(b) Shares issued during the year	-	-
(c) Shares bought-back during the year	-	-
(d) Shares outstanding as at the end of the year	4,764,740	47,647,400.00

1.3 Details of shareholders holding more than 5% ordinary equity shares as on Balance Sheet date

Name of the shareholders		31.03.2012	
		No. of shares	% to total
1	Rameshbhai D. Virani	986,480	20.70%
2	Rajshreeben R. Virani	872,510	18.31%
3	Shreyasbhai Virani	879,950	18.47%
4	Urviben S. Virani	824,100	17.30%
Total no. of shares of the company		3,563,040	74.78 %
		4,764,740	
Name of the shareholders		31.03.2011	
		No. of shares	% to total
1	Rameshbhai D. Virani	986,480	20.70%
2	Rajshreeben R. Virani	872,510	18.31%
3	Shreyasbhai Virani	879,950	18.47%
4	Urviben S. Virani	824,100	17.30%
Total no. of shares of the company		3,563,040	74.78 %
		4,764,740	

SAR AUTO PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS AS AT & FOR THE YEAR ENDED 31st March, 2012

Previous figures have been regrouped/reclassified wherever necessary to confirm the current year presentation.

2. Reserves & Surplus

Particulars	31.03.2012 ₹	31.03.2011 ₹
1 General Reserve		
Opening Balance	732,787	732,787
Add: Transfer to reserve	-	-
Less: Withdrawn from reserves	-	-
Closing Balance	732,787	732,787
2 Securities Premium Account		
Opening Balance	14,996,000	14,996,000
Add: Securities Premium collected	-	-
Less: Securities Premium utilised	-	-
Closing Balance	14,996,000	14,996,000
3 Surplus		
Opening Balance	94,804,495	94,506,665
Add: Net Profit/(Loss) for the Current Year	(2,006,563)	297,830
Closing Balance	92,797,932	94,804,495
TOTAL	108,526,719	110,533,282

3. Long-term Borrowings

Particulars	31.03.2012 ₹	31.03.2011 ₹
I SECURED		
(A) From Others		
1 Loan From LIC of India (Secured against Keyman Insurance Policy of Key Management Personnel) Terms of Repayment: Whole amount repayable in the year 2026	1,429,750	1,429,750
TOTAL	1,429,750	1,429,750

4. Deferred Tax Liability (Net)

Particulars	As on 31.03.2012	As on 31.03.2012
<u>Opening Balance (Deferred Tax Liability)</u>	2,700,240	3,000,592
Deferred Tax Liability:		
Add: Creation of Deferred Tax Liability during the year Related to Fixed Asset	83,687	205,571
Less: Reversal of Deferred Tax Liability during the year Related to Fixed Asset	(509,496)	(505,923)
Disallowance under Income Tax Act, 1961	(991)	-
Net Deferred Tax Liability for the year	(426,800)	(300,352)
TOTAL	2,273,440	2,700,240

SAR AUTO PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS AS AT & FOR THE YEAR ENDED 31st March, 2012

Previous figures have been regrouped/reclassified wherever necessary to confirm the current year presentation.

5. Short-term Borrowings

Particulars	31.03.2012 ₹	31.03.2011 ₹
I UNSECURED		
1 Loans & Advances from Related Parties		
From Directors	1,126,362	1,354,712
Intercompany Deposits	-	43,052
TOTAL	1,126,362	1,397,764

6. Trade Payables

Particulars	31.03.2012 ₹	31.03.2011 ₹
1 Trade Payable		
Sundry creditors for goods	652,084	983,942
2 Others		
Sundry creditors for expenses	1,228,690	790,636
TOTAL	1,880,774	1,774,578

7. Other Current Liabilities

Particulars	31.03.2012 ₹	31.03.2011 ₹
1 Current Maturities of Long Term Borrowings:		
Loan From India Infoline Services Ltd.	-	922,382
2 Interest Accrued but not Due on borrowing	32,449	44,536
3 Other payables		
Advance from Customers	169,065	525,031
Statutory Liabilities:		
ESI Fund Payable	594	1664
TDS Payable	65,668	76,038
Provident Fund Payable	50,896	49753
Professional Tax Payable	950	950
Wealth Tax Payable	32,000	-
TOTAL	351,622	1,620,354

SAR AUTO PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS AS AT & FOR THE YEAR ENDED 31st March, 2012

Previous figures have been regrouped/reclassified wherever necessary to confirm the current year presentation.

8. Short-term Provisions

Particulars	31.03.2012 ₹	31.03.2011 ₹
1 Provision for employee benefits		
Salary Payable to employees	606,108	597616
Bonus Payable	59,866	51874
Leave Salary Payable	42,665	36471
2 Others		
Provision for Audit Fees	7,600	7600
Provision for Consultant Fees	-	251290
TOTAL	716,239	944,851

10. Non Current Investments

Particulars	31.03.2012 ₹	31.03.2011 ₹
1 Other Investments:		
(a) Investment in Equity Instrument (Fully Paid up, Valued at Cost):		
Share of RNSB (Unquoted)	3,050	3,050
Consortex Karl Deolic Ltd. (Unquoted)	5,355	5,355
Shreyas Shipping Logistics Ltd. (Quoted)	7,245	7,245
JMDE Packaging and Realities Ltd. (Quoted)	1,432	1,432
(b) Other non-current investments		
Gold (Physical) (Unquoted) (Valued at Cost)	2,891,000	2,891,000
TOTAL	2,908,082	2,908,082
Aggregate Amount of Quoted Investment	8,677	8,677
Aggregate Amount Market Value of Quoted Investment	11,151	13,407
Aggregate Amount of Unquoted Investment	2,899,405	2,899,405

11. Long-term Loans & Advances (Unsecured, considered good unless otherwise stated)

Particulars	31.03.2012 ₹	31.03.2011 ₹
1 Security Deposits		
Electric Deposit	74,529	74,529
GEB Deposit	3,020	3,020
GIDC Deposit	5,000	5,000
LPG - Deposit	400	400
Rent Deposit	500,000	500,000
RNSB Deposit	11,102	11,102
Telephone Deposit	11,000	11,000
2 Security Deposit to related parties		
Lease Deposit	40,000,000	40,000,000
3 Loans to Others	12,936,113	10,926,838
TOTAL	53,541,164	51,531,889

SAR AUTO PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS AS AT & FOR THE YEAR ENDED 31ST MARCH, 2012

9. Fixed Assets

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Balance as at 01.04.2011	Additions	Disposals	Balance as at 31.03.2012	Balance as at 01.04.2011	Depreciation charge for the year	On disposals	Balance as at 31.03.2012	Balance as at 31.12.2012	Balance as at 31.03.2011
	Amount (₹)				Amount (₹)				Amount (₹)	
Tangible Assets:										
Factory Building	4,037,496	-	-	4,037,496	2,565,338	147,216	-	2,712,554	1,324,942	1,472,158
Plant & Machinery	63,027,164	53,118	1,590,466	61,489,816	25,892,048	5,170,527	504,615	30,557,960	30,931,856	37,135,116
Machinery R&D	10,377,000	-	-	10,377,000	3,256,066	993,236	-	4,249,302	6,127,698	7,120,934
Jigs & Fixtures R&D	79,500	-	-	79,500	25,468	7,536	-	33,004	46,496	54,032
Furniture & Fixtures	740,340	-	-	740,340	607,266	24,152	-	631,418	108,922	133,074
Office Equipments	730,629	-	-	730,629	331,194	55,602	-	386,796	343,833	399,435
Computer & Software	661,774	38,001	-	699,775	496,337	70,104	-	566,441	133,334	165,437
Electrical Installation	676,784	-	-	676,784	343,611	46,374	-	389,985	286,799	333,173
Vehicles	4,662,519	-	-	4,662,519	1,640,215	773,000	-	2,413,215	2,249,304	3,022,304
TOTAL (A)	84,993,206	91,119	1,590,466	83,493,859	35,157,543	7,287,747	504,615	41,940,675	41,553,184	49,835,663
Intangible Assets	-	-	-	-	-	-	-	-	-	-
TOTAL (B)	-	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A+B)	84,993,206	91,119	1,590,466	83,493,859	35,157,543	7,287,747	504,615	41,940,675	41,553,184	49,835,663
PREVIOUS YEAR'S FIGURES	88,059,947	4,015,330	7,082,071	84,993,206	29,148,193	8,590,553	-	35,157,543	49,835,663	58,911,754

SAR AUTO PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS AS AT & FOR THE YEAR ENDED 31st March, 2012

Previous figures have been regrouped/reclassified wherever necessary to confirm the current year presentation.

12. Current Investments

Particulars	31.03.2012 ₹	31.03.2011 ₹
1 Other Investments		
(i) Investment in Equity Shares (Quoted) (Fully Paid Up, Valued at Cost or Market Value Which ever is lower)		
1 Mercator Lines	220	1,154,574
2 JMD Telefilms Ind. Ltd.	219,262	1,453,920
3 Aadi Ind. Ltd.	14,562	-
4 Aamco India Ltd.	-	6,607
5 ACIL Cotton Industries Ltd.	11,200	-
6 Ansal Housing & Construction Ltd.	-	307,650
7 Aroma Enterprise	230,318	-
8 Balaji Telefilms Ltd.	-	98,850
9 Cistro Telelink Ltd.	14,116	-
10 Clarus Finance & Securities Ltd.	131	-
11 Donear Industries Ltd.	-	23,550
12 Exelon Infrastructure Ltd.	26,194	-
13 Goplee Infotech Ltd.	63,525	-
14 India Infoline Ltd.	-	1,221,825
15 Jai Balaji Ind. Ltd.	39	-
16 Karur KCI Packaging	-	459,008
17 KGN Ind. Ltd.	277,065	-
18 Midvalley Entertainment Ltd.	94	-
19 Motilal Oswal Mutual Fund (M-100)	-	598,496
20 PFL Infotech Ltd.	692,370	-
21 Prabhav Industries Ltd.	910,636	-
22 Prraneta Industries	1,053,910	-
23 Sanraa Media Ltd.	9,000	-
24 Scope Industries (India) Ltd.	360,350	-
25 Sterling International Ent. Ltd.	378,000	-
26 S.V. Electricals Ltd.	275,100	-
27 Unitech Ltd.	-	404,500
28 Unitech International Ltd.	39,837	-
29 Vertex Securities Ltd.	21,655	-
30 20 Microns Ltd.	-	37,150
(ii) Investment in Mutual Funds (Quoted) (Valued at Cost or Market Value Which ever is lower) Goldbees (Bench Mark Mutual Fund)	-	3,854,007
TOTAL	4,597,562	9,620,137
Aggregate value of Quoted Investment	4,597,562	9,620,137
Aggregate market value of Quoted Investment	5,250,765	9,924,502

13. Inventories [As valued & certified by the management]

Particulars	31.03.2012 ₹	31.03.2011 ₹
(i) Raw Materials	5,355	5,355
(ii) Work-in-progress	6,807,286	6,244,152
(iii) Finished Goods	9,905	9,905
(iv) Stores & Spares	-	-
(v) Others		
Machinery Oil	25,477	59,958
Consumables & tools	735,503	779,505
Packing Material	144,079	96,409
Cutters	1,150,419	1,150,419
TOTAL	8,878,024	8,345,703

SAR AUTO PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS AS AT & FOR THE YEAR ENDED 31st March, 2012

Previous figures have been regrouped/reclassified wherever necessary to confirm the current year presentation.

14. Trade Receivables [As stated by the management]

Particulars	31.03.2012 ₹	31.03.2011 ₹
1 Outstanding for a period of less than six months from the date they are due for payment Unsecured, considered good	12,662,546	6,330,589
2 Outstanding for a period exceeding six months from the date they are due for payment Unsecured, considered good	20,390,024	20,665,143
TOTAL	33,052,571	26,995,732

15. Cash & Bank Balances

Particulars	31.03.2012 ₹	31.03.2011 ₹
1 Cash & Cash Equivalents		
(i) Balances with Banks Schedule Bank (Current A/c.)	10,072,479	4,478,515
(ii) Cash on hand	1,040,253	36,164
2 Other Bank Balances		
(i) Fixed Deposit Schedule Bank (Fixed Deposits)	5,445,041	10,397,454
TOTAL	16,557,773	14,912,133

16. Short-term Loans & Advances (Unsecured, Considered Good)

Particulars	31.03.2012 ₹	31.03.2011 ₹
1 Balance with Government Authorities:		
Excise Duty (Capital Goods)	23,631	236,323
Excise Duty (Input)	179,863	45,674
Excise Duty (Receivables)	43,013	13,951
Excise Duty Receivable on Export Sales	206,821	303,638
Service Tax and Cess	98,235	52,925
Special Custom Duty Receivable (SCVD)	87,626	51,846
VAT Receivable	1,210,044	1,368,923
Income Tax TDS Receivables (A.Y. 2011-12)	6,320	111,684
Income Tax TDS Receivables (A.Y. 2010-11)	-	240,258
Income Tax Refund Due (A.Y. 2009-10)	10,886	104,020
TDS Receivable (A.Y. 2012-13)	134,992	-
2 Prepaid Expenses	852,398	1,102,027
3 Other Advances	10,116	267,610
TOTAL	2,863,945	3,898,879

SAR AUTO PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS AS AT & FOR THE YEAR ENDED 31st March, 2012

Previous figures have been regrouped/reclassified wherever necessary to confirm the current year presentation.

17. Revenue from Operations

Particulars	31.03.2012 ₹	31.03.2011 ₹
1 Revenue from sale of products		
Domestic Sales (Net off Returns)	14,718,052	4,108,382
Export Sales (Net off Returns)	8,190,719	14,061,036
	22,908,771	18,169,418
Less: Excise Duty	1,374,808	949,186
Net Sales	21,533,963	17,220,232
2 Revenue from sale of services		
Jobwork Income	-	631,200
	-	631,200
3 Other Operating Income		
Forging Sales	2,662	159,602
Duty Drawback	9,439	
Scrap Sales	-	179,770
Profit/(Loss) from Shares & Securities Operations	742,866	3,141,834
	754,967	3,481,206
TOTAL	22,288,930	21,332,638

18. Other Income

Particulars	31.03.2012 ₹	31.03.2011 ₹
1 Interest Received	1,350,276	1,041,903
2 Dividend income	4,226	449,690
3 Net Foreign Exchange Gain	3,260,462	326,955
4 Discount earned	40,699	37,807
5 Profit on Sale of Assets	-	387,979
6 Interest Subsidy	500,000	500,000
7 Claim/EPCG/Misc. Receipts	6,273	3,202,234
8 Interest on Income Tax Refunds	22,604	-
9 Other Misc Income	28,486	-
TOTAL	5,213,026	5,946,568

19. Cost of materials consumed

Particulars	31.03.2012 ₹	31.03.2011 ₹
1 Bush:		
Opening Stock	5,355	5,355
Add. : Purchases (Net of returns)		-
Less : Closing Stock	5,355	5,355
	-	-
2 Round Bars and Forging		
Opening Stock	-	-
Add. : Purchases (Net of returns) (Indigenous)	3,905,907	2,820,228
Add. : Purchases (Net of returns) (Imported)	1,985,388	-
Less : Closing Stock	-	-
	5,891,295	2,820,228
3 Machinery Oil Consumed		
Opening Stock	59,958	19,592
Add. : Purchases	274,845	296,767
Less : Closing Stock	25,477	59,958
	309,326	256,401
4 Consumable Stores & Tools & Packing Material		
Opening Stock	875,914	932,728
Add. : Purchases	1,322,469	815,733
Less : Closing Stock	879,582	875,914
	1,318,801	872,547

SAR AUTO PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS AS AT & FOR THE YEAR ENDED 31st March, 2012

Previous figures have been regrouped/reclassified wherever necessary to confirm the current year presentation.

5 Cutter Consumption		
Opening Stock	1,150,419	1,494,689
Add. : Purchases	-	-
Less : Closing Stock	1,150,419	1,150,419
	-	344,270
6 Semi Finished Tractor Parts		
Opening Stock	-	-
Add. : Purchases	-	3,025
Less : Closing Stock	-	-
	-	3,025
Total	7,519,422	4,296,471

20. Changes in inventories of Finished goods, Work-in-progress and Stock-in-Trade

Particulars	31.03.2012 ₹	31.03.2011 ₹
Opening stock of finished goods & WIP	6,254,057	5,416,108
Add: Excise Duty on Closing Stock of Finished Goods		
Less: Closing Stock of finished goods & WIP	6,817,191	6,254,057
Less: Excise Duty on Opening Stock of Finished Goods	(563,134)	(837,949)
TOTAL	(563,134)	(837,949)

21. Employee benefit expenses

Particulars	31.03.2012 ₹	31.03.2011 ₹
1 Salaries & wages		
Salary	587,653	530,633
Bonus	70,515	63,818
Leave Salary	65,927	59,548
Directors' Remuneration & Perks	2,232,597	2,391,274
2 Contribution to provident and other funds		
Provident Fund	324,912	317,153
ESIC	5,326	12,502
3 Staff welfare expenses		
Staff welfare expenses	1,790	-
TOTAL	3,288,720	3,374,928

22. Financial Costs

Particulars	31.03.2012 ₹	31.03.2011 ₹
1 Interest Expenses		
Interest paid on Borrowings	149,345	379,004
Bank Commission	45,724	88,959
TOTAL	195,069	467,963

SAR AUTO PRODUCTS LIMITED

NOTES TO THE FINANCIAL STATEMENTS AS AT & FOR THE YEAR ENDED 31st March, 2012

Previous figures have been regrouped/reclassified wherever necessary to confirm the current year presentation.

23. Other Expenses

Particulars	31.03.2012 ₹	31.03.2011 ₹
<u>Manufacturing Expenses:</u>		
Power & Fuel Charges	1,042,966	830,990
Repaires to Machinery	694,687	422,122
Repaires to Building	-	520,272
Rates & Taxes	-	1,966
Job Work Charges	5,561,740	3,757,395
Cutter Resharpending Charges	76,180	35,538
Factory Expenses	36,002	24,753
Freight & Octroi-Inward & Outward	195,781	164,304
Testing Expenses	-	442
Labour Charges	6,800	65,029
Loading, Unloading & Packing Charges	5,053	-
Maintanance UPS	6,500	-
Goods Import Expenses	179,878	-
Annual Maintance Contract	183,333	-
Total of Manufacturing Expenses (A)	7,988,920	5,822,811
<u>Administrative Expenses:</u>		
Bad Debts	-	921,834
Debit Note Charges	675,400	275,414
Electric Expenses	3,058	-
Rent	540,000	530,000
Insurance	175,648	289,480
STT & Demat Charges	7,481	20,829
Audit Fees	7,600	7,600
Legal & Professional Charges	801,928	1,849,607
Advertisement Expenses	17,568	37,030
Postage, Telegram, Telephone & Interenet Expenses	293,449	326,902
Printing & Stationery Expenses	38,631	49,309
Custody Fees Charges	-	5,515
Labour Licence Fees	-	2,112
Listing and Cetification fees	20,992	45,919
Travelling Expenses	324,229	632,041
Vehicle Running & Maintenance	319,310	196,537
Cash Discount/Other Discount	55,122	28,734
Digital Certificate Charges	2,000	2,800
Donations	-	6,200
Freight, Octroi-Outward & Cartages Expenses	138,765	64,085
Goods Export Expenses	45,076	143,664
Membership & Subscription Expenses	8,500	15,236
NSDL/CDSL Connection Fees	23,163	23,163
Office Expenses	55,751	37,342
Service Tax	42,164	2,013
VAT Expenses	100,791	23,586
Water Charges	30,000	30,000
Interest Expenses:		
Interest on VAT and CST	2,219	-
Interest on TDS	1,725	-
Interest Others	899	-
Maintance Expenses:		
Computrer Maintance Charges	15,555	-
Loss on sale of Machinery	170,042	-
Sales Tax Expenses	8,665	-
Sample Purchase Expenses	144,897	-
Software Updation Charges	2,500	-
DEPB Licence Expenses	107,504	-
Wealth Tax	32,000	-
Income Tax Expenses	5,944	-
Total of Administrative Expenses (B)	4,218,576	5,566,952
Total (A+B)	12,207,495	11,389,763

SAR AUTO PRODUCTS LIMITED

Significant Accounting Policies

A] Accounting Convention:

The financial statements for the year ended 31st March, 2012 are prepared under historical cost convention. Revenues are recognized and expenses are accounted on accrual basis with necessary provisions for all known liabilities and losses.

B] Fixed Assets & Depreciation:

Fixed Assets are stated at cost net of recoverable taxes and includes amounts added on revaluation, less accumulated depreciation and impairment loss, if any. All costs, including financing costs till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the fixed assets are capitalized. Depreciation on fixed assets is provided to the extent of depreciable amount on written down value method (WDV) at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956 over their useful life except, Depreciation on assets disposed off during the year is provided on pro-rata basis. Depreciation on newly added assets is charged as and when the same have been installed and put to use.

C] 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 costs including manufacturing overheads incurred in bringing them to their respective present location and condition.

D] Revenue:

1. Sales of Auto Parts & Machinery Parts are accounted at the point of dispatch.
2. Gain on the transaction of Shares & Securities is recognized at the point of sale of the Shares and Securities.
3. Dividend is recognized on receipt basis.
4. Profit or loss on sale of assets is recognized on sale of assets.
5. Interest on deployment of surplus funds is recognized using the time proportion method based on the interest rates implicit in the transaction.
6. Claims are recognized on receipt basis.

E] Investments:

Current investments are carried at lower of cost and quoted/fair value, computed category wise. Long Term Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

F] Income Tax:

Current Tax: Provision is made for income tax on yearly basis, under the tax-payable method, based on tax liability, as computed after taking credit for allowances and exemptions if any.

Deferred Tax: Deferred tax charge or credit is recognized using current tax rates. Where there is unabsorbed depreciation or carry forward losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future. Deferred Tax assets/ liabilities are reviewed at each Balance Sheet date based on developments during the year and available case laws, to reassess realization/ liabilities.

G] Foreign Currency Transaction:

Transactions denominated in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction or that approximates the actual rate at the date of the transaction. Monetary items denominated in foreign currencies at the year end are restated at year end rates. In case of items which are covered by forward exchange contracts, the difference between the year end rate and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract. Non monetary foreign currency items are carried at cost. Any income or expense on account of exchange difference either on settlement or on translation is recognized in the Profit and Loss account except in case of long term liabilities, where they relate to acquisition of fixed assets, in which case they are adjusted to the carrying cost of such assets.

H] Provisions, Contingent Liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

As per our report of even date

For ARUN M. KOTHARI
Chartered Accountant

For and on behalf of Board of Directors,

Arun M. Kothari
Proprietor
(Membership No.108669)

Rameshbhai D.Virani Shreyas R. Virani
Managing Director Director

Issachthomas Charianthomas Kavunkal
Director

Ahmedabad, Dated 29th May, 2012

Rajkot, Dated 29th May, 2012

24] Segment Reporting:

The Company is engaged in the business of machining of Auto Components. Further, the surplus money available with the company continues to be deployed under the professional guidance in Portfolio Management Scheme, Fixed Deposits and Shares and securities and the same has not been shown as separate segment for the purpose of Segment Reporting under AS-17.

25] Related party disclosure:

Disclosure required as per Accounting Standard 18 (AS 18), "Related party disclosure" is as follows:

Sr. No.	Name of Related Party	Relationship
1.	Mr. Ramesh D. Virani	Key Management Personnel
2.	Mr. Shreyas R. Virani	Key Management Personnel

Transactions with Related Parties during the year:**(i) Directors' Remuneration & Perks****(Amount in Rupees)**

Related Party	Amount
Mr. Ramesh D. Virani	11,63,868
Mr. Shreyas R. Virani	10,68,729
Total	22,32,597

(ii) Unsecured Loans accepted:**(Amount in Rupees)**

Related Party	Balance as on 1 st April,11	Accepted During The Year	Repaid During The Year	Balance As on 31 st March,12
Mr. Ramesh D. Virani	11,75,000	7,55,000	8,81,310	10,48,690
Mr. Shreyas R. Virani	1,79,712	22,80,000	23,82,040	77,672
Total	13,54,712	30,35,000	32,63,350	11,26,362

26] The outstanding balances as at 31.03.2012 in respect of Sundry Debtors, Sundry Creditors and Loans & Advances are subject to confirmation from respective parties and consequential reconciliation and or adjustments arising there from, if any. The Management, however, does not expect any material variation.

27] According to the opinion of the Management the realizable value of current assets, loans & advances and other receivables in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet.

28] Contingent Liabilities NIL

29] Estimated amount of Contracts remaining to be executed on Capital Account and not provided for NIL

30] Earnings and Expenditure in Foreign Exchange:**(i) Earnings in Foreign Exchange****(Amount in Rupees)**

Particulars	2011-12	2010-11
FOB value of exports	97,96,992	1,47,13,931

(ii) Expenditure in Foreign Currency

(Amount in Rupees)		
Particulars	2011-12	2010-11
Revenue	1,98,376	4,84,807
Capital	Nil	Nil

(iii) Imports

(Amount in Rupees)		
Particulars	2011-12	2010-11
CIF Value of Imports	18,25,189	Nil

31] Payment to Auditors:

(Amount in Rupees)		
Particulars	2011-12	2010-11
Statutory & Tax Matters	7,600	7,600
Service Tax	NIL	NIL

32] Impairment of Assets:

At each balance sheet date, the management reviews the carrying amount of its assets included in each cash generating unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Recoverable amount is higher of an asset's net selling price and the value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an assets and from its disposal at the end of the useful life.

33] The company has requested the suppliers to give information about their status as Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006. In the absence of this information, company is unable to provide the details regarding the over dues to such Enterprises.

34] The figures of the previous year are regrouped rearranged wherever necessary to bring it in line with current year.

As per our report of even date

For ARUN M. KOTHARI
Chartered Accountant

For and on behalf of Board of Directors,

Arun M. Kothari
Proprietor
(Membership No.108669)

Rameshbhai D.Virani Shreyas R. Virani
Managing Director Director

Issacthomas Charianthomas Kavunkal
Director

Ahmedabad, Dated 29th May, 2012

Rajkot, Dated 29th May, 2012