

27th ANNUAL REPORT

2009 - 2010





27th Annual Report

BOARD OF DIRECTORS

Sri P Veernarayana
Sri P.Madhuprathap
Sri.K.Subbaiah
Sri K Eshwaraiah

Vice Chairman and MD
Technical Director
Director
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

Sesha Prasad & Co.,
Chartered Accountants
Flat No. 203, Mani Plaza,
6-2-101/7/A&B, New Bhoiguda,
Secunderabad – 500 003.

FINANCIAL INSTITUTIONS/BANKS

Industrial Development Bank of India, Chennai
Central Bank of India, GS Mada St., Tirupati

LISTING

Bombay Stock Exchange Ltd., Mumbai,
Madras Stock Exchange, Chennai
Ahmedabad Stock Exchange, Ahmedabad

REGISTRAR FOR DEMAT

Bigshare Services Pvt. Ltd
E-2, Ansa Industrial Estate,
Sakivihar Road, Saki Naka,
Andheri(E),
Mumbai-400072

27th Annual General Meeting

Date: Thursday, September 09, 2010
Time: 3:00 P.M.

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



NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the 27th Annual General Meeting of the Company will be held at its Registered Office: D4 & D5, Industrial Estate, Renigunta Road, Tirupati - 517506 (AP) at 3:00 pm on Thursday, September 09, 2010 to transact the following business

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance sheet as at March 31, 2010 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. To fix the Remuneration of Directors as Rs. 50,000 per month to Mr. P. VeerNarayana and Rs. 45,000 per month to Mr. P. Madhuratap.
4. To consider and if thought fit to pass the following resolution with or without modification as an ordinary resolution.

“RESOLVED THAT M/S Sessa Prasad & Company, Chartered Accountants, Secunderabad be and are hereby appointed as auditors of the company to hold office from the conclusion of this annual general meeting till the conclusion of the next annual general meeting of the company on a remuneration as may be decided by the Board of Directors, in addition to payment for other services and out of pocket expenses”

By Order of Board of Directors,

Sd/-
P. VeerNarayana
(Vice Chairman & Managing Director)

Sd/-
P. Madhuratap
(Technical Director)

Date: 23-07-2010
Place: Tirupati

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, 16th August 2010 to Friday, 20th August 2010 (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 27th Annual Report of the company together with the Audited Statements of the accounts for the year ended March 31, 2010.

1. FINANCIAL RESULTS:

The brief financial results of the company for the year ended March 31, 2010 are given hereunder

PARTICULARS	(Rs. in lakhs)	
	2009-10	2008-09
i) Total Sales	1040.47	888.80
ii) Profit before Depreciation, Interest and Tax	67.92	74.87
iii) Interest	0.15	0.18
iv) Depreciation	71.82	87.05
v) Other Income	3.20	3.51
vi) Profit before Tax	(0.86)	(8.85)
vii) Provision for Tax	--	--
viii) Net Profit for the Year	(0.86)	(8.85)

2. OPERATIONS:

The Company continued to see strong growth in the financial year 2009-10 driven by good performance in existing and new areas of business.

During the year under review, the turnover of your company has increased to ` 1040.47 lakhs from ` 888.80 lakhs thereby registering a growth of 17.06% 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 2009-10.

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 2009-10, the applicable accounting Standards have been followed and no material departure is there.
- ii) That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit 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 ` 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 updating the fixed assets register. The Company is in the process of updating the same.

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 March 31, 2010.

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:

M/s Sesa Prasad & Company, Chartered accountants, Secunderabad retire at the conclusion of the ensuing Annual General Meeting and being eligible, offer them self for reappointment and hence is recommended for reappointment.

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 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

Sd/-

P. VeerNarayana

(Vice Chairman & Managing Director)

Sd/-

P. Madhuratap

(Technical Director)

Date: 23-07-2010

Place: Tirupati

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	14,964 Ltrs	5,25,966
Electricity	12,00,800 KWH	48,04,901
Coal	11,105 KGs	1,03,987

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:

	2009-10 (Rs. in lakhs)	2008-09 (Rs. in lakhs)
A) Value of Imports (F.O.B.Value)	-Nil-	3.06

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management of M/s. Sibar Auto Parts Ltd, D4 & D5, Industrial Estate, Renigunta Road, Tirupati presents its Analysis Report covering the Performance and Outlook of the Company. The Report contains business perspective and prospects based on the current environment and strategic options to steer the Company through unforeseen and uncontrollable external factors. Though company is facing several financial constraints company is able to perform better within available resources.

KEY OPPORTUNITIES INCLUDE

Expansion in the automobile and electrical components manufacturing is concentrated.

KEY THREATS INCLUDE

Increase of price in Furnace oil, Aluminum and other inputs affects profit margin

PRODUCTWISE PERFORMANCE (MAIN PRODUCTS)

Product Cumulative for the year-2009-10

Total melting for the year : 893 tons out of which Job work : 498 tons and sales : 395 tons

OUTLOOK AND INITIATIVES FOR THE CURRENT YEAR

The management is working toward enhanced efficiencies in consumption of raw materials, reduction in input costs.

SOME RISKS & CONCERNS

- * The man power cost per ton of finished product remains high.
- * Old depreciated plants, requires high maintenance cost.
- * Huge investments required for revamp/replacement/modernization of the old plants.

INTERNAL CONTROL SYSTEMS & THE ADEQUACY

Internal controls are supported by Internal Audit and Management Reviews. Company ensures existence of adequate internal control through documented policy and procedures to be followed by the executives at various levels.

With the objective of improving the systems and removing bottlenecks, systems review is carried out and policies and procedure manuals are implemented. We have been certified under ISO-9001:2000 standards through the Direct assessment Services on 16th April 2007 and completed surveillance audit on April 2009 and the company is certified ISO 9001-2008 which is certified by Quest certification pvt ltd on April, 2010.

As part of good Corporate Governance the Audit Committee constituted by the Board periodically reviews the internal controls, Audit Programmes, Financial Results, Recommendations of the Auditors and Management's Replies to those Recommendations.



REVIEW OF FINANCIAL PERFORMANCE:

The financial statements have been prepared in accordance with the requirements of the Companies Act, 1956 and Generally Accepted Accounting Principles.

The financial performance highlights are as follows:-

The sales turnover was of the order of Rs. 1040.47 lakhs against Rs. 888.80 lakhs thereby registering a growth of 17.06% over the previous year. There was an Operating Profit before interest and depreciation of Rs. 67.92 lakhs against the Operating Profit of Rs 74.87 lakhs for the previous year. The company had not provided interest portion for the loans for the current year.

The outlook for the future appears to be good with the revival of economic growth. The Accumulated losses are likely to go down substantially during the year in view of proposed implementation of several improvement plans.

CAUTIONARY STATEMENT

Statement in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ substantially or materially from those expressed or implied. Important developments that could affect the Company's operations global or domestic or both, significant changes in political and economic environment in India or key markets abroad, tax laws, litigation, manpower cost, exchange rate fluctuations, interest and other costs.

For and on behalf of the Board

For **SIBAR AUTO PARTS LIMITED**

Sd/-

P. VeerNarayana
(Vice Chairman & Managing Director)

Sd/-

P. Madhupratap
(Technical Director)

Date: 23-07-2010

Place: Tirupati

REPORT ON CORPORATE GOVERNANCE

(Pursuant to clause 49 of listing agreement with stock exchanges)

1. A brief statement on Company's Philosophy on Code of Corporate Governance

Corporate Governance for the company means achieving high level of accountability, efficiency, responsibility and fairness in all areas of operation. Our workforce is committed towards the protection of the interest of the stake holder's viz. shareholders, creditors, investors, customers, employees, etc. Our policies consistently undergo improvements keeping in mind our goal of maximization of value of all the stakeholders.

The goal is achieved through:

- Infusion of best expertise in the Board.
- Consistent monitoring and improvement of the human and physical resources.
- Introducing regular checks and audits and continuous improvements in already well-defined systems and procedures.
- Board / Committee meetings at short intervals to keep the Board informed of the recent Happenings.

2. Board of Directors

2.1 Composition of the Board

The company meets the requirement as is stipulated under clause 49 of the listing agreement, as the Chairman of the Board is an executive chairman and the number of independent directors is half of the total number of directors. The number of non- executive directors is more than 50% of the total number of directors. The non-executive Directors are independent Directors i.e. independent of management and free from any business or other relationship that could materially influence their judgment. All the independent directors satisfy the criteria of independence as defined under listing agreement with Indian Stock Exchanges' Corporate Governance standards. None of the directors are inter se related to each other except Sri P. Madhu Pratap, Promoter and executive director of the company is son of Sri P. Veernarayana, Chairman and Executive director of the company.

None of the directors on the board is a member of more than 10 committees and chairman of more than 5 committees across all the companies in which he is a director.

The composition of the Board is as under:

The Board of Sibar Auto parts limited is headed by **Sri P. Veernarayana**, aged 57 years, who is the Vice Chairman & Managing Director.

Sri P. Madhu Pratap aged 34 years, is a promoter and Technical director of M/s Sibar Auto Parts limited. He has a rich experience in management and administration. He is a Post-graduate in Master of Engineering and has a good exposure in the area of castings

Sri K. Subbaiah aged 53 years, is an Independent & non-executive director of M/s Sibar Auto Parts Limited and also a nominee director from APDIC. He is a post – graduate in Master of Commerce. He is holding the post CGM in APIDC, Hyderabad.

Sri K. Eswaraiah aged about 54 years, is an Independent & non-executive director and also Nominee director of M/s Sibar Auto Parts limited. He has acquired an expertise in management and promotion of business.

Other information regarding the Board is given below:

No. of other Directorships and Committee Memberships /Chairmanships				
Name of the director	Category	Other directorships	Committee memberships	Committee chairmanships
Sri P. Veerananarayana	Promoter & executive chairman	Nil	Nil	Nil
Sri P. Madhu Pratap	Promoter & executive director	Nil	2	Nil
Sri K. Subbaiah	Independent & non- executive	1	2	1
Sri K. Eswaraiah	Independent & non- executive	Nil	2	1

2.2 Meetings and attendance

During the year 2009-2010, 4 (Four) Board Meetings were held. Attendance record of the Directors in the meetings is as under:

Name of the director	Board meeting held on	No of board meetings attended	Attended last AGM held on November 21 st , 2009
Sri P. Veerananarayana	30.04.2009	4	Yes
Sri P. Madhu Pratap	27.07.2009	4	Yes
Sri K. Subbaiah	30.10.2009	4	Yes
Sri K. Eswaraiah	30.01.2010	4	Yes

3. Audit committee

The Audit Committee formed in pursuance of Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956 is instrumental in overseeing the financial reporting besides reviewing the quarterly, half yearly, annual financial results of the company; it reviews company's financial and risk management policies and the internal control systems, internal audit systems, etc. through discussions with internal and external auditors.

Powers of Audit Committee

The audit committee shall have powers, which should include the following:

1. To investigate any activity within its terms of reference.
2. To seek information from any employee.
3. To obtain outside legal or other professional advice.
4. To secure attendance of outsiders with relevant expertise, if it considers necessary.

Presently the Committee is consisting of Sri. K. Eswaraiah, Sri. P. Madhu Pratap and Sri. K. Subbaiah Sri K. Eswaraiah is the chairman of the committee.

During the year 2009-2010, four meetings of the committee were held. The composition and attendance in the committee is as under:

Name of the director	Position held in the company	Committee meetings held on	No. of committee meetings attended
Sri K. Eshwaraiah	Chairman of the committee	30/04/2009 27/07/2009	4
Sri K. Subbaiah	Member	30/10/2009	4
Sri. P Madhu Pratap	Member	30/01/2010	4

4. Remuneration committee

Purpose

The Company has constituted a Remuneration committee on 30th April 2003 in terms of schedule XIII of the Companies, act 1956 read with clause 49 of the Listing Agreement. Presently the Remuneration Committee comprises of Sri K. Subbaiah , Sri P. Eswaraiah and Sri P. Madhu Pratap. Sri. K. Subbaiah is the Chairman of the Remuneration Committee. The broad terms of reference of the remuneration committee are to approve/recommend to the Board the salary (including annual increments) perquisites and commission including pension rights & and any compensation payment to be paid to the company's Managing/Whole-Time-Directors. There was no remuneration committee meeting held during the year.

Details of remuneration/sitting fees paid to the Directors for the year ended 2009-10 are given below.

Name	Sitting fee Rs.	Salary, Perquisites and allowance (Rs.)	Stock Options Rs.
Sri P. Veerananarayana	Nil	2,52,000	Nil
Sri P. Madhu Pratap	Nil	2,40,000	Nil
Sri K. Subbaiah	1,000	Nil	Nil
Sri K. Eshvaraiah	1,000	Nil	Nil

5. Shareholders/Investors' Grievance committee

During the year 2009-2010, six meetings of the Committee were held.

The composition and the attendance records of the members in the same are as under:

The committee looks into redressal of Shareholders' complaints/requests like transfer of shares, non-

Name of the director	Position held in the committee	No. of committee meetings attended during 2009-10
Sri. P. Madhu Pratap	Chairman	6
Sri. Eswaraiiah	Member	5
Sri. Subbaiah	Member	6

receipt of balance sheet, change of address, revalidation of dividend warrants etc. The committee periodically evaluates the performance of the Registrar and Share Transfer agents and recommends measures for improvement in the quality of investor services.

The company did not receive any complaints/requests (other than request for transfer and demat) during the year under review. There were no outstanding complaints as on 31st March 2010. All the valid requests for transfer of shares were considered for transfer. There were no share transfers pending as on 31.03.2010.

6. General Body Meetings

Location & Time of Last 3 Annual General Meetings:

Year	Venue	Date and Time	Special Resolution passed and relevant section of the Companies Act, 1956
2008-2009	D4 & D5, Industrial Estate, Renigunta Road, Tirupathi – 517506 A.P.	21-11-2009 at 03.30 P.M.	NONE
2007-2008	D4 & D5, Industrial Estate, Renigunta Road, Tirupathi – 517506 A.P.	19-09-2008 at 03.30 P.M.	NONE
2006-2007	D4 & D5, Industrial Estate, Renigunta Road, Tirupathi – 517506 A.P.	28-09-2007 at 03.30 P.M.	NONE

7. Postal Ballot

No special resolutions were passed through postal ballot at the last Annual General Meeting (AGM).

There is no special or ordinary resolution proposed, which needs to be passed by way of Postal Ballot at the ensuing Annual General Meeting

8. Disclosures:

During the year 2009-2010, the company had no materially significant related transactions which are considered to have a potential conflict with the interest of the company at large. The disclosures as regard to related party transactions are disclosed in the notes to accounts. None of the transactions with any of the related parties were in conflict with the interests of the company.

There were no instances of non-compliances, penalties, strictures imposed on the company by the stock exchanges, or any other statutory authority on any matter relating to the capital markets during the last three (3) years.

9. Means of Communication

The quarterly, half yearly and annual results are generally published by the company in Business Line (English Edition) and Andhra Prabha (Telugu Edition). The same results are sent to the stock exchanges as per Listing Agreement. The results are not posted on the company's website which is under preparation. The company is unable to upload the results and shareholding pattern and annual report on SEBI's website under EDIFAR due to lack of completion of formalities.

10. Management Discussion and Analysis Report:

Information on Management Discussion and Analysis is given in the Directors' report.

11. Compliance with non-mandatory requirements

11.1 Remuneration committee

The Board has set up a remuneration committee details whereof are furnished at Sr. No. 4 of this report.

11.2 Shareholder rights

The quarterly financial results including summary of significant events of relevant period of six months are published in newspapers.

11.3 Audit qualifications

Strategic decisions were taken during the year resulting in unqualified financial statements of the company. However, the Company does not have a Whistle Blower policy and a programme for Training of Board members.

12. General Shareholders Information

a. 27 th annual general meeting	
Date and time :	Thursday, the 09 th September, 2010 at 03.30 PM
Venue :	D4 & D5, Industrial estate, Renigunta Raod, Tirupati-517506
	As required under clause 49VI(A) of the listing agreement, particulars of directors seeking appointment and reappointment are given in the notes to the notice of the annual general meeting to be held on 09 th September, 2010 .

b. Financial calendar(tentative)	
Financial year :	1 st April,2010 to 31 st March,2011
First quarter results :	August 2010
Second quarter results and half yearly results :	November 2010
Third quarter results :	February 2011
Last quarter results/ Audited results :	May 2011/May 2011
c. Dates of books closure :	16 th August 2010 to 20 th August 2010
d. Dividend payment date	Not applicable
e. Listing on stock exchanges	
The company's securities are listed on :	Bombay stock exchange limited (stock code-520141) Ahmedabad Stock Exchange Madras Stock Exchange
f. ISIN Numbers in NSDL & CDSL for equity shares :	INE441C01014
g. Listing fee :	The company has not paid its annual listing fees to each of the above stock exchanges for the financial year 2009-10.

h. Market price data	:	There is no trading in the Bombay stock exchange, since the company was suspended hence no quotation for the year 2009-10.
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i. Registrars and Transfers Agents (RTA)

M/s Big Share Services (P) Ltd.

G-10, Left wing, Amrutha Ville,
Somajiguda, Raj Bhavan Road,
Hyderabad - 500082

Share transfers and communications regarding share certificates, change of address, etc., must be forwarded to the RTA.

j. Share Transfer System

Presently share transfers that are received in physical form are processed within 15 days from the date of receipt, subject to the documents being valid and complete in all respects and are dispatched to the shareholders within 30 days from the date of receipt.

k. Distribution of shareholding as on 31st March 2010.

S.No.	Range of shares	No. of Share Holders	No of Shares	% of Share Holding
1.	1 ----- 500	8772	12,69,950	22.94
2.	501 ----- 1000	490	4,19,500	7.58
3.	1001 ----- 2000	168	2,62,900	4.75
4.	2001 ----- 3000	75	1,90,350	3.44
5.	3001 ----- 4000	25	92,100	1.66
6.	4001 ----- 5000	24	1,15,800	2.09
7.	5001 ----- 10000	33	2,60,000	4.70
8.	10001 & Above	46	29,24,500	52.84
	TOTAL	9633	55,35,100	100

Shareholding Pattern as on 31st March, 2010 :

Category	No. of Shares held	%age of Shareholding
Promoters holding		
1. Promoters		
Indian Promoters	1358200	24.54
Foreign Promoters	187000	3.38
2. Persons acting in concert	--	--
Sub Total	1545200	27.92
Non- Promoters Holding		
3. Institutional Investors	--	--
a. Mutual funds and UTI	500000	9.03
b. Banks, Financial Institutions, Insurance Companies(Central/ State Gov. Institutions/Non- Government Institutions)	250000	4.52
c. FII'S	29000	0.52
Sub-Total	779000	14.07
4. Others		
a. Private Corporate Bodies	123401	2.23
b. Indian Public	3087499	55.78
c. NRIs/OCBs	--	--
d. Any other-Trust	--	--
e. Clearing Members	--	--
Sub-Total	3210900	58.01
Grand Total	55,35,100	100.00

I. De-materialization of shares and liquidity

Trading in Equity shares of the Company is permitted only in dematerialized form as per notification issued by SEBI. Dematerialization of shares is done through Big Share Services Pvt. Ltd and on an average the dematerialization process is completed within a period of 10 days from receipt of a valid demat request along with all documents.

m. Outstanding ADRs/GDRs/

Not applicable

Warrants or any convertible

Instruments, conversion date and

likely impact on equity

n. Plant Locations

The Company's plant's is located at:

Industrial Estate, Renigunta Road,

Tirupati – 517 506

o. Address for Correspondence

Sibar Auto Parts Limited

D4 & D5, Industrial Estate,

Renigunta Road, Tirupathi-

517506 A.P.

Ph: 0877-2274765,02271991

p. Investor Correspondence

*For transfer in physical form

* For Shares in Demat form

M/s Big Share services (P) Ltd.

To the Depository Participant

G-10, Left wing, Amrutha Ville,

Somajiguda, Raj Bhavan Road,

Hyderabad – 500082



Declaration of Compliance with Code of Conduct

I hereby Confirm that the Company has obtained from all the members of the Board and Senior management personnel, affirmation that they have complied with the code of conduct for Board members and Senior management personnel in respect of the financial year ended 31st March, 2010

For and on behalf of the Board

For **SIBAR AUTO PARTS LIMITED**

Sd/-

Sd/-

Date: 23-07-2010

P. Veerananarayana

P. Madhu Pratap

Place : Tirupat

(Vice Chairman & Managing Director) (Technical Director)

CEO / CFO Certification

Under Clause 49 of the Listing Agreement with the Stock Exchanges

In relation to the Audited financial statements and the cash flow statements for the year and that to the best of their knowledge and belief:

- (a) We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and 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 the 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 control over financial reporting during the year;
 - (ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - (iii) Instances of significant fraud of which we become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For and on behalf of the Board

For **SIBAR AUTO PARTS LIMITED**

Sd/-

Sd/-

Date: 23-07-2010

P. Veeranarayana

P. Madhu Pratap

Place: Tirupati

(Vice Chairman & Managing Director)

(Technical Director)



Auditors' Certificate on Compliance of Corporate Governance

To
The Members of
Sibar Auto Parts Limited
Tirupati

We have examined the compliance of condition of Corporate Governance by Sibar Auto Parts Limited, Tirupati, A.P. for the year ended 31st March, 2010, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The Compliance of Conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedure and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

For **Sesha Prasad & Company**
CHARTERED ACCOUNTANTS

Sd/-

P Sundari
Partner

Date: 23-07-2010
Place: Secunderabad

AUDITORS' REPORT

To

**The Members of SIBAR AUTO PARTS LIMITED,
Tirupati**

We have audited the attached Balance Sheet of **Sibar Auto Parts Limited** as at March 31, 2010 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 Standards on Auditing 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 March 31, 2010 and taken on record by the Board of Directors, we report that the none of the Directors is disqualified as on March 31, 2010 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.



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- i) In the case of Balances sheet of the state of affairs of the company as at March 31, 2010,
- 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 **Sesha Prasad & Company**
CHARTERED ACCOUNTANTS

Sd/-

P Sundari
Partner

Date: 23-07-2010
Place: Secunderabad

ANNEXURE TO THE AUDITORS' REPORT

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

1. (a) The Company has not updated the 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 ` 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 ` 10 lakhs 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.



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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 Sesha Prasad & Company
CHARTERED ACCOUNTANTS

Sd/-

Date: 23-07-2010
Place: Secunderabad

P Sundari
Partner

BALANCE SHEET AS ON MARCH 31, 2010					
PARTICULARS	Sch No.	As on		As on	
		March 31, 2010		March 31, 2009	
SOURCES OF FUNDS					
Share holders' funds					
Share Capital	A	5,53,51,000		5,53,51,000	
Reserves & Surplus	B	15,35,979	5,68,86,979	15,35,979	5,68,86,979
Loan Funds					
Secured Loans	C	11,73,23,986		11,83,23,986	
Un Secured Loans	D	1,57,72,321	13,30,96,307	1,75,97,491	13,59,21,477
TOTAL			18,99,83,286		19,28,08,456
APPLICATION OF FUNDS					
Fixed Assets:					
Gross Block	E	13,09,62,930		12,92,91,925	
Less: Depreciation		11,49,17,951		10,77,61,004	
Net Block			1,60,44,979		2,15,30,920
Investments	F		7,01,500		7,01,500
Current Assets, Loans & Advances	G				
Inventories		59,82,167		33,84,268	
Sundry Debtors		2,27,90,412		1,90,71,362	
Cash & Bank Balance		17,18,324		14,52,146	
Loans & Other Advances		1,55,86,989		1,60,36,157	
		4,60,77,891		3,99,43,933	
Less: Current Liabilities & Provisions					
Current Liabilities	H	1,70,50,050		1,33,92,706	
Provisions		2,62,68,793		2,64,26,607	
Net Current Assets		4,33,18,843	27,59,048	3,98,19,313	1,24,620
Misc Expenditure to the extent not written off					
P&L Account			14,10,44,684		14,10,18,341
Development Expenditure not Capitalised	I		2,94,33,074		2,94,33,074
Total			18,99,83,286		19,28,08,456
Notes to Accounts	N				

For and on behalf of the Board of Directors

As per our report of even date
For Sesha Prasad & Company
Chartered Accountants

Sd/-

P. Veernarayana
Vice Chairman
and Managing
Director

Sd/-

P Sundari
Partner
Date: 23.07.2010
Place: Secunderabad

Sd/-

P. Madhupratap
Technical Director

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2010			
PARTICULARS	Sch	Amounts in Rs.	
	No.	March 31, 2010	March 31, 2009
INCOME			
Sales	J	10,40,47,235	8,88,80,318
Other Income	K	3,19,582	3,51,264
TOTAL		10,43,66,817	8,92,31,582
EXPENDITURE			
Cost of Goods Sold	L	8,77,10,486	7,35,10,727
Administrative Expenses	M	95,59,869	78,20,214
Depreciation	E	71,82,301	87,05,418
Total		10,44,52,657	9,00,36,359
Net Profit before Tax		(85,840)	(8,04,777)
Provision for FBT		-	80,376
Provision for Income Tax		-	-
Net Profit after Tax		(85,840)	(8,85,153)
Prior Period Items - (expense)/income		59,497	(1,29,324)
Profit for the year		(26,343)	(10,14,477)
Balance Brought forward		(14,10,18,342)	(14,00,03,864)
Profit / (Loss) available for Appropriations		(14,10,44,684)	(14,10,18,341)
Transfer to General Reserve		-	-
Balance Carried Over to Balance Sheet		(14,10,44,684)	(14,10,18,341)
As per our report of even date		for and on behalf of the Board of Directors	
for Sesha Prasad & Company		Sd/	
Chartered Accountants		P. Veernarayana	
		Vice Chairman & Managing Director	
Sd/-			
P Sundari		Sd/-	
Partner		P. Madhupratap	
Date: 23.07.2010		Technical Director	
Place: Secunderabad			

SCHEDULES TO THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT		
PARTICULARS	Amount (Rs.)	
	31-3-2010	31-3-2009
<u>SCHEDULE A : SHARE CAPITAL</u>		
Authorised Share Capital (10,000,000 of Equity Shares 10/- of each)	10,00,00,000	10,00,00,000
Issued ,Subscribed and Paidup Capital (5,535,100 Equity Shares 10/- of each)	5,53,51,000	5,53,51,000
Total	5,53,51,000	5,53,51,000

Particulars	Amount (Rs.)	
	31-3-2010	31-3-2009
<u>SCHEDULE B</u>		
RESERVES & SURPLUS		
General Reserve	15,35,979	15,35,979
Add: Transferred During the Year	-	-
	15,35,979	15,35,979

Particulars	Amount (Rs.)	
	31-3-2010	31-3-2009
<u>SCHEDULE C</u>		
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	1,38,26,289	1,48,26,289
ii. Cash credit from Central Bank of India, Tirupati branch secured by out ward bills, guaranteed by Debtors in their individual capacity	65,00,000	65,00,000
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	2,10,89,732	2,10,89,732

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.	2,25,00,000	2,25,00,000
Interest accrued and due thereon	4,17,06,576	4,17,06,576
v. Short term loan from APSPFC, Tirupati secured by personal security of Directors in their individual capacity	-	-
vi. State Bank of India, Sattipalli Branch	1,17,01,388	1,17,01,388
Total	11,73,23,986	11,83,23,986
Particulars		
	31-3-2010	31-3-2009
<u>SCHEDULE D</u>		
UNSECURED LOANS		
Loans from others	24,58,178	23,71,500
Deferred Sales Tax	50,70,809	50,70,809
Interest free unsecured loans	50,00,000	55,67,772
Loans from Directors	32,43,334	45,87,410
Total	1,57,72,321	1,75,97,491

Particulars	Amount (Rs.)	
	31-3-2010	31-3-2009
<u>SCHEDULE F</u>		
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)	7,00,000	7,00,000
Total	7,01,500	7,01,500

Particulars	Amount (Rs.)	
	31-3-2010	31-3-2009
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	20,94,237	17,96,021
Stores and Spares	8,78,059	3,06,224
Packing Material	79,810	10,578
Chemicals and Others	4,47,161	3,91,908
Finished Stocks	4,83,050	5,01,021
Semi-finished Stock	19,99,850	3,74,900
HSD Stock	-	3,616
Total (i)	59,82,167	33,84,268
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	1,46,77,099	1,44,54,777
Others	1,41,13,313	1,06,16,585
	2,87,90,412	2,50,71,362
Less: Provision for Doubtful Debts	60,00,000	60,00,000
Total (ii)	2,27,90,412	1,90,71,362
iii. Cash and Bank balances		
Cash in hand	5,074	36,532
Cash at Bank	15,12,526	12,14,891
SBI Dividend Account	2,00,724	2,00,724
Total (iii)	17,18,324	14,52,146
Total (A)	3,04,90,902	2,39,07,776
B. LOANS AND ADVANCES		
Advances Recoverable in Cash or in kind or for value to be received		
Income-tax deducted at source	14,65,230	14,66,243
Advance Tax	3,08,990	3,08,990

Deposits	7,44,651	7,04,856
Salary Advances	10,79,007	6,67,406
Advance to Others	1,13,47,532	1,14,07,841
IIBI	4,72,500	4,72,500
Excise Duty Recoverable under MODVAT	1,45,410	9,87,440
Interest Receivables	23,669	20,881
Total (B)	1,55,86,989	1,60,36,157
Grand Total (A and B)	4,60,77,891	3,99,43,933

Particulars	Amount (Rs.)	
	31-3-2010	31-3-2009
SCHEDULE H		
CURRENT LIABILITIES AND PROVISIONS		
A. CURRENT LIABILITIES		
Sundry Creditors	1,64,58,444	1,26,24,444
Advances from Parties	1,60,000	1,60,000
Statutory Liabilities	2,30,882	4,07,538
Unclaimed Dividend	2,00,724	2,00,724
Total (A)	1,70,50,050	1,33,92,706
B. PROVISIONS		
Provision for Provident Fund	34,670	32548
Provision for ESI	20,905	14499
Others	2,62,13,218	26379560
Total (B)	2,62,68,793	26426607
Grand Total (A and B)	4,33,18,843	3,98,19,313

Particulars	Amount (Rs.)	
	31-3-2010	31-3-2009
SCHEDULE I		
MISCELLANEOUS EXPENDITURE NOT WRITTEN OFF		
Development expenditure not capitalised	2,94,33,074	2,94,33,074
Total	2,94,33,074	2,94,33,074

Particulars	Amount (Rs.)	
	31-3-2010	31-3-2009
SCHEDULE J		
SALES		
Indegeneous Sales less returns	7,78,67,272	6,89,34,806
Scrap Sales	-	-
Job Works	2,61,79,963	1,99,45,512
Total	10,40,47,235	8,88,80,318
Particulars		
	31-3-2010	31-3-2009
SCHEDULE K		
Other Income		
Miscellaneous Income	1,54,082	66,614
Rent Received	1,65,500	2,28,000
Profit on sale of Vehicle	-	56,650
Total	3,19,582	3,51,264

Particulars	Amount (Rs.)	
	31-3-2010	31-3-2009
SCHEDULE M		
ADMINISTRATIVE EXPENSES		
-		
Advertisement Expenses	18,360	33,523
AGM Expenses	26,500	23,500
Audit Fees	1,10,300	45,000
Bonus	2,08,379	-
Bank Charges	2,410	13,195
Canteen	15,19,070	7,05,568
Consultancy Charges	8,92,819	3,72,291
Conveyance	4,68,417	3,41,619
Custody Fee	30,000	22,472
Directors' foreign tour expenses	-	-
Directors' Remuneration	3,60,000	3,60,000
Directors' other perks	70,308	-
Directors' Sitting Fee	8,000	10,000
Directors' Travelling	3,48,009	2,77,905
Employer's contribution to ESI	1,54,903	1,12,495
Exgratia	-	88,900
Fees Paid	30,600	53,200
Filing Charges	5,628	783

Freight Outwards	-	1,27,150
Gratuity	-	41,110
House Rent Allowances	1,92,000	1,32,000
Insurance Charges	-	-
Interst Charges	15,388	18,423
Journals and Periodicals	10,061	10,453
Legal & Professional Expenses	3,21,700	6,54,443
Listing Fee	15,000	15,000
Miscellaneous Expenses	5,73,452	6,10,703
Office Maintenance	81,889	59,651
Pooja Expenses	1,76,701	2,18,077
Postage & Telegrams	39,063	29,411
Printing and Stationary	1,85,419	2,00,752
Employer's contribution to PF	2,24,780	1,95,976
Rates, Taxes, Fines and Fees	2,48,058	2,50,409
Rent	1,19,669	97,609
Repairs and Maintenance (Office Equipment)	-	17,330
Salaries	5,28,250	4,27,375
Sales Promotion	3,83,325	3,63,255
Service Charges	-	42,058
Staff Welfare Expenses	1,17,530	53,493
Staff Welfare Fund	665	448
Subscription Paid	-	4,000
Telephone Charges	3,59,801	3,07,884
Travelling Expenses	7,21,965	6,15,304
Vehicle Maintenance	5,90,860	2,55,366
Watch & Ward	4,00,590	3,84,483
Workmen Compensation	-	2,27,600
Total	95,59,869	78,20,214

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 are inclusive of Excise duty and sales tax.

6. Unclaimed dividend

Unclaimed dividend 1994-95, 1995- 96 for ` 46,969 and ` 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

(` in lakhs)		
PARTICULARS	For the year	
	2009-10	2008-09
Basic Salary	3,60,000	3,60,000
Provident Fund	43,200	43,200
HRA	1,32,000	1,08,000
Other Perks	70,308	Nil

9. AUDIT FEE PARTICULARS:

(` in lakhs)		
PARTICULARS	For the year	
	2009-10	2008-09
Statutory Audit	80,000	35,000
Management Services & Tax Audit	70,000	5,000
Sales Tax Audit	NIL	5,000

10. QUANTITATIVE PARTICULARS :

Description	Opening Stock		Purchases		Production		Consumption		Sales		Closing Stock	
	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09	2009-10	2008-09
Raw Materials Indigenous (KGs)	13,214	7,138	3,85,869	2,65,050	-	-	3,77,463	2,58,974	-	-	21,620	13,214
Cylinders (NOs)	1,072	632	-	-	1,42,561	1,17,161	-	-	1,42,733	1,16,721	90	1,072
Others (KGs)	-	-	-	-	2,170	10,516	-	-	2,170	10,516	-	-
Dies (NOs)	-	-	-	-	4	6	-	-	4	6	-	-

11. CAPACITY :

	2009-10	2008-09
Licensed Capacity	NA	NA
Installed Capacity (No.'s)	540000	540000
Actual Production (No.'s)	142561	117161

12. CAPITAL COMMITMENTS:

The estimated amount of capital commitments on unexecuted order is ` **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 ` 3.33 lakhs. The Income Tax Department has gone for second appeal for which the company is contesting. The liabilities in this regard are ` 3.33 lakhs.

(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 ` 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 ` 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.

CASH FLOW STATEMENT FOR THE FINANCIAL YEAR ENDING MARCH 31, 2010

PARTICULARS	As at 31/03/2010 (Rs.)	As at 31/03/2009 (Rs.)
Cash flow from operating activities		
Net Profit before tax, prior period items	(85,840)	(8,04,777)
Adjustment to reconcile net profit before tax to cash provided by operating activities		
(Profits)/losses on sale of fixed assets	-	(56,650)
Depreciation	71,82,301	87,05,418
Interest and finance charges	15,388	18,422
Prior Period Items	59,497	(1,29,324)
Changes in Current Assets and Liabilities		
Inventories	(25,97,899)	20,32,720
Sundry Debtors	(37,19,050)	(14,18,344)
Loans and Advances	4,49,168	(17,65,629)
Other Current Assets	-	-
Current Liabilities and Provisions	34,74,175	(17,79,165)
Income taxes paid	-	(80,376)
Net Cash generated by operating activities	47,77,741	47,22,296
Cash flow from investing activities		
Purchase of fixed assets	(16,71,005)	(3,37,415)
Changes in Capital Work in Progress	-	-
Proceeds on disposal of fixed assets	-	56,650
Net Cash used in investing activities	(16,71,005)	(2,80,765)
Cash flow from Financing Activities		
Loan Funds:		
a) Secured Loans	(10,00,000)	(50,97,948)
b) Unsecured Loans	(18,25,170)	10,72,331
Interest and finance charges	(15,388)	(18,423)
Dividend paid during the period	-	-
Net cash used in financing activities	(28,40,558)	(40,44,040)
Net (Decrease)/Increase in cash and cash equivalents	2,66,178	3,97,490
Cash and Cash equivalents at the beginning of the period	14,52,146	10,54,656
Cash and Cash equivalents at the end of the period	17,18,324	14,52,146

as per our Report of Even date

For and on behalf of the Board

for Sessa Prasad & Company
Chartered Accountants

For **SIBAR AUTO PARTS LIMITED**

Sd/-

Sd/-

Sd/-

P Sundari

P. Veeranarayana

P. Madhu Pratap

(Partner)

(Vice Chairman & Managing Director)

(Technical Director)

Date: 23-07-2010

Place: Tirupati

**INFORMATION PURSUANT TO PART IV OF SCHEDULE VI OF THE COMPANIES ACT, 1956
BALANCE SHEET ABSTRACT AND COMPANY'S
GENERAL BUSINESS PROFILE**

1. Registration Details

Registration No.

			0	0	3	8	1	7
--	--	--	---	---	---	---	---	---

State Code: 01

Balance Sheet Date

3	1	-	0	3	-	2	0	1	0
---	---	---	---	---	---	---	---	---	---

Date Month Year

2. Capital Raised during the year (Amount in `)

Public issue

			N	I	L				
--	--	--	---	---	---	--	--	--	--

Rights Issue

			N	I	L				
--	--	--	---	---	---	--	--	--	--

Bonus issue

			N	I	L				
--	--	--	---	---	---	--	--	--	--

Private Placement

			N	I	L				
--	--	--	---	---	---	--	--	--	--

3. Position of Mobilization and deployment of Funds (Amount in `)

Total Liabilities

	1	8	9	9	8	3	2	8	6
--	---	---	---	---	---	---	---	---	---

Total Assets

1	8	9	9	8	3	2	8	6
---	---	---	---	---	---	---	---	---

Source of Funds

Paid up Capital

		5	5	3	5	1	0	0	0
--	--	---	---	---	---	---	---	---	---

Reserves and Surplus

		1	5	3	5	9	7	9
--	--	---	---	---	---	---	---	---

Secured Loan

	1	1	7	3	2	3	9	8	6
--	---	---	---	---	---	---	---	---	---

Unsecured Loans

	1	5	7	7	2	3	2	1
--	---	---	---	---	---	---	---	---

Application of Funds

Net Fixed Assets

		1	6	0	4	4	9	7	9
--	--	---	---	---	---	---	---	---	---

Investments

			7	0	1	5	0	0
--	--	--	---	---	---	---	---	---

Net Current Assets

			2	7	5	9	0	4	8
--	--	--	---	---	---	---	---	---	---

Deferred Tax Asset

						N	I	L
--	--	--	--	--	--	---	---	---

Accumulated Losses

	1	4	1	0	4	4	6	8	4
--	---	---	---	---	---	---	---	---	---

4. Performance of the Company (Amount in `)

Turnover									
	1	0	4	0	4	7	2	3	5

Total Expenditure									
	1	0	4	4	5	2	6	5	7

Profit/Loss before tax									
				-	8	5	8	4	0

Profit/Loss after Tax									
				-	8	5	8	4	0

Earnings per Share									
				N	I	L			

Dividend per share									
				N	I	L			

5. Generic Names of three Principal Products/Services of the Company (as per monetary terms)

Item Code No (ITC Code)

--	--	--	--	--	--	--	--	--	--

Product Description

Aluminium Chromeplated Cylinders capacity exceeding 50cc but not exceeding 250cc for motorcycles

For and on behalf of the Board

For **SIBAR AUTO PARTS LIMITED**

Sd/-

P. VeerNarayana
(Vice Chairman & Managing Director)

Sd/-

P. Madhupratap
(Technical Director)

Date: 23-07-2010

Place: Tirupati