



28th ANNUAL REPORT
2010-2011





BOARD OF DIRECTORS

Sri P Veerananarayana	Vice Chairman and MD
Sri P.Madhuprathap	Technical Director
Sri.K.Subbaiah	Director
Sri K Eshwaraiah	Nominee Director (APIDC)
Sri Ramachandra Chowdary Amineni	Director

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 & Company,
Chartered Accountants,
Plot No. 34B, 1st Floor,
HUDA Heights, Near Lotus Pond,
Road No. 12, Banjara Hills,
Hyderabad - 500 034.

FINANCIAL INSTITUTIONS/BANKS

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

COMPANY LAW SECRETARY

A.J. Sharma & Associates
#5-9-796,103,Pavani Kamal Complex
Gunfoundry, Abids, Hyderabad – 500 001

REGISTRAR & SHARE TRANSFER AGENTS

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

LISTING

The Stock Exchange, Mumbai

M/s Big Share Services (P) Ltd. (B.O.)
G-10, Left wing, Amrutha Ville,
Somajiguda, Raj Bhavan Road,
Hyderabad - 500082

28TH ANNUAL GENERAL MEETING

Date: Saturday, July 30, 2011

Time: 11:00 A.M.

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

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NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the 28th Annual General Meeting of the Company will be held at its Registered Office: D4 & D5, Industrial Estate, Renigunta Road, Tirupati - 517506 (AP) at 11:00 am on Saturday, July 30, 2011 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance sheet as at March 31, 2011 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 consider and if thought fit to pass the following resolution with or without modification as an ordinary resolution.

"RESOLVED THAT M/S Sesha Prasad & Company, Chartered Accountants, Hyderabad 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"

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 the consent of the Company be and is hereby accorded to the Board of Directors of the Company to sell the surplus land registered in the name of the Company situated at Kothapalem Village, Renigunta Mandal, Chittoor Dt SV No70,71 & 75 admeasuring 11.97 acres and 0.48 acres for discharging within 12 months the OTS obligation of the Lending Banks to the extent of ₹ 5.00 crores

Resolved further that the Board be and is hereby authorized to negotiate and finalize the consideration in the best interest of the Company and do all such acts, deeds and things that may be necessary to carry the resolution into effect without recourse to any further approvals of the shareholders in this regard

5. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:

"RESOLVED THAT Mr. Amineni Ramachandra Choudary, who was appointed as Additional Director of the company by the Board of Directors pursuant to Section 260 of the Companies Act, 1956 to hold office up to the date of this Annual General Meeting be and is hereby appointed as a Director of the company."

By Order of Board of Directors,

P. Veerananarayana
(Vice Chairman & Managing Director)

P. Madhupratap
(Technical Director)

Date: June 25, 2011

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, 25th July, 2011 to Saturday, 30th July, 2011 (both days inclusive).
- 3) Shareholders are requested to notify change in address if any, immediately to the Company's Registered Office.
- 4) 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.
- 5) Shareholders attending the Meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the Meeting hall.
- 6) 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.
- 7) 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.

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

ITEM NO. 5

The company has been granted One Time Settlement (OTS) by Assets Recovery Branch of Central Bank of India

The company needs to pay ₹. 500.00 lakhs in full and final settlement of the Bank dues. As part of this, 25% of the OTS amount i.e. ₹125.00 lakhs was paid immediately while the balance of ₹ 375.00 lakhs is to be paid within 12 months from the date of conveying sanction of OTS in four quarterly installments.

For this purpose, the company seeks to sell the land property owned by it.

Therefore, in view of the above, the Board of Directors recommends the resolution for your approval.

None of the Directors are interested or concerned in the resolution.

ITEM NO. 6

The Board of Directors have appointed Mr. Amineni Ramachandra Choudary as an Additional Director of the company in the Board meeting held on 29th April, 2011. Pursuant to the provisions of Section 260, the additional director shall hold the office only upto the ensuing Annual General Meeting and in order to continue as a director, he needs to be appointed as a Director of the company in the Annual General Meeting of the company.

Being eligible for appointment as Director of the company, he has given his consent to act as a director of the company. The company has received notice in writing from a member along with deposit of ₹500/- proposing the candidature of Mr. Amineni Ramachandra Choudary for the office of Director under the provisions of Section 257 of the Companies Act, 1956.

Therefore, in view of the above, the Board of Directors recommends the resolution for your approval.

None of the Directors are interested or concerned in the resolution.

By Order of the Board of Directors,

P. Veerananarayana

(Vice Chairman & Managing Director)

Date: June 25, 2011

Place: Tirupati

DIRECTORS' REPORT

The Directors herewith submit the 28th Annual Report of the company together with the Audited Statements of the accounts for the year ended March 31, 2011.

1. FINANCIAL RESULTS:

The brief financial results of the company for the year ended March 31, 2011 are given hereunder

PARTICULARS	₹ in lakhs)	
	2010-11	2009-10
i) Total Sales	1159.82	1040.47
ii) Profit before Depreciation, Interest and Tax	32.02	67.92
iii) Interest	0.02	0.15
iv) Depreciation	10.65	71.82
v) Other Income	4.69	3.2
vi) Profit before Tax	26.06	(0.86)
vii) Provision for Tax	1.04	--
viii) Net Profit for the Year	25.01	(0.86)

2. OPERATIONS:

The Company continued to see strong growth in the financial year 2010-11 driven by good performance in existing and new areas of business.

During the year under review, the turnover of your company has increased to ₹1159.82 lakhs from ₹ 1040.47 lakhs thereby registering a growth of 11.47% over the previous year. The directors are hopeful of better results in the coming years.

3. DIVIDEND:

The Board has not recommended any Dividend for the year 2010-11.

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 2010-11, 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 affair of the Company at the end of the financial year and of the profit or loss of the Company for that period.
- iii) That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) That the Directors had prepared the annual accounts on a going concern basis.

5. DIRECTORS:

Mr. 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.

Mr. Amineni Ramachandra Choudary, who was appointed as Additional Director shall hold the office up to the ensuing Annual General Meeting. Being eligible for appointment as Director of the company, he has given his consent to act as a director of the company.

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:

The Report on Corporate Governance, Management Discussion and Analysis forming part of this report is enclosed .



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 steps 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, 2011.

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 Sessa Prasad & Company, Chartered accountants, Hyderabad 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.

P. Veerananarayana
(Vice Chairman & Managing Director)

Date: June 25, 2011

Place: Tirupati

P. Madhuratap
(Technical Director)



ANNEXURE TO THE DIRECTORS' REPORT

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 power and fuel consumption or as follows :

Particulars	Units	Amount in ₹
Diesel	9,700 Ltrs	3,93,210
Furnace Oil	2,90,000 Ltrs	1,69,67,957
Electricity	12,76,544 KWH	56,97,435
Coal	18,493 Kgs	2,14,550

B) TECHNOLOGY ABSORPTION, ADAPTATION AND INNOVATION :

The Company continuous to use latest technology 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:

	2010-11	2009-10
	(₹ in lakhs)	(₹ in lakhs)
A) Value of Imports (F.O.B.Value)	-Nil-	-Nil-
B) Value of Exports	-Nil-	-Nil-



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 which is being concentrated.

Previous year 2009-10 we manufactured electrical components 220 kv and 420 kv products. This year the company had developed new products for 765 kv in electrical components. In future we expect better growth in electrical components.

We have also taken up and successfully manufacturing and delivered electrical component for MNC Company.

The job work turnover of electrical components has increased to ₹51.98 lakhs from ₹30.82 lakhs.

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-2010-11

Total melting for the year : 947 tons out of which Job work : 607 tons and sales : 340 tons against total melting : 893 tons in the year 2009 - 2010

OUTLOOK AND INITIATIVES FOR THE CURRENT YEAR

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

SOME RISKS & CONCERNS

- * The man power cost per ton of finished product still remains high.
- * Old depreciated plants, requires high maintenance cost and some are obsolete.
- * 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 company is certified ISO 9001-2008 company 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 ₹.1159.82 lakhs against ₹. 1040.47 lakhs thereby registering a growth of 11.47% over the previous year. There was an Operating Profit before interest and depreciation of ₹.32.02 lakhs against the Operating Profit of ₹.67.92 lakhs for the previous year. The company had not provided interest portion for the loans for the current year.

The major component in the decrease of profit is mainly due to furnace oil, which was ₹.79,31,812 for 2,80,000 ltrs in 2009-10 and ₹.1,69,67,957 for 2,90,000 ltrs in 2010-11, this is mainly due to increase in the cost of the furnace oil, hence the profit margin drastically reduced. The company had approached its clients for the revision of price, which was not considered by the clients till 31.03.2011. However there is a commitment from clients that they shall give the price amendment from 01.04.2011 onwards. Various other inputs also increased which affected the profit margin.

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**

P. Veeranarayana
(Vice Chairman & Managing Director)

P. Madhuratap
(Technical Director)

Date: June 25, 2011

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.

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 59 years, who is the Vice Chairman & Managing Director.

Sri P. Madhu Pratap aged 36 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 55 years, is an Independent & non-executive director of M/s Sibar Auto Parts Limited. He has acquired an expertise in management and promotion of business.

Sri K. Eswaraiah aged about 56 years, is an Independent & non-executive director and also a nominee director from APDIC. He is a post – graduate in Master of Commerce. He is holding the post DGM in APIDC, Hyderabad.

Other information regarding the Board is given below:

No. of other Directorships and Committee Memberships /Chairmanships				
Name of the director	Category	Other director ships	Committee member-ships	Committee chairman-ships
Sri P. Veernarayana	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 2010-2011, 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 September 09 th , 2010
Sri P. Veerananarayana	30.04.2010	4	Yes
Sri P. Madhu Pratap	23.07.2010	4	Yes
Sri K. Subbaiah	29.10.2010	4	Yes
Sri K. Eswaraiah	28.01.2011	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 has the following powers to carry out the functions as per the terms of reference made by the Board

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 2010-2011, 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	30/04/2010 23/07/2010	4
Sri K. Subbaiah	Member	29/10/2010	4
Sri. P. Madhu Pratap	Member	28/01/2011	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 is 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 2010-11 are given below.

Name	Sitting fee Rs.	Salary, Perquisites and allowance (Rs.)	Stock Options Rs.
Sri P. Veerananarayana	Nil	6,00,000	Nil
Sri P. Madhu Pratap	Nil	5,40,000	Nil
Sri K. Subbaiah	1,000	Nil	Nil
Sri K. Eshwaraiah	1,000	Nil	Nil

5. Shareholders/Investors' Grievance committee

During the year 2010-2011, four meetings of the Committee were held.

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



Name of the director	Position held in the committee	No. of committee meetings attended during 2010-11
Sri. P. Madhu Pratap	Chairman	4
Sri. Eswaraiiah	Member	4
Sri. Subbaiah	Member	4

The committee looks into redressal of Shareholders' complaints/requests like transfer of shares, non-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 2011. All the valid requests for transfer of shares were considered for transfer. There were no share transfers pending as on 31.03.2011.

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
2010-2011	D4 & D5, Industrial Estate, Renigunta Road, Tirupathi - 517506 A.P.	Saturday 30th July, 2011 at 11.00AM	NONE
2009-2010	D4 & D5, Industrial Estate, Renigunta Road, Tirupathi - 517506 A.P.	Thursday 9th September, 2010 at 03.00 P.M.	NONE
2008-2009	D4 & D5, Industrial Estate, Renigunta Road, Tirupathi - 517506 A.P.	Saturday 21st November, 2009 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 2010-2011, 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 Indian Express & Financial Express (English Edition) and Andhra Prabha (Telugu Edition) The same results are sent to the stock exchanges as per Listing Agreement. The results Shall be posted on the company's website very shortly. 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. 28 th annual general meeting	
Date and time	Saturday, 30th July 2011 at 11.00 AM
Venue	D4 & D5, Industrial estate, Renigunta Raod, Tirupati-517506
	As required under clause 49(VI)(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 30 th July, 2011.
b. Financial calendar(tentative)	
Financial year	: 1 st April, 2010 to 31 st March, 2011
First quarter results	: 23th July, 2010
Second quarter results and half yearly results	: 29th October, 2010
Third quarter results	: 28th January 2011
Last quarter results/ Audited results	: 29th April 2011/ 25th June 2011
c. Dates of books closure	: 25th July, 2011 to 30 th July 2011
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 paid its annual listing fees up to date to BSE. The same is pending for Madras and Ahmedabad stock exchanges.
h. Market price data	: There is no trading in the Bombay stock exchange, since the shares of the company remain suspended hence no quotation for the year 2010-11.

i. Registrars and Transfer 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 2011.

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 -----	33	2,60,000	4.70
8.	10000 10001 & Above	46	29,24,500	52.84
	TOTAL	9633	55,35,100	100

Shareholding Pattern as on 31st March, 2011:

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

l. 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 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: 0877-2274765,2271990

p. Investor Correspondence

* For transfer in physical form
M/s Big Share services (P) Ltd.
G-10, Left wing, Amrutha Ville,
Somajiguda, Raj Bhavan Road,
Hyderabad – 500082

* For Shares in Demat form

To the Depository Participant

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 March 31, 2011

For and on behalf of the Board.

For **SIBAR AUTO PARTS LIMITED**

P. Veerananarayana
(Vice Chairman & Managing Director)

P. Madhupratap
(Technical Director)

Date: June 25, 2011

Place: Tirupati



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**

P. Veeranarayana
(Vice Chairman & Managing Director)

P. Madhuratap
(Technical Director)

Date: June 25, 2011

Place: Tirupati



**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, 2011, 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

FR.No. 0056855

P Sundari

Partner

M.No. 217719

Date: June 25,2011

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, 2011 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, 2011 and taken on record by the Board of Directors, we report that the none of the Directors is disqualified as on March 31, 2011 from being appointed as a Director in terms of Section 274 (1) (g) of the Companies Act, 1956.

f) In our opinion and to the best of our information and according to the explanations given to us, we are of opinion that the financial statements give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounts principles generally accepted in India.

i) In the case of Balances sheet of the state of affairs of the company as at March 31, 2011,

ii) In the case of Profit and Loss Account of the profit 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,
FR.No. 0056855

CA Sundari P.
Partner
M.No. 217719

Date: June 25, 2011.

Place: Tirupathi



**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 of 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 taken loans from the parties listed in the register maintained u/s 301 of the Companies Act, 1956. However, the terms are not prejudicial to the interests of the company.

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.

4. 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.

5. 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.

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.

6. 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.

7. 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.

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 & Honorable Debt Recovery



Appellate Tribunal. The matter is yet to be adjudicated. The company has paid a total amount of ₹ .191.00 lakhs to the banks and financial institutions during the year. (₹185.00 Lakhs to Central Bank of India & ₹6.00 lakhs to State Bank of India) During the year, Central Bank of India has sanctioned One Time Settlement (OTS) for the balance amount of ₹.500.00 lakhs, after considering the ₹.60.00 lakhs paid by the company as per the Hon' High Court Order.

12. According to the information and explanations given to us, the company has not given any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

13. As the Company is not a chit fund or not a nidhi or mutual benefit fund / Society, the provisions of this clause is not applicable to the Company.

14. The Company is not dealing in or trading in shares, securities, debentures and other investments. Therefore, the provisions of clause 4(xiv) of the Order are not applicable.

15. According to the information and explanations given to us the company has not given any guarantees for loans taken by others from banks or financial institutions. Therefore

the provisions of clause 4(xv) of the Order are not applicable.

16. According to the information and explanations given to us the company has not taken any term loans during the year under review. Therefore the provisions of clause 4(xvi) of the Order are not applicable.

17. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company we report that no funds raised on short term bases have been used for long term investments.

18. According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained u/s 301 of the Companies Act.

19. According to the information and explanations given to us, the Company has not issued debentures.

20. During the year the Company has not raised any money by way of public issue.

21. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the period under audit.

For **Sesha Prasad & Company**
CHARTERED ACCOUNTANTS
F.R.No. 005685S

P Sundari
Partner
M.No. 217719

Date: June 25,2011

Place: Secunderabad



BALANCE SHEET AS ON MARCH 31, 2011					
PARTICULARS	Sch No.	Amounts in ₹		Amounts in ₹	
		As on March 31, 2011		As on March 31, 2010	
SOURCES OF FUNDS					
Share holders' funds					
Share Capital	A	55,351,000		55,351,000	
Reserves & Surplus	B	1,535,979	56,886,979	1,535,979	56,886,979
Loan Funds					
Secured Loans	C	110,329,548		117,323,986	
Un Secured Loans	D	24,023,712	134,353,260	15,772,321	133,096,307
Deferred Tax Liability			104,429		
TOTAL			191,344,668		189,983,286
APPLICATION OF FUNDS					
Fixed Assets:					
Gross Block	E	121,387,777		130,962,930	
Less: Depreciation		105,310,981		114,917,951	
Net Block			16,076,796		16,044,979
Investments					
	F		701,500		701,500
Current Assets, Loans & Advances					
Inventories	G	4,708,431		5,982,167	
Sundry Debtors		23,129,761		22,790,412	
Cash & Bank Balance		760,054		1,718,324	
Loans & Other Advances		16,501,353		15,586,989	
		45,099,599		46,077,891	
Less: Current Liabilities & Provisions					
Current Liabilities	H	12,617,778		17,050,050	
Provisions		26,206,884		26,268,793	
Net Current Assets		38,824,662	6,274,937	43,318,843	2,759,048
Misc Expenditure to the extent not written off					
P&L Account			138,858,361		141,044,684
Development Expenditure not Capitalised	I		29,433,074		29,433,074
Total			191,344,668		189,983,286
As per our report of even date			For and on behalf of the Board of Directors		
For Sesha Prasad & Company Chartered Accountants. F.R.No. 005685S					
CA Sundari P Partner. M.No. 217719 Place : Tirupathi Date : June 25,2011		P. Veeramarayana Vice Chairman and Managing Director		P. Madhupratap Technical Director	



PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

PARTICULARS	Sch No.	Amounts in ₹ March 31, 2011	Amounts in ₹ March 31, 2010
INCOME			
Sales	J	115,982,459	104,047,235
Other Income	K	469,955	319,582
TOTAL		116,452,414	104,366,817
EXPENDITURE			
Cost of Goods Sold	L	102,187,988	87,710,486
Administrative Expenses	M	10,594,070	9,559,869
Depreciation	E	1,064,844	7,182,301
TOTAL		113,846,902	104,452,657
Net Profit before Tax		2,605,511	(85,840)
Provision for Income Tax		-	-
Provision for Deferred Tax Liability		104,429	
Net Profit after Tax		2,501,082	(85,840)
Prior Period Items - (expense)/income		(314,758)	59,497
Profit for the year		2,186,324	(26,343)
Balance Brought forward		(141,044,684)	(141,018,342)
Profit / (Loss) available for Appropriations		(138,858,361)	(141,044,684)
Transfer to General Reserve		-	-
Balance Carried Over to Balance Sheet		(138,858,361)	(141,044,684)

As per our report of even date

For and on behalf of the Board of Directors

For **Sesha Prasad & Company**

Chartered Accountants. F.R.No. 005685S

CA Sundari P

Partner. M.No. 217719

P. Veerananarayana

Vice Chairman and Managing Director

P. Madhupratap

Technical Director

Place : Tirupathi

Date : 25.06.2011



SCHEDULES TO THE BALANCE SHEET AND PROFIT & LOSS ACCOUNT		
PARTICULARS	Amount (₹)	
	31-3-2011	31-3-2010
SCHEDULE A		
SHARE CAPITAL		
Authorised Share Capital (10,000,000 of Equity Shares 10/- of each)	100,000,000	100,000,000
Issued ,Subscribed and Paidup Capital (5,535,100 Equity Shares 10/- of each)	55,351,000	55,351,000
Total	55,351,000	55,351,000
SCHEDULE B		
RESERVES & SURPLUS		
General Reserve	1,535,979	1,535,979
Add: Transferred During the Year	-	-
	1,535,979	1,535,979



PARTICULARS	Amount (₹)	
	31-3-2011	31-3-2010
SCHEDULE C		
SECURED LOANS		
Loans & Advances from Banks		
i. Cash Credit from Central Bank of India, Tirupati secured by hypothication of stock in Trade, Raw materials and Semi-finished Stocks, Stores and Spares etc. guaranteed by Directors on their individual capacity	1,325,841	13,826,289
ii. Cash credit from Central Bank of India, Tirupati branch secured by out ward bills, guaranteed by Debtors in their individual capacity	6,500,000	6,500,000
iii. Term loan from C.B.I., Tirupati branch secured by hypothication of Plant and Machinery of the Company, equitable mortgage of Land & Building of the Company in addition to the personal security of the Directors in their individual capacity	21,089,732	21,089,732
iv. Term Loan from Industrial Development Bank of India, Madras secured by Exclusive Charge on the Plant & Machinery acquired under the scheme of equipment finance by the company in addition to the personal guarantee of the Directors.	22,500,000	22,500,000
Interest accrued and due thereon	41,706,576	41,706,576
v. Short term loan from APSPFC, Tirupati secured by personal security of Directors in their individual capacity	-	-
vi. State Bank of India, Sattipalli Branch	11,093,043	11,701,388
vii. CBI ILC Account	6,114,356	-
Total	110,329,548	117,323,986
PARTICULARS	Amount (₹)	
	31-3-2011	31-3-2010
SCHEDULE D		
UNSECURED LOANS		
Loans from others	8,830,990	2,458,178
Deferred Sales Tax	4,614,808	5,070,809
Interest free unsecured loans	5,000,000	5,000,000
Loans from Directors	5,577,914	3,243,334
Total	24,023,712	15,772,321



SCHEDULE - E FIXED ASSETS											
(Amounts in ₹)											
Sl No.	DESCRIPTION	GROSS BLOCK			DEPRECIATION				NET BLOCK		
		As on 01.04.2010	Additions/ (Deletions)	Adjustment	As on 31.03.2011	As on 01.04.2010	Adjustment	For the Year	As on 31.03.2011	As on 31.03.2011	As on 31.03.2010
1	Land	5,669,521	-	-	5,669,521	-	-	-	-	5,669,521	5,669,521
2	Factory Building	7,079,279	-	-	7,079,279	3,264,160	-	236,448	3,500,608	3,578,671	3,815,119
3	Administrative Building	7,668,465	-	-	7,668,465	3,128,119	-	124,996	3,253,115	4,415,350	4,540,346
4	Plant & Machinery	105,706,247	978,160	(10,550,318)	96,134,089	104,474,583	(10,550,318)	550,482	94,474,747	1,659,342	1,231,664
5	Computers, Fax & Office Equipment	3,587,629	118,500	(121,495)	3,584,634	2,935,414	(121,495)	73,680	2,887,599	697,034	652,215
6	Furniture & Fixtures	1,251,788	-	-	1,251,788	1,115,673	-	79,238	1,194,912	56,877	136,115
Total		130,962,930	1,096,660		121,387,777	114,917,950		1,064,844	105,310,981	16,076,796	16,044,980

PARTICULARS	Amount (₹)	
	31-3-2011	31-3-2010
SCHEDULE - F		
INVESTMENTS		
Unquoted Investments at Purchase Cost (150 Equity Shares of Rs. 10 each in India Automotive Ltd., Jamshedpur)	1,500	1,500
Quoted Investments at Cost (70000 Equity Shares of Rs. 10 each in Sibar Finance Ltd., Vijayawada)	700,000	700,000
Total	701,500	701,500



PARTICULARS	Amount (₹)	
	31-3-2011	31-3-2010
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	99,550	2,094,237
Stores and Spares	1,423,819	878,059
Packing Material	44,431	79,810
Chemicals and Others	350,020	447,161
Finished Stocks	628,007	483,050
Semi-finished Stock	2,162,604	1,999,850
Total (i)	4,708,431	5,982,167
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	16,688,557	14,677,099
Others	12,441,204	14,113,313
	29,129,761	28,790,412
Less: Provision for Doubtful Debts	6,000,000	6,000,000
Total (ii)	23,129,761	22,790,412
iii. Cash and Bank balances		
Cash in hand	130,663	5,074
Cash at Bank	629,391	1,512,526
SBI Dividend Account	-	200,724
Total (iii)	760,054	1,718,324
Total (A)	28,598,246	30,490,902
B. LOANS AND ADVANCES		
Advances Recoverable in Cash or in kind or for value to be received		
Income-tax deducted at source	2,225,495	1,465,230
Advance Tax	308,990	308,990
Deposits	901,830	744,651
Salary Advances	1,163,756	1,079,007
Advance to Others	11,572,493	11,347,532
IIBI	-	472,500
Excise Duty Recoverable under MODVAT	305,120	145,410
Interest Receivables	23,669	23,669
Total (B)	16,501,353	15,586,989
Grand Total (A and B)	45,099,599	46,077,891



PARTICULARS	Amount (₹)	
	31-3-2011	31-3-2010
SCHEDULE - H		
CURRENT LIABILITIES AND PROVISIONS		
A. CURRENT LIABILITIES		
Sundry Creditors	12,191,523	16,458,444
Advances from Parties	160,000	160,000
Statutory Liabilities	266,255	230,882
Unclaimed Dividend	-	200,724
Total (A)	12,617,778	17,050,050
B. PROVISIONS		
Provision for Provident Fund	40,294	34,670
Provision for ESI	19,128	20,905
Provision for Taxation	-	-
Others	26,147,462	26,213,218
Total (B)	26,206,884	26,268,793
Grand Total (A and B)	38,824,662	43,318,843
SCHEDULE - I		
MISCELLANEOUS EXPENDITURE NOT WRITTEN OFF		
Development expenditure not capitalised	29,433,074	29,433,074
Total	29,433,074	29,433,074
SCHEDULE - J		
SALES		
Indegeneous Sales less returns	79,450,367	77,867,272
Job Works	36,532,092	26,179,963
Total	115,982,459	104,047,235
SCHEDULE K		
Other Income		
Miscellaneous Income	238,955	154,082
Rent Received	231,000	165,500
Profit on sale of Vehicle	-	-
Total	469,955	319,582



PARTICULARS	Amounts in (₹)		Amounts in (₹)	
	31-3-2011		31-3-2010	
SCHEDULE - L				
COST OF GOODS SOLD				
Opening Stock of				
Raw Materials, Pistons, Chemicals & Others	2,541,398		2,187,929	
Work in Progress	1,999,850		374,900	
	4,541,248		2,562,829	
Add: Purchases	49,301,534	53,842,782	48,694,563	51,257,392
Less:				
Closing Stock of				
Raw Materials, Pistons, Chemicals & Others	143,981		2,541,398	
Work in Progress	2,162,604	2,306,585	1,999,850	4,541,248
Material Consumed:		51,536,197		46,716,144
Manufacturing Expenses				
Conversion Charges	666,024		550,684	
Stores and Spares	15,832,558		12,690,797	
Fuel Expenses	393,310		529,582	
CST Paid	1,596,989		1,548,618	
Excise Duty Paid	7,095,621		5,819,570	
Dies Milling	3,401,383		2,020,819	
Insurance	150,000			
Medical Expenses	182,573		101,854	
Machining Charges	1,433,494		1,551,863	
Packing Material	394,106		476,939	
Power Charges	5,697,435		4,804,901	
Repairs & Maintenance (Building)	484,868		384,342	
Repairs & Maintenance (Electricity)	367,978		275,648	
Repairs & Maintenance (Others)	363,844		268,183	
Repairs & Maintenance (Plant)	444,709		393,088	
SHE Cess	70,794		58,221	
Education Cess	141,554		116,417	
VAT	-		13,661	
Incentives	9,096,040		6,739,450	
Wages	2,577,470		2,277,736	
Vehicle hire charges	405,998	50,796,748	353,999	40,976,372
Cost of Goods Produced		102,332,945		87,692,515
Add: Opening Stock of Finished Goods		483,050		501,021
		102,815,995		88,193,536
Less: Closing Stock of Finished Goods		628,007		483,050
COST OF GOODS SOLD		102,187,988		87,710,486



PARTICULARS	Amount (₹)	
	31-3-2011	31-3-2010
SCHEDULE - M		
ADMINISTRATIVE EXPENSES		
Advertisement Expenses	14,551	18,360
AGM Expenses	27,050	26,500
Audit Fees	165,450	110,300
Bonus	386,321	208,379
Bank Charges	3,486	2,410
Canteen	1,725,888	1,519,070
Consultancy Charges	839,250	892,819
Conveyance	451,523	468,417
Custody Fee	30,000	30,000
Directors' Remuneration	720,000	360,000
Directors' other perks	136,828	70,308
Directors' Sitting Fee	10,000	8,000
Directors' Travelling	321,594	348,009
Donations	16,000	-
Employer's contribution to ESI	190,007	154,903
Fees Paid	19,900	30,600
Filing Charges	4,582	5,628
Gratuity	63,175	-
House Rent Allowances	360,000	192,000
Interst Charges	1,677	15,388
Journals and Periodicals	13,765	10,061
Legal & Professional Expenses	340,500	321,700
Listing Fee	15,000	15,000
Miscellaneous Expenses	321,767	573,452
Office Maintenance	30,620	81,889
Pooja Expenses	183,117	176,701
Postage & Telegrams	28,872	39,063
Printing and Stationary	110,667	185,419
Employer's contribution to PF	270,712	224,780
Rates, Taxes, Fines and Fees	141,456	248,058
Rent	174,538	119,669
Repairs and Maintenance (Office Equipment)	1,150	-
Salaries	484,127	528,250
Sales Promotion	567,893	383,325
Staff Welfare Expenses	100,761	117,530
Staff Welfare Fund	693	665
Telephone Charges	343,741	359,801
Travelling Expenses	933,883	721,965
Vehicle Maintenance	459,740	590,860
Watch & Ward	493,657	400,590
Workmen Compensation	90,128	-
Total	10,594,070	9,559,869



PARTICULARS	Amount (₹)	
	31-3-2011	31-3-2010
SCHEDULE - N		
Deferred Tax liability		
Opening Balance	-	-
Add: During the year	104,429	-
Closing Balance	104,429	-

SCHEDULE – O

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 lower. 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 have been transferred to the Central Government a/c during the current Financial year.

7. Miscellaneous expenditure

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

8. DIRECTORS REMUNERATION :

(₹ in lakhs)

PARTICULARS	For the year	
	2010-11	2009-10
Basic Salary	7,20,000	3,60,000
Provident Fund	86,400	43,200
HRA	3,00,000	1,32,000
Other Perks	1,36,828	70,308

9. AUDIT FEE PARTICULARS :

(₹ in lakhs)

PARTICULARS	For the year	
	2010-11	2009-10
Statutory Audit(excl. Service Tax)	96,000	60,000
Management Services & Tax Audit	24,000	40,000
Sales Tax Audit	NIL	NIL



10. QUANTITATIVE PARTICULARS :

Description	Opening Stock		Purchases		Production		Consumption		Sales		Closing Stock	
	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10	2010-11	2009-10
Raw Materials Indigenous KGs)	21620	13214	308626	385869	-	-	329341	377463	-	-	905	21620
Cylinders (NOs)	900	1072	-	-	138960	142561	-	-	138630	142733	1230	900
Others (KGs)	-	-	-	-	-	2170	-	-	-	2170	-	-
Dies (NOs)	-	-	-	-	22	22	-	-	22	22	-	-

11. CAPACITY :

	2010-11	2009-10
Licensed Capacity	NA	NA
Installed Capacity (No.'s)	540000	540000
Actual Production (No.'s)	138960	142561

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 and IDBI Bank 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 there is no virtual certainty regarding the taxable income for the future years, no deferred tax assets has been provided on account of the carried forward losses. However, Deferred Tax Liability has been recognized on the timing difference arising in case of Depreciation.

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.

As per our report of even date

For **Sesha Prasad & Company**

Chartered Accountants. F.R.No. 005685S

CA Sundari P

Partner. M.No. 217719

Date : June 25,2011

P. Veeramarayana

Vice Chairman and Managing Director

Place : Tirupathi

For **SIBAR AUTO PARTS LIMITED**

P. Madhuratap

Technical Director



CASH FLOW STATEMENT FOR THE FINANCIAL YEAR ENDING MARCH 31, 2011		
PARTICULARS	As at 31/03/2011 Amounts in ₹	As at 31/03/2010 Amounts in ₹
Cash flow from operating activities		
Net Profit before tax, prior period items	2,605,511	(85,840)
Adjustment to reconcile net profit before tax to cash provided by operating activities		
(Profits)/losses on sale of fixed assets	-	-
Depreciation	1,064,844	7,182,301
Interest and Dividend Income	-	-
Interest and finance charges	1,677	15,388
Interest income	-	-
Prior Period Items	(314,758)	59,497
Changes in Current Assets and Liabilities		
Inventories	1,273,735	(2,597,899)
Sundry Debtors	(339,349)	(3,719,050)
Loans and Advances	(914,365)	449,168
Other Current Assets	-	-
Current Liabilities and Provisions	(4,494,181)	3,474,175
Income taxes paid	-	-
Net Cash generated by operating activities	(1,116,886)	4,777,741
Cash flow from investing activities		
Purchase of fixed assets	(1,096,660)	(1,671,005)
Changes in Capital Work in Progress	-	-
Proceeds on disposal of fixed assets	-	-
Payment for Intellectual Property rights	-	-
Investment in Subsidiaries	-	-
Investment in Securities	-	-
Interest and Dividend Income	-	-
Cash flow from investing activities before exceptional items	-	-
Proceeds on sale of long term investments (net of taxes)	-	-
Net Cash used in investing activities	(1,096,660)	(1,671,005)
Cash flow from Financing Activities		
Loan Funds:		
a) Secured Loans	(6,994,437)	(1,000,000)
b) Unsecured Loans	8,251,391	(1,825,170)
Interest and finance charges	(1,677)	(15,388)
Dividend paid during the period	-	-
Dividend tax paid during the period	-	-
Net cash used in financing activities	1,255,277	(2,840,558)
Net (Decrease)/Increase in cash and cash equivalents	(958,269)	266,178
Cash and Cash equivalents at the beginning of the period	1,718,324	1,452,146
Cash and Cash equivalents at the end of the period	760,054	1,718,324
As per our report of even date For and on behalf of the Board of Directors		
For Sesha Prasad & Company		
Chartered Accountants. F.R.No. 005685S		
CA Sundari P	P. Veeranarayana	P. Madhupratap
Partner. M.No. 217719	Vice Chairman and Managing Director	Technical Director
Date : June 25,2011 Place : Tirupathi		



**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.

State Code: 01

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

Balance Sheet Date

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

Date Month Year

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

Public issue

Rights Issue

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

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

Bonus issue

Private Placement

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

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

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

Total Liabilities

Total Assets

	1	9	1	3	4	4	6	6	8
--	---	---	---	---	---	---	---	---	---

	1	9	1	3	4	4	6	6	8
--	---	---	---	---	---	---	---	---	---

Source of Funds

Paid up Capital

Reserves and Surplus

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

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

Secured Loan

Unsecured Loans

	1	1	0	3	2	9	5	4	8
--	---	---	---	---	---	---	---	---	---

		2	4	0	2	3	7	1	2
--	--	---	---	---	---	---	---	---	---

Application of Funds

Net Fixed Assets

Investments

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

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

Net Current Assets

Deferred Tax Liability

			6	2	7	4	9	3	7
--	--	--	---	---	---	---	---	---	---

				1	0	4	4	2	9
--	--	--	--	---	---	---	---	---	---

Accumulated

	1	3	8	8	5	8	3	6	1
--	---	---	---	---	---	---	---	---	---



4. Performance of the Company (Amount in ₹)

Turnover	Total Expenditure
1 1 5 9 8 2 4 5 9	1 1 3 8 4 6 9 0 2
Profit/Loss before tax	Profit/Loss after Tax
2 6 0 5 5 1 1	2 5 0 1 0 8 2
Earnings per Share	Dividend per share
0 . 3 9	N I L

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

Item Code No (ITC Code)

8 4 0 9 9 9 4 1

Product Description

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

for SIBAR AUTO PARTS LIMITED

P.VEERANARAYANA

Vice-Chairman and Managing Director

P.MADHUPRATHAP

Technical Director

Date: June 25, 2011

Place: Tirupati

Attendance Slip



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

Please complete this attendance slip and hand it over at the entrance of the hall.
*Only members or their proxies are entitled to be present at the Meeting.
*Please note that children will not be allowed inside the meeting hall.

Folio No.	No. of Shares
Name & Address	

I hereby record my presence at the Twenty Eighth Annual General Meeting being held at Regd. Office : D-4 & D-5 Industrial Estate, Renigunta Road, Tirupati-517506,

Signature of the Shareholder / Proxy :

- Strike whichever is not applicable.

Proxy



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

Folio No. No. of Shares

I/We

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

..... of

of failing him of

of failing him of

as my / our proxy to attend and vote for me / us and on my / our behalf at Twenty Eighth Annual General Meeting of the company to be held at 11.00 a.m. on Saturday, the 30th July, 2011 and any adjournment thereof.

Dated this day of 2011

Signed the said



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