

**BOARD OF DIRECTORS**

<b>Sri P Veerananarayana</b>	Chairman and Managing Director
<b>Sri P Madhuprathap</b>	Executive Director & CFO
<b>Sri P. Ravichandra</b>	Executive Director
<b>Sri K Subbaiah</b>	Director
<b>Sri Ramachandra Chowdary Amineni</b>	Director
<b>Smt. P. Sugunamma</b>	Director
<b>Sri B.P. Jetty</b>	Director

**REGISTERED OFFICE**

D4 & D5  
Industrial Estate  
Renigunta Road  
Tirupati - 517 506

**FACTORY**

D4, D5, D11 & Shed No.3  
Industrial Estate  
Renigunta Road  
Tirupati - 517 506

**AUDITORS**

SPC & Associates  
Chartered Accountants,  
Plot No.252A, 2nd Floor,  
MLA Colony, Lotus Pond Road,  
Road No.12, Banjara Hills,  
Hyderabad - 500 034.

**REGISTRAR & SHARE TRANSFER AGENTS**

Bigshare Services Pvt Ltd (H.O.)  
E-2, Ansa Industrial Estate,  
Sakivihar Road, Saki Naka,  
Andheri (E), Mumbai - 400 072.

**A.J. Sharma & Associate**

Company Law Adviser  
# 5-8-352, No. 17, 1st Floor  
Raghavendra Towers, Abids  
Hyderabad - 500 001.

**M/s. Bigshare Services (P) Ltd (B.O.)**

306, 3rd Floor, Right Wing, Amrutha Villae,  
Opp. Yasoda Hospital, Somajiguda,  
Raj Bhavan Road, Hyderabad - 500 082

**LISTING**

The Stock Exchange, Mumbai

**33<sup>rd</sup> ANNUAL GENERAL MEETING**

Date: Monday, 19th September, 2016

Time: 3.00 P.M.

**VENUE:** Registered Office  
D4 & D5, Industrial Estate  
Renigunta Road  
Tirupati - 517 506

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**NOTICE TO SHAREHOLDERS**

Notice is hereby given that the 33<sup>rd</sup> Annual General Meeting of the Members of Sibar Autoparts Limited will be held on Monday, 19<sup>th</sup> September, 2016 at 3.00 p.m. at the Registered Office at D4 & D5, Industrial Estate, Tirupati – 517501 to transact the following business:

**ORDINARY BUSINESS:****1. Adoption of Audited Financial Statements**

To receive, consider and adopt the Audited financial statements of the Company for the financial year ended as at 31<sup>st</sup> March, 2016, including the Balance Sheet as at 31<sup>st</sup> March, 2016, statement of Profit and Loss for the year ended on that date together with the Reports of Directors and Auditors thereon.

**2. Appointment of Director retiring by rotation**

To appoint a Director in place of Mrs. Sugunamma Pemmasani (holding Director Identification Number 07128299), who retires by rotation and being eligible, offers herself for re-appointment.

**3. Ratify the appointment of Auditors**

To ratify the appointment of Auditors of the Company, and to fix their remuneration and to pass the following resolution as an Ordinary Resolution thereof:

**“RESOLVED THAT**, pursuant to Section 139, 142 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, pursuant to the recommendations of the audit committee of the Board of Directors, and pursuant to the resolution passed by the members at the Annual General Meeting held on 29<sup>th</sup> September 2014, the appointment of SPC & Associates (Firm Registration

No. 005685S), Chartered Accountants as the Auditors of the Company to hold office till the conclusion of the Annual General Meeting to be held in the calendar year 2019 be and is hereby ratified and that the Board of Directors be and is hereby authorized to fix the remuneration payable to them for the financial year ending 31<sup>st</sup> March, 2017 as may be determined by the audit committee in consultation with the Auditors plus applicable service tax and reimbursement of out-of-pocket expenses incurred for the purpose.”

**SPECIAL BUSINESS:****4. Appointment of Mr. P. Ravichandra as an Executive Director**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment there of for the time being in force) Mr Pemmasani Ravichandra (holding Director Identification Number 00627413), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 12<sup>th</sup> August, 2016 and who holds office till the date of the Annual General Meeting, in terms of Section 161 of the Companies Act, 2013, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Pemmasani Ravichandra as a candidate for the office of a director of the Company, be and is hereby appointed an Executive Director of the Company.”

**5. Approval of Remuneration of Mr. P. Ravichandra , Executive Director of the Company**

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

**RESOLVED THAT**, that pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof), read with Schedule V to the Companies Act, 2013 and pursuant to any other applicable Article of the Articles of Association of the Company, the consent of the Company be and is hereby accorded to the appointment of Mr. P.Ravichandra ( DIN 00627413) as Executive Director of the Company for a period of five years commencing from 01.09.2016 on the remuneration, terms and conditions as recommended by the nomination and remuneration committee and as set out in the explanatory statement annexed to the notice"

**RESOLVED FURTHER**, that the Board of Directors be and is hereby authorized to alter or vary the scope of remuneration of Mr.Pemmasani Ravichandra, Executive Director including the monetary value thereof, to the extent recommended by the Nomination and Remuneration Committee from time to time as may be considered appropriate, subject to the overall limits specified by this resolution and the Companies Act, 2013.

By the Order of the Board

For Sibar Autoparts Limited

**P. Veerantarayana**  
Chairman & Managing Director  
DIN: 00644259

Place : Tirupati  
Date : 12 August, 2016

**RESOLVED FURTHER**, that any one of the Directors of the Company be and are hereby authorized to do all necessary acts, deeds and things, which may be usual, expedient or proper to give effect to the above resolution."

**6. Approval of expenses of delivery of the documents through a particular mode**

To consider and if thought fit, to pass the following Resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to provisions of Section 20 and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules prescribed there under, the consent of the Company be and is hereby accorded to charge from a member in advance, a sum equivalent to the estimated actual expenses of delivery of the documents through a particular mode if any request has been made by such member for delivery of such document to him through such mode of service provided such request along with the requisite fee has been duly received by the Company at least one week in advance of the dispatch of the document by the Company.

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."



**NOTES:**

1. The Statement pursuant to Section 102 (1) of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed.
2. A member entitled to attend and vote at the Meeting may appoint a proxy to attend and, to vote instead of himself/herself. A Proxy need not be a member of the Company. Proxies, in order to be effective, must be deposited with the Company not less than forty-eight hours before the meeting. Proxies submitted on behalf of limited companies, societies, partnership firms, etc. must be accompanied by appropriate resolution/authority as applicable, issued on behalf of the nominating organization.

A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate shares not more than 10percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. In accordance with the Companies Act, 2013 read with the Rules, the Notice of the AGM along with the Annual Report for 2015-16 are sent by electronic mode to those members whose e-mail addresses are registered with the Company /Depositories, unless any member has requested for a physical copy of the same. For members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
4. The Register of Members and Transfer Books of the Company will remain closed from 13<sup>th</sup> September, 2016 to 19<sup>th</sup> September 2016(both days inclusive).
5. Shareholders are requested to notify change in address if any, immediately to the Company's Registered Office.
6. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form are required to submit their PAN details to the Company.
7. 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.
8. Shareholders attending the Meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the Meeting hall.
9. 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.
10. Members are requested to note that all shares related transactions i.e., transfer, transmission, transposition, nomination, change of name etc., are being handled by the company/ through share registrars.
11. Members may also note that the Notice of the 33<sup>rd</sup> Annual General Meeting and the Annual Report for the financial period ended on 31.03.2016 will also be available on the Company's website [www.sibarauto.com](http://www.sibarauto.com) for their download.

The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Tirupati for inspection during normal business hours on working days. For any communication, the shareholders may also send requests to the Company's investor email id.

12. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules,

2014, the Company is pleased to provide members facility to exercise their right to vote at the 33<sup>rd</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL). The detailed procedure to be followed in this regard has been given in Annexure-A to the notice. The members are requested to go through them carefully.

**DETAILS OF DIRECTORSHIPS OF DIRECTORS SEEKING APPOINTMENT/  
RE - APPOINTMENT AT THE**

Particulars	Mrs.Sugunamma Pemmasani	Mr. Pemmasani Ravichandra
Date of Birth	01.07.1953	20.11.1977
Qualifications	-	B.Tech in Chemical Engineering
Experience in Specific area	In the line of business field	About 16 years of experience in production , marketing and nickel plating technology
Directorships held in other Public Limited Companies (Except foreign and Section 8 companies)	-	-
Membership/Chairmanship of Membership/Chairmanship of Committees of other Public Companies (includes audit committee and Stakeholders Relationship committee only)	-	-
Number of shares held in the company	2378680	2310000

**EXPLANATORY STATEMENT  
(Pursuant to Section 102 of the  
Companies Act, 2013)**

**Item No. 4 & 5**

Mr. Pemmasani Ravichandra was appointed as an Additional Director of the Company by the Board of Directors with effect from 12<sup>th</sup> August, 2016.

In terms of Section 161(1) of the Companies Act, 2013, Mr. Pemmasani Ravichandra holds office as an Additional Director only up to the date of the forthcoming Annual General Meeting. The Company has received a notice pursuant to Section 160 of the Companies Act, 2013 along with the amount of requisite deposit from one of the members signifying his intention to propose the appointment of Mr. Pemmasani Ravichandra as an Executive Director.

Mr. Pemmasani Ravichandra is not disqualified from being appointed as Directors in terms of section 164 of the Companies Act, 2013 and have given his consent to act as director.

Notice received under Section 160 of the Companies Act, 2013 is available for inspection by the members at the Registered Office of the Company during the business hours on any working day up to the date of the Annual General Meeting.

Mr. Pemmasani Ravichandra is a B.Tech Graduate in Chemical Engineering from SRM University, Chennai and He joined the Company as Manager –planning & Development in 2002 and was subsequently promoted as General Manager - Planning & Development and Marketing in 2005. He has varied experience in all major departments such as Planning, Production, and project execution of the

Company. Besides this he has expertise in nickel plating technology . He is overseeing the automation and process up gradation in all processes of manufacturing activity. Thus operated as overall in charge of Production until his elevation as Executive Director with effect from 1 st September, 2016.

The Board is of the opinion that the company should utilise his services Company to achieve better results , by appointing him as Executive Director as mentioned in the resolution, subject to the approval of share holders. Taking into consideration the duties and responsibilities of the Executive Director, the prevailing managerial remuneration in industry and on the recommendation of the nomination and remuneration committee, the Board at their meeting held on 12.08.2016 approved the remuneration, terms and conditions of appointment of Mr. Pemmasani Ravichandra, subject to approval of the shareholders on remuneration including minimum remuneration and on terms and conditions given hereunder:

1. Salary: Rs.60,000 ( Rupees Sixty thousand only) per month
- 2.i) In addition to the above , he shall also be entitled to perquisites and allowance like accommodation(Furnished or otherwise) or house rent allowances in lieu thereof; reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings; medical reimbursement; club fees and leave travel concession for himself and his family; personal accident insurance and such other perquisites and allowances in accordance with the rules of the company or as may be agreed to by the Remuneration and Nomination Committee; such perquisites or allowances and



allowances in accordance with the Rules of the company or as may be agreed to by the Remuneration and Nomination Committee; such perquisites and allowances shall be restricted to an amount equal to the annual salary.

- ii) For the purpose of calculating the above ceiling, perquisites shall be evaluated as per the Income-tax Rules, wherever applicable. In absence of any such Rules, perquisites shall be evaluated at actual cost.
- iii) Company's contribution to Provident Fund and Superannuation or Annuity fund, to the extent these neither singly or together are not taxable under the Income-tax Act. Gratuity payable as per the rules of the Company and encashment of leave at the end of tenure, shall not be included in the computation of limits for the remuneration or perquisites aforesaid.
- iv) Provision for car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephones and the use of car for private purpose shall be billed by the Company

Explanation : For the above purpose family means spouse, dependent children and dependent parents.

- v) As the terms of appointment and the remuneration proposed are in conformity with the relevant provisions of the Companies Act, 2013, read with Schedule V to the said Act, Central Government approval is not required for this appointment

None of the Directors, Key Managerial Personnel and relatives other than Mrs.Sugunamma Pemmasani, Mr. P.

Veeranarayana, Mr. P. Madhupratap and Mr.P.Ravichandra are concerned or interested in the Resolution at Item Nos. 4 & 5 of the Notice.

The Board of Directors recommends the Resolution at Item Nos. 4 & 5 of this Notice for your approval.

#### **Item No. 6**

As per the provisions of Section 20 of the Companies Act, 2013, a document may be served on any member by sending it to him by post or by registered post or by speed post or by courier or by delivery at his office or residence address or by such electronic or other mode as may be prescribed. Further, proviso to sub-section (2) of Section 20 states that a member may request for delivery of any document through a particular mode, for which he shall pay such fees in advance as may be determined by the company in its Annual General Meeting. Accordingly, the Board of Directors in their meeting held on 11th May 2015 has proposed that a sum equivalent to the estimated actual expenses of delivery of the documents through a particular mode, if any request has been made by any member for delivery of such documents to him through such mode of service, be taken to cover the cost of such delivery.

None of the Directors or Key Managerial Personnel including their relatives is concerned or interested, financial or otherwise, in the said resolution.

The Board recommends the Ordinary Resolution as set out in the Notice for approval of the Members

**Annexure "A" to the Notice**

The Company has entered into an arrangement with Central Depository Services (India) Limited (CDSL) for facilitating remote e-voting for AGM Information and other instructions relating to e-voting are as under:

**A) In case of members receiving e-mail from CDSL (for Members whose e-mail address are registered with the company/depository participants.**

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (ii) Click on "Shareholders" tab to cast your votes.

(iii) Now, select the Electronic Voting Sequence Number - "EVSN" along with "Sibar Autoparts Limited" from the drop down menu and click on "SUBMIT"

(iv) If you are holding shares in Demat form and have already voted earlier on [www.evotingindia.com](http://www.evotingindia.com) for a voting of any Company, then your existing login id and password are to be used. If you are a first time user follow the steps given below.

(v) Now, fill up the following details in the appropriate boxes:

	For Members holding shares InDemat Form For NSDL :8 Character DP ID Followed by 8 Digits Client ID	For Members holding shares in Physical Form Folio Number Registered with the company by 8 Digits Client ID
	For CSDL: 18 Digits beneficiary ID	Folio Number Registered with the company
PAN	PAN* Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department when prompted by the system while e-voting (applicable for both demat shareholders as well as physical shareholders)	
DOB	Enter the Date of Birth as recorded in your demat account or at a in the company records for the said demat account or folio in dd/ mm/yyyy format.	

\* Members who have not updated their PAN with the Company/Depository Participant are requested to use the default number: <ABCDE1234F> in the PAN Field.

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Members holding shares in physical form will then reach directly the EVSN selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their

login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.



- (viii) For members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the relevant EVSN on which you choose to vote.
- (x) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "Resolutions File Link" if you wish to view the entire Resolution.
- (xii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xv) If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system \* Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to **<https://www.evotingindia.co.in>** and register themselves as Corporates.
- \* They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to **helpdesk.evoting@cdslindia.com**.
- \* After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- \* The list of accounts should be mailed to **helpdesk.evoting@cdslindia.com** and on approval of the accounts they would be able to cast their vote.
- \* They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- (B) In case of members receiving the physical copy of Notice of AGM** [for members whose e-mail IDs are not registered with the company/ depository participant(s) or requesting physical copy]: Please follow all steps from sl. no. (i) to sl.no. (xiv) above, to cast vote.
- (C)** The voting period begins **on 16<sup>th</sup> September, 2016 (10.00 am) and ends on 18<sup>th</sup> September, 2016 (5.00 pm)** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 12<sup>th</sup> **September, 2016**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.



- D) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- E) The members who have cast their vote by e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
- F) M.M.Gopalachari FCA, a Practicing Chartered Accountant , Partner , MMGS AND ASSOCIATES, Tirupati (Member ship No 025376 )has been appointed as Scrutinizer to scrutinize voting process in a fair and transparent manner.
- G) The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- H) The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be available for inspection and also placed on the website of the Company within prescribed period.
- I) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting.

By Order of Board of Directors

For Sibar Auto Parts Limited

**P. Veerannarayana**  
Chairman & Managing Director  
DIN:00644259

Place : Tirupati  
Date : 12 August, 2016

### BOARD'S REPORT

**Dear Members,**

On behalf of the Board of Directors, it is our pleasure to present the Thirty Third Annual Report together with the Audited Statement of Accounts SIBAR AUTOPARTS LIMITED for the year ended March 31, 2016.

The summarized standalone results of your Company are given in the table below.

₹. in Lacs

PARTICULARS	Financial Year ended	
	31/03/2016	31/03/2015
Total Income	1610.72	1626.67
Profit/(Loss) before Interest, Depreciation & Tax (EBITDA)	61.13	46.00
Finance Charges	36.72	3.75
Depreciation	26.58	20.02
Profit before exceptional and Extra ordinary items	(2.17)	22.23
Prior Period Items	(7.27)	(3.30)
Exceptional Items	0.00	0.00
Profit before extraordinary items	9.44	18.93
Extra ordinary Items	12.10	22.50
Net Profit before Tax	2.67	41.43
Provision for Tax	6.82	16.31
Net Profit after Tax	(4.15)	25.12
Profit/(Loss) brought forward from previous year	(823.93)	(849.05)
Amount transferred consequent to Scheme for Merger	0.00	0.00
Profit/(Loss) carried to Balance Sheet	828.08	823.93

\* Previous year figures have been regrouped/rearranged wherever necessary.

**Review of business operations , and the State of Company's Affairs**

Your Directors wish to present the details of Business operations done during the year under review:

During the year under review your company has recorded total revenue of ₹.1610.72 lacs as against ₹.1626.67 lacs in the previous year registering a slight decrease of 0.98%. The reason is orders received at the far end of the year could not be executed.

The Profit before tax (PBT) and Profit after Tax (PAT) for the financial year ended 31<sup>st</sup> March, 2016 was at ₹.6.82 and ₹.(4.15) lacs as against ₹.41.43 lacs and ₹.25.12 lacs of the previous financial year respectively. The decline in profits during the financial year under review is due to substantial increase in interest cost and depreciation . Further there were no much sales of land during year under review which is shown as Extra –ordinary Income by ₹.12.10 lacs during the financial year 2015-16 when compared with the previous year figure of ₹.22.50 lacs..

The Capital expenditure for the 2015-16 was ₹.221.67lacs and the capital expenditure was account of installation of Low Pressure Die Casting Machines to increase productivity and reduce manufacturing cost

As reported in the Directors Report of Previous Year , Your company supplied Nicosil Aluminium Plated Cylinders on trial run basis to OEMs and replacement market and the results are encouraging .Your directors are hopeful of better results with increase turnover in the coming years.

**Outlook**

The demand for two-wheelers is expected to grow at a muted pace of 4-6% during FY2017 after a modest 3% growth in domestic volumes during FY2016. Although increased allocations towards rural development and welfare schemes in the Union Budget for 2016-17 and growth in National Rural Employment Guarantee Act (NREGA) expenditure, besides the government's focus on improving irrigation infrastructure, augur well for the farm sector, demand recovery from rural households is expected to be gradual and in turn linked to the volume and dispersion of monsoon rainfall. Additionally, the implementation of the recommendations of the Seventh Pay Commission in phases and expectations of softer interest rates would support demand (which remains healthy) for two-wheelers from urban households.

**Dividend**

The Board has not recommended Dividend for the year 2015-16 due to accumulated losses.

**Transfer of Amounts to Investor Education and Protection Fund**

The Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

**Material changes and commitment if any affecting the financial position of the company occurred between the end of the financial year to which this financial statements relate and the date of the report**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate on the date of this report

**Capital/ Finance**

The paid up equity share capital as on 31<sup>st</sup> March, 2016 was ₹.953.51 lacs. There was no public issue, rights issue, bonus issue or preferential issue, etc during the year under review. The company has not issued shares with differential voting rights, sweat shares nor has it granted any stock options.

**Fixed Deposits:**

The Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014, as such, no amount of principal or interest was outstanding as of the Balance Sheet date.

**Particulars of Loans, Guarantees or Investments:**

There was no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

**Internal Control Systems and their adequacy**

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations.

**Internal Audit**

During the year under review the Company has appointed M/s MMGS &

ASSOCIATES, Chartered Accountants, Tirupati as Internal Auditor. The scope and authority of the Internal Auditor is as per the terms of reference approved by the Audit Committee. To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee of the Board & to the Chairman & Managing Director.

The Internal Auditor monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company.

Based on the report of Internal Auditor, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.

**Directors**

The current policy is to have an appropriate mix of executive, non-executive and independent directors to maintain the independence of the Board, and separate its functions of governance and management. As on March 31, 2016, the Board consists of seven members, three of whom are executive or whole-time directors, one non-executive director and three independent directors.

Mrs. Sugunamma Pemmasani (holding Director Identification Number 07128299) retires by rotation and, being eligible, offers herself for re-appointment. The Board recommends the re-appointment of Mrs. Sugunamma Pemmasani.

Mr. K.Rajendra Prasad (holding Director Identification Number 0143653) resigned from the directorship of the Company with effect from 8<sup>th</sup> October, 2015. The Board places on record its appreciation for the assistance and guidance provided by Mr.K.Rajendra Prasad during his tenure as Director of the Company

Mr. P. Ravichandra was appointed as the Additional Director and whole time Director with designation of Technical Director to hold for a period of five years commencing from 1<sup>st</sup> September,2016.The members are requested to approve his appointment in the ensuing annual general meeting.

The designation of Mr.P.Veeranarayana has been re designated as Chairman cum Managing Director of the Company and that of Mr.P.Madhupratap as CFO Cum Whole time Executive Director in the board meeting held on 12<sup>th</sup> August,2016

#### **Declaration by independent directors**

The Company has received necessary declaration from each independent director under Section 149(7) of the Companies Act, 2013, that he meets the criteria of independence laid down in Section 149(6) of the Companies Act, 2013.

#### **Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and the Listing Agreement, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

#### **Remuneration Policy**

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the Corporate Governance Report.

#### **Meetings and Committees**

Currently, the Board has three committees: the audit committee, nomination and remuneration committee and stakeholders relationship committee.

During the year four Board Meetings and four Audit Committee Meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

A detailed note on the Board and its committees is provided under the Corporate governance report section in this Annual Report.

#### **Directors' Responsibility Statement**

Pursuant to the requirement clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, your Directors confirm that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) 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 and loss of the company for that period;



- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**Significant & Material Orders Passed by the Regulators**

During the year under review there were no significant and material orders passed by the regulators or Courts or Tribunals impacting the going concern status and the Company's operations in future.

**Related party transactions**

All contracts / arrangements/ transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arms's length basis. During the year, the Company had not entered into any contract/ arrangement/ transaction with related parties which could be considered materially significant which may have potential conflict with interest of the company at large.

Your Directors draw attention of the members to Note.27 to the financial statement which sets out related party disclosures..

**Particulars of Employees and related disclosures**

The information required pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request.

In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the Registered office of the company during business hours on working days of the company up to the date of ensuing Annual General Meeting. If any member is interested in inspecting the same, such member may write to the company in advance.

**Subsidiaries, Joint Ventures and Associate Companies**

The Company does not have any Subsidiary, Joint venture or Associate Company.

**Details of conservation of energy, technology absorption, foreign exchange earnings and outgo**

The information relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo is given in **Annexure "I"**

**Vigil Mechanism / Whistle Blower Policy**

The Company has established a vigil mechanism/framed a whistleblower policy. The

policy enables the employees and other stake holders to report to the management instances of unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. This policy is reviewed annually by the Audit Committee to check the effectiveness of the policy.

#### **Prevention of Insider Trading**

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading insecurities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All Board Directors and the designated employees have confirmed compliance with the Code.

#### **Statutory Auditors, their Report and Notes to Financial Statements**

In the last AGM held on 29th September, 2014, M/s. SPC & Associates (Firm Registration No.005685S), Chartered Accountants have been appointed Statutory Auditors of the Company for a period of Five years. Ratification of appointment of Statutory Auditors is being sought from the members of the Company at the ensuing AGM.

Further, the report of the Statutory Auditors along with notes to Schedules is enclosed to this report. The observations made in the Auditors' Report are self-explanatory and therefore do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

#### **Cost Audit**

The Cost Audit is not applicable to the Company.

#### **Secretarial Audit**

In terms of Section 204 of the Act and Rules made there under, M/s. ARUB & ASSOCIATES, Practicing Company Secretary have been appointed Secretarial Auditors of the Company. The report of the Secretarial Auditors is enclosed as **Annexure "II"** to this report. The report is self-explanatory and do not call for any further comments except with regard to non-compliance of provisions of section 203(1) of the companies Act, 2013 for appointment of wholetime company secretary. In this connection, it is submitted that the financial position of the Company is a constraint to appoint wholetime company secretary. However, the company is utilizing services of practicing Company secretary to comply with statutory compliances. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

#### **Extract of Annual Return**

Pursuant to section 92(3) of the Companies Act, 2013 ('the Act') and rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of annual return in form MGT-9 is annexed herewith as **Annexure "III"**.

**Risk Management Policy**

In terms of the requirement of the Act, the Company has developed and implemented the Risk Management Policy and the Audit Committee of the Board reviews the same periodically.

**Details of policy developed and implemented by the company on its corporate social responsibility initiatives**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

**Corporate Governance Reports**

The Corporate Governance Report, which form an integral part of this Report, is set out as separate Annexure.

**Acknowledgement**

The Directors place on record their appreciation for employees at all levels, who have contributed to the growth and performance of your Company.

The Directors also thank the clients, vendors, bankers, shareholders and advisers of the Company for their continued support.

The Directors also thank the Central and State Governments, and other statutory authorities for their continued support.

For and on behalf of the Board  
SIBAR AUTOPARTS LTD

PEMMASANI VEERANARAYANA  
(Chairman & Managing Director)  
DIN:00644259

PEMMASANI MADHUPRATAP  
(Executive Director & CFO)  
DIN:00644254

Place: Tirupati

Date : 12<sup>th</sup> August 2016

## Annexure "I"

**(a) Conservation of energy**

(i)	The steps taken or impact on conservation of 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 , illumination systems, transparent roof sheets and use of CFL lamps in installation of natural draft air exhaust ventilators.
(ii)	The steps taken by the company for utilizing alternate sources of energy	-----
(iii)	The capital investment on energy conservation equipments.	No capital investment was incurred on energy conservation equipments

**(b) Technology absorption**

(i)	The efforts made towards technology absorption.	The company continues to use latest technology is for improving productivity and quality of its product.
(ii)	The benefits derived like production improvement, cost reduction, product development or import substitution.	Producing better quality products that meet the expectations of customers.
(iii)	In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	NIL
	(a) The details of technology imported	NIL
	(b) The year of import	NIL
	(c) Whether the technology been fully absorbed	NIL
	(d) If not fully absorbed, areas where absorption has not taken place and the reasons thereof	NIL
(iv)	The expenditure incurred on Research and Development	No Expenditure incurred by the company attributable to Research and Development.

**(c) Foreign exchange earnings and Outgo**

During the year, the total foreign exchange used was ₹.6.37 lakh and the total foreign exchange earned was **NIL**

For and on behalf of the Board  
 SIBAR AUTOPARTS LTD

**PEMMASANI VEERANARAYANA**  
 (Chairman & Managing Director)

DIN:00644259

Place : Tirupati

Date : 12<sup>th</sup> August 2016

**PEMMASANI MADHUPRATAP**  
 (Executive Director & CFO)

DIN:00644254

**Annexure "II"****FORM NO. MR-3****SECRETARIAL AUDIT REPORT**

For the Financial Year ended 31.03.2016

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

**The Members,**

Sibar Autoparts Limited

CIN: L34201AP1983PLC003817

D 4 &amp; D 5, Industrial Estate,

Renigunta Road,

Tirupati - 517 506.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Sibar Autoparts Limited (CIN: L34201AP1983PLC003817) (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the financial year ended on 31<sup>st</sup> March, 2016 ("the audit period") complied with the statutory provisions listed hereunder and also that the Company has proper

Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company during the audit period according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment. (There was no External Commercial Borrowing).
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act):-
  - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and Exchange Board of India (Prohibition of Insider Trading)
  - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not Applicable to the Company during the Audit Period);

- d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not Applicable to the Company during the Audit Period);
- e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable to the Company during the Audit Period);
- f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (Not Applicable to the Company during the Audit Period);
- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the Company during the Audit Period); and
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable to the Company during the Audit Period).
- 6) The Management has identified and confirmed that the following laws are to an extent applicable to the Company:
- a. The Factories Act, 1948
  - b. The Payment of Wages Act, 1936
  - c. The Minimum Wages Act, 1948
  - d. The Payment of Bonus Act, 1965
  - e. Payment of Gratuity Act, 1972
  - f. Employers State Insurance Act, 1948
  - g. Water (Prevention & Control of Pollution) Act 1974 and rules thereunder
  - h. Air (Prevention & Control of Pollution) Act 1981 and rules thereunder
  - i. Other Central and State Acts, rules, guidelines and regulations to the extent applicable to the Company.
- We have also examined compliance with the applicable clauses of the following:-
1. the Secretarial Standards issued by the Institute of Company Secretaries of India under the provisions of the Companies Act, 2013
  2. The Listing Agreements entered into by the Company with BSE Limited and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 effective from 1<sup>st</sup> December, 2015.
- During the period under review, the Company has complied with the provisions of the Companies Act, Rules, Regulations, Guidelines, etc. mentioned above to the extent applicable subject to the following observation :-
- Observations**
- As per the information and explanations provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we report that the provisions of Section 203(1) of the Companies Act, 2013 and Rule-8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for appointment of Secretary has not been complied with.



We have not examined compliance by the Company with applicable financial laws, like direct and indirect tax laws, since the same have been subject to review by statutory financial audit and other designated professionals.

**Based on the information received and records maintained, we further report that:-**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Women Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

Based on the Compliance Certificate issued by the Managing Director of the Company and taken on record by the Board of Directors at their meetings and on the basis of the information and representation made by the Company and its officers for systems and mechanism formed by the Company for compliances under other Acts, Laws, and Regulations applicable to the Company, we are of the opinion that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines to the extent applicable.

For ARUB & ASSOCIATES

Usha Balasubramanian

CP No. 7444

ACS No. 11134

Date : 10<sup>th</sup> August 2016

Place : Chennai

Annexure

To,  
The Members  
Sibar Autoparts Limited  
CIN: L34201AP1983PLC003817  
D 4 & D 5, Industrial Estate,  
Renigunta Road,  
Tirupati - 517 506

Dear Members,

Sub: Our Report of even date is to be read along with this letter.

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

For ARUB & ASSOCIATES

Usha Balasubramanian  
CP No. 7444  
ACS No. 11134

Date : 10<sup>th</sup> August 2016  
Place : Chennai

## Annexure III

**Form No. MGT-9**  
 EXTRACT OF ANNUAL RETURN  
 as on the financial year ended on 31<sup>st</sup> March, 2016  
 of  
**SIBAR AUTOPARTS LTD**

[Pursuant to Section 92(1) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS:**

- i) CIN : L34201AP1983PLC003817
- ii) Registration Date : 19/02/1983
- iii) Name of the Company : SIBAR AUTO PARTS LTD
- iv) Category / Sub-Category of the Company : Public Company/Limited by Shares
- v) Address of the Registered Office and contact details : D4 & D5, Industrial Estate,  
Renigunta Road, Tirupati - 517 506.
- vi) Whether listed company : Yes
- vii) Name, Address and contact details of Registrar & Transfer Agents (RTA), if any
- Bigshare Services Private Limited  
 306, 3<sup>rd</sup> Floor, Right wing, Amrutha Ville.,  
 Opp Yasoda Hospital, Somajiguda,  
 Raj Bhavan Road, Hyderabad 500 082

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1.	Automobile Casting	30913	85.31
2.	Electrical casting	30913	14.69





<b>B. Public Share holding</b>									
<b>(1) Institutions</b>									
(a) Mutual Funds	439363	---	439363	4.61	344286	---	344286	3.61	(1.00)
(b) Banks / FI	29000		29000	0.30	29000		29000	0.30	(0.00)
(c) Central Govt.									
(d) State Govt.(s)									
(e) Venture Capital Funds									
(f) Insurance Companies									
(g) FIs									
(h) Foreign Venture Capital Funds									
(i) Others (Specify)									
<b>Sub-Total (B) (1) :</b>	<b>468363</b>		<b>468363</b>	<b>4.91</b>	<b>373286</b>		<b>373286</b>	<b>3.91</b>	<b>(1.00)</b>
<b>(2) Non-Institutions</b>									
(a) Bodies Corp.	131465	66800	198265	2.08	129930	66800	196730	2.06	(0.02)
(i) Indian									
(ii) Overseas									
(b) Individuals									
(i) Individual Shareholders holding nominal share capital upto Rs. 1 Lakh	789008	1585100	2374108	24.90	922919	1557900	2480819	26.02	1.12
(ii) Individual Shareholders holding nominal share capital excess Rs.1Lakh	517166	50000	567166	5.95	542731	50000	592731	6.22	0.27
(c) NRI's	51400	163000	214400	2.25	22400	163000	185400	1.94	(1.31)
(d) Clearing Members	5638		5638	0.06	1774		1774	0.02	(0.04)
<b>Sub-Total (B) (2) :</b>	<b>1494677</b>	<b>1864900</b>	<b>3359577</b>	<b>35.23</b>	<b>1619754</b>	<b>1837700</b>	<b>3457454</b>	<b>36.26</b>	<b>1.02</b>
Total Public Share holding (B)=(B)(1)+(B)(2)	1963040	1864900	3827940	40.15	1993040	1837700	3830740	40.18	0.03
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>Grand Total (A+B+C)</b>	<b>7670200</b>	<b>1864900</b>	<b>9535100</b>	<b>100</b>	<b>7697400</b>	<b>1837700</b>	<b>9535100</b>	<b>100</b>	

**II. Share Holding of Promoters**

Sl. No.	Share Holder's Name	Shareholding at the beginning of the Year (As on 01.04.2015)			Shareholding at the end of the Year (As on 31.03.2016)			% Change In share holding during the year
		No. of Shares	% of total shares of the company	% of shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the company	% of shares Pledged / encumbered to total shares	
1.	Annaluru Aruna	42,620	0.45	NIL	42,620	0.45	NIL	0.00
2.	Annaluru Chenna Krishna	99,320	1.04	NIL	99,320	1.04	NIL	0.00
3.	Annaluru Usha	42,790	0.49	NIL	42,790	0.45	NIL	(0.04)
4.	Pemmasani Madhu Pratap	16,97,100	17.80	NIL	16,97,100	17.80	NIL	0.00
5.	P. Ravi Chandra	2,31,000	2.42	NIL	2,31,000	2.42	NIL	0.00
6.	P. Suganamma	23,78,680	24.95	NIL	23,78,680	24.95	NIL	0.00
7.	P. Veeramarayana	5,71,650	6.00	NIL	5,72,850	6.01	NIL	0.01
8.	P. Annapurna	5,00,000	5.24	NIL	5,00,000	5.24	NIL	0.00
9.	P. Charitha	1,40,000	1.47	NIL	1,40,000	1.47	NIL	0.00

**III. Change in Promoters' Share holding (please specify, if there is no change)**

Sl. No.		Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	At the beginning of the year (As 01-04-2015)	57,07,160	59.85	57,07,160	59.85
2.	Allotment of Equity Shares on Preferential Basis during the year	--		--	
	Transfer			2800	
3.	At the end of the year (As on 31-03-2016)	57,07,160	59.85	57,04,360	59.82



**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.	Share Holder's Name	Shareholding		Date	Increase/Decrease in share holding	Reason	Cumulative Shareholding during the Year (01.04.15 to 31.03.16)	
		No. of Shares at the beginning (01.04.14)/end of the year (31.03.15)	% of total shares of the company				No. of Shares	% of total shares of the company
1.	Amrex Marketing Pvt. Ltd.	439363	4.61	07.08.15	-7799	Transfer	431564	4.53
				14.08.15	-11000	Transfer	420564	4.41
				20.11.15	-1211	Transfer	419353	4.40
				27.11.15	-24000	Transfer	395353	4.15
				04.12.15	-50000	Transfer	345353	3.62
				31-12-15	-107	Transfer	345246	3.62
2.	Shahzaad Dalal			15-01-16	-597	Transfer	344649	3.61
		344649		31-03-16			344649	3.61
		1,74,200	1.83	18.03.16	-2120	Transfer	173130	1.82
3.	Rajendra Prasad Adi Raju			31.03.16	-1050	Transfer	172080	1.80
				27.11.15	31505	Purchase	31505	0.33
				04.12.15	31848	Transfer	63353	0.66
4.	K. Ajay Kumar			11-12-2015	18349	Transfer	81702	0.86
		81702		31.03.16			81702	0.86
5.	G.Pavank	57700	0.61	01.04.15	0	NIL		0.61
		57700	0.61	31.03.16	0	Movement	57,700	0.61
6.	Harakhchand Rambhiya	52000	0.55	01.04.15	0	NIL		0.55
		52000	0.55	31.03.16	0	Movement	52000	0.52
7.	Deepa Prahladka	50000	0.52	01.04.15	0	NIL		0.52
		50000	0.52	31.03.16	0	Movement	50000	0.55
8.	Gandhi Securities & Inv. (P) Ltd.	47800	0.50	01.04.15	0	NIL		0.50
		47800	0.50	31.03.16	0	Movement	47800	0.50
9.	M/S L.S.E. Securities Ltd.,	37300	0.39	01.04.15	0	NIL		0.39
		37300	0.39	31.03.16	0	Movement	37300	0.39
10.	Ramasubramanians	1849	0.02	22.05.15	500	Transfer	2349	0.02
				07.08.15	11558	Transfer	13907	0.15
				14.08.15	20300	Transfer	34207	0.36
		34207		31.03.16				0.36
10.	Ramasubramanians	30700	0.32	01.04.15	0	Nil		0.32
		30700	0.32	31.03.16	0	Movement	30,700	0.32

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	Share Holder's Name	Shareholding		Date	Increase/Decrease in share holding	Reason	Cumulative Shareholding during the Year (01.04.1s to 31.03.15)	
		No. of Shares at the beginning (01.04.15)/end of the year (31.03.16)	% of total shares of the company				No. of Shares	% of total shares of the company
1.	P. Veeranarayana	571650	6.00	07.01.16	200	Transfer	571850	6.00
				08.01.16	200	Transfer	572050	6.00
				11.01.16	200	Transfer	572250	6.00
				13.01.16	300	Transfer	572550	6.00
				14.01.16	300	Transfer	572850	6.01
		572850		31.03.16			572850	6.01

**V. INDEBTEDNESS**

**Indebtedness of the Company including interest outstanding/accrued but not due for payment**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	83,34,451	1,50,80,733	0.00	2,34,15,184
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	90,122	0.00	0.00	90,122
<b>Total (i+ii+iii)</b>	<b>84,24,573</b>	<b>1,50,80,733</b>	<b>0.00</b>	<b>2,35,05,306</b>
<b>Change in Indebtedness during of the financial year</b>				
* Addition	2,77,38,613	43,80,000	0.00	3,21,18,613
* Reduction	35,92,525	39,10,000	0.00	75,02,525
<b>Net Change</b>	<b>3,24,80,539</b>	<b>1,55,50,733</b>	<b>0.00</b>	<b>4,80,31,272</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	3,24,80,539	1,55,50,733	0.00	4,80,31,272
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	4,12,301	0.00	0.00	4,12,301
<b>Total (i+ii+iii)</b>	<b>3,28,92,840</b>	<b>1,55,50,733</b>	<b>0.00</b>	<b>4,84,43,573</b>



**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sl. No.	Particulars of Remuneration	Name of Director		Total
		Mr. P. Veerananarayana	Mr. P. Madhupratap	
1.	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	9,00,000	7,80,000	16,80,000
	(b) Value of perquisites U/s 17(2) Income-tax Act, 1961	1,55,215	1,25,913	2,81,128
	(c) Profits in lieu of salary under	---	---	---
2.	Stock Option	---	---	---
3.	Sweat Equity	---	---	---
4.	Commission - as % of Profit - others, specify..	---	---	---
5.	Others, please specify	---	---	---
	<b>TOTAL (A)</b>	<b>10,55,215</b>	<b>9,05,913</b>	<b>19,61,128</b>
	Ceiling as per the Act	As per Schedule V to the Companies Act, Effective Capital is less than Rs. 4.00 Crores, the ceiling limit is Rs. 30.00 Lacs.		

Sl. No.	Particulars of Remuneration	Name of Director				Total Amount
		Mr. R. Chowdary	Mr. K.Subb aiah	Mr. B.P.Jetty	Mr. P.Suguna	
1.	Independent Directors					
	(a) Free for attending board/ Committee meetings	45,000	45,000	46,000	0	1,37,000
	(b) Commission	0	0	0	0	0
	(c) Others, please specify	0	0	0	0	0
	<b>TOTAL (1)</b>	<b>45,000</b>	<b>45,000</b>	<b>46,000</b>	<b>0</b>	<b>1,37,000</b>
2.	Other Non-Executive Directors					
	(a) Free for attending board/ Committee meetings	0	0	0	46,000	46,000
	(b) Commission	0	0	0	0	0
	(c) Others, please specify	0	0	0	0	0
	<b>TOTAL (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>46,000</b>	<b>46,000</b>
	<b>Total (B) = (1+2)</b>	<b>45,000</b>	<b>45,000</b>	<b>46,000</b>	<b>46,000</b>	<b>1,82,000</b>
	<b>Total Managerial Remuneration (A) + (B)</b>					<b>21,43,128</b>

Overall Ceiling as per the Act.As per Schedule V to the Companies Act, Effective Capital is less than Rs. 4.00 Crores, the ceiling limit is Rs. 30.00 Lacs.

**B. Remuneration to other Directors :**

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO	
1.	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-Tax Act,1961	0	0	7,80,000	7,80,000
	(b) Value of perquisites U/s 17(2) Income-Tax Act,1961	0	0	1,25,913	1,25,913
	(c) Profits in lieu of Salary Under section 17(3) Income-Tax Act,1961	0	0	0	0
2.	Stock Option	0	0	0	0
3.	Sweat Equity	0	0	0	0
4.	Commission - as % of profit - others, specify ...	0	0	0	0
5.	Others, please specify	0	0	0	0
	TOTAL	0	0	9,05,913	9,05,913



**VII. Penalties / Punishment / Compounding of offences : NIL**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty Punishment Compounding			----- NIL -----		
<b>B. DIRECTORS</b>					
Penalty Punishment Compounding			----- NIL -----		
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty Punishment Compounding			----- NIL -----		

For and on behalf of the Board  
**SIBAR AUTOPARTS LTD**

PEMMASANI VEERANARAYANA  
(Chairman & Managing Director)  
DIN:00644259

PEMMASANI MADHUPRATAP  
(Executive Director & CFO)  
DIN:00644254

Place: Tirupati

Date : 12<sup>th</sup> August 2016



## **REPORT ON CORPORATE GOVERNANCE**

Pursuant to Regulation 34(3) of SEBI(Listing Obligations and Disclosure Requirements) Regulation,2015("Regulation") read with Schedule V thereto compliance with requirements of Corporate Governance is set out below

Your company is committed to good governance, based on an effective independent Board, separation of supervisory role from executive management and constitution of Committees to oversee critical areas

### **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 has an appropriate mix of executive, non-executive and independent directors to maintain the independence of the Board, and separate its functions of governance and management and meets the requirement as stipulated under Companies Act, 2013 and the Listing Agreement. The Independent Directors are independent of management and free from any business or other relationship that could materially influence their judgment and satisfy the criteria of independence as defined under Companies Act, 2013 and Listing Agreement.

None of the directors are inter-se related to each other except Sri P. MadhuPratap, Executive director of the company and Sri P.Ravichandra Executive Director of the Company are sons of Sri P. Veernarayana, Chairman and Managing Director of the company, P.Sugunamma, Non – Executive Women Director of the company is wife of Sri P. Veernarayana, Chairman and Managing 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 66 years, who is the Chairman & Managing Director. He is diploma holder in automobile engineering and technocrat.

**Sri P. MadhuPratap** aged 42 years, is Executive director and CFO 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 about 60 years, is non-executive Independent Director. He has acquired an expertise in management and promotion of business.

**Sri A.R. Chowdary**, aged about 79 years is an independent & non-executive director He is a retired Assistant General Manager of the State Bank of India(SBI). He has held responsible positions in SBI and has rich experience in the field of Finance and Banking.

**Smt. Sugunamma**, aged 63 years is non-executive director. She has acquired an expertise in management of business.

**Sri. B.P. Jetty**, aged about 68 years is an independent & non-executive director. He is B.E Graduate in Mechanical Engineering. He has more than four decades of experience in automotive industries and expertise includes Lean Manufacturing, Materials management, Human Relations Management, Strategy & Risk management, Customer Relation management, Business excellence.

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 & CFO	Nil	Nil	Nil
Sri K. Subbaiah	Independent & Non-Executive	2	Nil	Nil
Sri A.R. Chowdary	Independent & Non-Executive	Nil	Nil	Nil
Sri B.P.Jetty	Independent & Non-Executive	Nil	Nil	Nil
Sri B.P.Jetty	Independent & Non-Executive	Nil	Nil	Nil
Smt. Sugunamma	Non - Executive Women Director	Nil	Nil	Nil

### Meetings and attendance

During the year 2015-16, 4 (Four) Board Meetings were held on 27.05.2015, 27.07.2015, 09.11.2015 & 11.02.2016 . The gap between any two meetings has been less than one hundred and twenty days.

AGM was held on 10<sup>th</sup> September 2015

A separate meeting of independent directors was held on 11<sup>th</sup> February'2016

Attendance record of the Directors in the meetings is as under:

Name of the Director	No. Board meetings attended	Attended last AGM held on Sep.10, 2015,
Sri P. Veerananarayana	4	Yes
Sri P. Madhu Pratap	4	Yes
Sri K. Subbaiah	3	Yes
Sri A. R.Chowdary	3	Yes
Sri B.P. Jetty	4	Yes
Smt. Sugunamma	4	Yes



### Familiarization Programme

With a view to familiarizing the independent directors with the Company's operations as required under regulation 25(7) of the SEBI Listing Regulations, 2015, the Company has given a handbook covering the role, function, duties and responsibilities and the details of the compliance requirements expected from the Directors under the Companies Act and relevant Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and explained to them

### 3. Committees of the Board

#### Audit committee

#### Composition of the Audit Committee

Name of the Director	Position held in the committee	Nature of Directorship
Sri B.P.Jetty	Chairman of the Committee	Independent Director
Sri . K. Subbaiah	Member	Independent Director
Sri . A.R. Chowdary	Member	Independent Director
Sri P. Madhu Pratap	Member	Whole-time Executive Director & CFO

The Committee's composition meets with requirements of Section 177 of the Companies Act, 2013.

The committee met 4 times during the financial year ended 31 March, 2016. The attendance record of the members at the meeting were as follows :-

Name of the Director	No. Committee meetings held	No. Committee meetings attended
Sri B.P. Jetty	4	4
Sri K. Subbaiah	4	3
Sri A.R. Chowdary	4	3
Sri P. Madhu Pratap	4	4

#### Powers of Audit Committee

The Audit Committee shall act and have powers in accordance with the terms of reference specified in writing, by the Board, which shall include the following:-

- To investigate any activity within its terms of reference or referred to it by the Board and for this purpose, shall have the powers to obtain professional advice from external sources and have full access to information contained in the records of the company;
- To seek information from any employee, Director or KMP;
- To provide an opportunity to the Auditors of the Company and the Key Managerial Personnel a right to be heard in the meeting of the Audit Committee when it considers the Auditor's Report;
- To obtain outside legal and professional advice for its effective functioning;
- To secure attendance of outsiders with relevant expertise, if it considers necessary.

**Role of Audit Committee**

The primary role of the Audit Committee shall be as follows:-

- a. Oversight of the Company's financial reporting process and the disclosures of its financial information to ensure that the financial statement is correct, sufficient and credible ;
- b. Recommendation for the appointment, remuneration and terms of appointment of auditors of the Company;
- c.
  - a. Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
    - i) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
    - ii) Changes, if any, in accounting policies and practices and reasons for the same.
    - iii) Major accounting entries involving estimates based on the exercise of judgment by management;
    - iv) Significant adjustments made in the financial statements arising out of audit findings;
    - v) Compliance with listing and other legal requirements relating to financial statements;
    - vi) Disclosures of any related party transactions;
    - vii) Qualifications in the draft audit report.
- d. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- e. Reviewing, the adequacy of internal audit function including the structure of the internal audit department, staffing and seniority of the official heading the department, availability and deployment of resources to complete their responsibility and the performance of the out-sourced audit activity;
- f. Discussion with internal auditors/ internal audit head with respect to the coverage and frequency of internal audits as per the annual audit plan, nature of significant findings and follow up thereof;
- g. Reviewing, the findings of any internal investigation by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- h. Obtaining an update on the Risk Management Framework and the manner in which risks are being addressed;
- i. Discussion with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussions to ascertain any area of concern;
- j. To review the functioning of the Whistle Blower Mechanism and the nature of complaints received by the Ombudsman;
- k. Ensuring the minutes of each Audit Committee Meetings are placed before the Board for noting;



- l. A statement in summary form to be submitted to the Board relating to :-
  - a) Transactions with related parties in the ordinary course of business.
  - b) Details of material transactions with related parties, which are not in the normal course of business ("Materiality" threshold to be defined by Management and reviewed by the Audit Committee);
  - c) Details of material transactions with related parties or others, which are not on arm's length basis along with management justification for the same ("Materiality" threshold to be defined by Audit Committee).
  - m. Compliance with legal and regulatory requirements and SIBAR- Code of Conduct for Board of Directors & Senior Management as well as applicable to all employees of the Company;
  - n. Scrutiny of inter-company loans and investments;
  - o. Approval of appointment of CFO (i.e. the whole-time finance Director or any other person heading the finance function or discharging the function);
  - p. Management and control of business risk;
  - q. To engage a registered Valuer as prescribed under the Companies Act, 2013 or any enactment or modification thereof taking into consideration such qualities and experience as may be considered appropriate in case of valuations required in respect of any property, stock, shares, debentures, securities, goodwill, assets, liabilities or net worth of the Company;
  - r. Monitoring the end-use of funds raised through public offers and related matters.
  - s. Review and approve all Standard Operating procedures, Manuals and other documents which have a material financial or legal or business risk implication/s;
  - t. Company's earnings press releases, as well as financial information and earnings guidance, if any, provided to analysts and rating agencies;
  - u. The effect of regulatory and accounting initiatives as well as off-balance sheet structures on the financial statements;
  - v. Establish clear hiring policies for employees or former employees of external auditors and monitoring the implementation of such policies;
  - w. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee or specifically asked to by the Board of Directors.

**OTHER RESPONSIBILITIES**

Perform other activities related to this Charter as requested by the Board of Directors; Carry out additional functions as is contained in the Companies Act, 2013 or Rules there under or in the Stock Exchange Listing Agreement or other regulatory requirements applicable to the company or in the terms of reference of the Audit Committee;

Institute and oversee any Special Investigation/Enquiry as needed.

**WHISTLE BLOWING/VIGIL MECHANISM**

The Board adopted the revised Whistle blower/ Vigil Mechanism Policy that adopts global best practices.

The Company is committed to developing a culture where it is safe for all employees to raise concerns about any poor or unacceptable practice and any event of misconduct. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment. A Whistle Blower/Vigil mechanism provides a channel to the employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or policy. The mechanism provides for adequate safeguards against victimization of employees and Directors to avail of the mechanism and also provide for direct access to the Chairman/Managing Director/ Chairman of the Audit Committee in exceptional cases.

#### **Nomination & Remuneration Committee**

Composition of Nomination and Remuneration Committee ("NRC")

Name of the Director	Position held in the committee	Nature of Directorship
Sri A.R.Chowdary	Chairman of the Committee	Independent Director
Sri K. Subbaiah	Member	Independent Director
Sri P. Madhu Pratap	Member	Whole-time Director
Sri B.P.Jetty	Member	Independent Director

The NRC's constitution and terms of reference are in compliance with provisions of the Companies Act, 2013.

The NRC's constitution and terms of reference are in compliance with provisions of the Companies Act, 2013.

The NRC met twice during the financial year ended March 31, 2016. The attendance record of the members at the meeting were as follows :-

Name of the Director	No. Committee meetings held	No. Committee meetings attended
Sri. A.R. Chowdary	2	1
Sri. K.Subbaiah	2	1
Sri. P. Madhupratap	2	2
Sri B.P.Jetty	2	1

NRC has adopted a Charter and the primary objective of the Charter is to provide a framework and set standards for the nomination, remuneration and evaluation of the Directors, KMPs and SMPs. The Company aims to achieve a balance of merit, experience and skills amongst its Directors, KMPs and SMPs.

#### **Responsibilities of the NRC**

Nomination and Remuneration Committee is responsible for:

- i. Periodically reviewing the structure, size and composition and functioning of the Board and recommend proposed changes, as may be necessary, to improve the Board's effectiveness;
- ii. Recommending to the Board on the selection of individuals who are qualified to become Directors;

- iii. Identifying individuals who are appointed as KMPs or SMPs in accordance with the criteria laid down and recommend to the Board their appointment and removal;
- iv. Making recommendations to the Board on the remuneration payable to the Directors, KMPs and SMPs;
- v. Formulating the criteria for evaluation of Independent Directors and recommend to the Board;
- vi. Devising a policy on Board diversity;
- vii. Developing and review a succession plan for the Board
- viii. Such other issues or matters as may be referred to by the Board or as may be necessary in view of the provisions of the Companies Act, 2013 and the related Rules and Listing Agreement.

appointment to the Board. When recommending a candidate for appointment, the NRC has regard to:

- a. assessing the appointee against a range of criteria which includes qualifications, skills, regional and industry experience, background and other qualities required to operate successfully in the position, with due regard for the benefits from diversifying the Board;
- b. the extent to which the appointee is likely to contribute to the overall effectiveness of the Board, work constructively with the existing Directors and enhance the efficiencies of the Company;

In case of appointment of Independent Directors, the NRC shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.

NRC shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.

In case of re-appointment of Non Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his/her engagement level.

#### Remuneration

The Non Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board meetings.

A Non Executive Director shall be entitled to receive sitting fees for each meeting of the Board attended by him, of such sum as

#### Details of remuneration/sitting fees paid to the Directors for the year ended 2015-16 are given below.

Name	Category	Sitting Fee ₹	Salary, Perquisites and allowance	Stock Options ₹
Sri P. Veerananarayana	Promoter-Executive Director	Nil	10,55,215/-	Nil
Sri P. MadhuPratap	Executive Director	Nil	9,05,913/-	Nil
Sri K. Subbaiah	Independent Director	45,000	Nil	Nil
Sri .A.R.Chowdary	Independent Director	45,000	Nil	Nil
Sri. B .P .Jetty	Independent Director	46,000	Nil	Nil
Smt.P.Suguna	Independent Director	46,000	Nil	Nil

#### Policy for selection and appointment of Directors and their remuneration

This Policy is derived from the NRC Charter.

Enhancing the competencies of the Board is the basis for the NRC to select a candidate for

may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;

#### **Remuneration for Managing Director & Whole-Time Director**

At the time of appointment or re-appointment, the Managing Director / Whole-Time Director shall be paid such remuneration as may be mutually agreed between the Company (which includes the NRC and the Board of Directors) and the Managing Director/ Whole-Time Director within the overall limits prescribed under the Companies Act, 2013.

Remuneration must be competitive and reflect the individual's role, responsibility and experience in relation to performance of day-to-day activities, usually reviewed on an annual basis (includes salary, allowances and other statutory/non-statutory benefits which are normal part of remuneration package in line with market practices).

The remuneration shall be, subject to the approval of the Members of the Company in General Meeting.

#### **Remuneration of KMPs and SMPs**

The guiding principle is that the level and composition of remuneration shall be reasonable and sufficient to attract, retain and motivate, KMPs and SMPs. The KMPs and SMP's salary shall be based and determined on the individual persons responsibilities and performance and in accordance with the limits as prescribed statutorily, if any.

The NRC recommends individual remuneration packages for KMPs and SMPs of the Company taking into account factors it deems relevant, including business performance and practices in comparable companies, having due regard to financial position of the Company as well as prevailing laws and government/other guidelines.

#### **Evaluation**

The evaluation / assessment of the Directors, KMPs and SMPs of the Company shall be conducted on an annual basis.

#### **Stakeholders Relationship committee**

Composition of Stakeholders Relationship Committee ("SRC")

Name of the Director	Position held in the committee	Nature of Directorship
Sri K. Subbaiah	Chairman of the Committee	Independent Director
Sri . A.R.Chowdary	Member	Independent Director
Sri P. Madhu Pratap	Member	Whole-time Director
Sri Veerananarayana	Member	Whole-time Director

The SRC met 4 time during the financial year ended March 31, 2016. The attendance record of the members at the meeting were as follows:

Name of the Director	No. Committee meetings held	No. Committee meetings attended
Sri K. Subbaiah	4	3
Sri A. R.Chowdary	4	3
Sri P. Madhu Pratap	4	4
Sri P. Veerananarayana	4	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 2016. All the valid requests for transfer of shares were considered for transfer. There were no share transfers pending as on 31.03.2016

#### **Performance Evaluation**

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination and Remuneration, Stakeholders Relationship Committees.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual

Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

#### **Independent Directors Meeting:**

During the year under review, the Independent Directors met on 11th February, 2016, inter alia, to discuss:

1. Evaluation of the performance of Non Independent Directors and the Board of Directors as a Whole;
2. Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.
3. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties

All the independent Directors were present at the meeting.



**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
2014-15	D4 & D5, Industrial Estate, Renigunta Road, Tirupathi - 517506	Thursday 10th Sep. 2015 at 3.00 PM	Appointment of Smt. P.Sugunamma as a Non -Executive Director Appointment of Mr. B.P.Jetty as an Independent Director Appointment of Mr. K.Subbaiah as an Independent Director Adoption of new set of Articles of Association.
2013-14	D4 & D5 Industrial Estate, Renigunta Road, Tirupathi - 517506	Monday 29th Sep. 2014 at 3.00 PM	Re-Appointment of Managing Director Re-appointment of Technical Director and CFO. Creation of Charge/mortgage on the assets of the Company in favour of others u/s 180 of company Act, 2015.
2012-13	D4 & D5 Industrial Estate, Renigunta Road, Tirupathi - 517506	Saturday 14th September, 2013 at 3.00 PM	Appointment of Nominee Director as Additional Director.

**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.

**Disclosures :**

During the year 2015-16, the company had no materially significant related party 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.

**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 and also available on the company's website [www. Sibarauto.com](http://www.Sibarauto.com)

**Compliance with non-mandatory requirements Shareholder rights**

a. 33 <sup>rd</sup> Annual General Meeting	
Date and time	<b>Monday, 19<sup>th</sup> September, 2016 at 3.00 P.M</b>
Venue	D4 & D5, Industrial estate, Renigunta Road, 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 AGM to be held on 19 <sup>th</sup> September, 2016

<b>b. Financial Calender (tentative)</b>				
Financial year	1 <sup>st</sup> April, 2016 to 31 <sup>st</sup> March, 2017			
First quarter results	2 <sup>nd</sup> week of August 2016			
Second quarter results and half yearly results	2 <sup>nd</sup> week of November, 2016			
Third quarter results	2 <sup>nd</sup> week of February, 2017			
Last quarter results/ Audited results	4 <sup>th</sup> week of May 2017			
c. Dates of books closure	13 <sup>th</sup> September 2016 to 19 <sup>th</sup> September 2016 (both days inclusive)			
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)			
f. ISIN Numbers in NSDL & CDSL for equity shares :	<b>INE441C01014</b>			
g. Listing fee :	The company has paid its annual listing fees to the BSE till date.			
h. Market Price data	Month	Share Price		
		High	Low	Volume
	April, 2015	4.60	4.10	4200
	May, 2015	4.50	3.88	2317
	June, 2015	4.05	3.40	3700
	July, 2015	5.50	4.05	6060
	August, 2015	6.62	4.46	48180
	Sep., 2015	4.91	4.23	2879
	Oct., 2015	5.87	4.74	9615
	Nov., 2015	6.27	4.37	76750
	Dec., 2015	7.23	6.26	91906
	Jan. 2016	9.00	6.94	19840
	Feb. 2016	8.95	8.36	5419
Mar. 2016	9.04	7.56	14996	

### Shareholder rights

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

### Audit qualifications

Strategic decisions were taken during the year resulting in unqualified financial statements of the company.

### General Shareholders Information, Registrars and Transfer Agents (RTA)

#### Share Transfer Agents

M/s Big Share Services (P) Ltd.,  
 306, 3rd floor, Right Wing,  
 Amrutha Ville, opp. Yasoda Hospital,  
 Raj Bhavan Road, Hyderabad - 500082.

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

**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

### Shareholding Pattern as on 31st March 2016:

Sl. No.	Range of Shares	No. of Shares	No. of Shares	% of Share
1.	1 --- 500	8510	1,21,5107	12.74
2.	501 --- 1000	501	4,28,326	4.49
3.	1001 --- 2000	171	2,67,008	2.80
4.	2001 --- 3000	71	1,80,946	1.90
5.	3001 --- 4000	27	97664	1.03
6.	4001 --- 5000	24	112778	1.18
7.	5001 --- 10000	29	219107	2.30
8.	10001 & Above	41	7014164	73.56
Total		9374	95,35,100	100

### Distribution of shareholding as on 31st March 2016.

Category	No. of Shares held	% of Share Holding
<b>Promoters Holding</b>		
1. Promoters		
Indian Promoters	5704360	59.82
Foreign Promoters	--	--
2. Persons acting in concert		
	--	--
Sub Total	5703460	59.82
<b>Non Promoters Holding</b>		
3. Institutional Investors		
a. Mutual funds and UTI	344386	3.61
b. Banks, Financial Institutions Insurance Companies (Central / State Gov. Institutions/Non-Government Institutions)	29000	0.30
c. FII's	--	--
Sub Total	373286	3.91
4. Others		
a. Private Corporate Bodies	196730	2.06
b. Indian Public	3073550	32.23
c. NRIs / OCBs	185400	1.95
d. Any other-Trust	--	--
e. Clearing Members	1774	0.02
Sub Total	3457454	36.27
Grand Total	9535100	100.00

### 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.

Status of Dematerialization of Shares as on March 31, 2016

	No of Shares	%
NSDL	72,01,395	75.53
CDSL	5,02,005	5.26
Physical	18,31,700	19.21
Total	95,35,100	100.00

Your company confirms that the entire Promoter's holdings were converted into electronic form and the same is in the line with the directives issued by SEBI

**Outstanding ADRs/GDRs/Not applicable**

Warrants or any convertible Instruments, conversion date and likely impact on equity

#### Plant Locations

Industrial Estate, Renigunta Road, Tirupathi.

#### Address for Correspondence

Siibar Auto Parts Limited,  
 D4 & D5, Industrial Estate, Renigunta Road  
 Tirupathi. Ph: 0877-2274765, 02271991

#### Investor Correspondence

\*For transfer in physical form

\* For Shares in Demat form

M/s Big Share Services (P) Ltd.,  
 306, 3rd floor, Right Wing, Amrutha Ville.,  
 opp. Yasoda Hospital,  
 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 31<sup>st</sup> March, 2016

For and on behalf of the Board

For **SIBAR AUTO PARTS LIMITED**

**PEMMASANI VEERANARAYANA**  
 (Chairman & Managing Director)

DIN:00644259

**PEMMASANI MADHUPRATAP**  
 (Executive Director & CFO)

DIN:00644254

Place: Tirupati

Date : 12<sup>th</sup> August 2016

**CORPORATE GOVERNANCE COMPLIANCE  
CERTIFICATE UNDER SEBI (LISTING  
OBLIGATIONS AND DISCLOSURE  
REQUIREMENTS) REGULATIONS 2015**

To  
The Members  
**Sibar Autoparts Limited**  
D4 & D5, Industrial Estate  
Renigunta Road  
Tirupati –

We have examined all relevant records of Sibar Autoparts Limited having its Registered Office at D4 & D5, Industrial Estate, Renigunta Road, Tirupati – 517506, for the purpose of certifying compliance of the conditions of Corporate Governance under Clause 49 of the Listing Agreement till 30<sup>th</sup> November, 2015 and Part C of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) read with Regulation 34(3) of the “Listing Regulations” made applicable with effect from 1st December, 2015 for the financial year ended 31st March, 2016. We have obtained all the

information and explanations, which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of the regulations of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the regulations of Corporate Governance. This Certificate 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. 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, we certify that the Company has complied regarding the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement till 30<sup>th</sup> November, 2015 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 from 1st December, 2015 for the financial year ended 31st March, 2016.

For **A.J. Sharma & Associates**  
**Company Secretaries**

**A.J. Sharma**  
CP. No. 2176  
FCS No. 2120

Place: Hyderabad

Date : 12<sup>th</sup> August 2016



**CEO/CFO Certification**

**As per regulation 17(8) of SEBI  
(LO&DR) Regulation, 2015**

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, if any, in internal control over financial reporting during the year;
  - (ii) Significant changes, if any, 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 have 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**

**PEMMASANI VEERANARAYANA**  
(Chairman & Managing Director)

DIN:00644259

**PEMMASANI MADHUPRATAP**  
(Executive Director & CFO)

DIN:00644254

Place: Tirupati

Date : 12<sup>th</sup> August 2016

**INDEPENDENT AUDITORS' REPORT**

To

**The Members of SIBAR AUTO PARTS  
LIMITED, Tirupati****Report on the Financial Statements**

We have audited the accompanying financial statements of **SIBAR AUTO PARTS LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2016, and the Statement of Profit and Loss and the Cash Flow statement for the period ended and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the  
Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the

accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility for the Financial  
Statements**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on



whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls.

An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;
- b) In the case of the Statement of Profit and Loss, the loss for the year ended on that date.
- c) In the case of Cash flow statement, the cash flows for the year ended on that date.

#### **Report on Emphasis of Matter(s) (EOM)**

There is no Emphasis of matters to report upon.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies ( Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order
2. As required by Section 143(3) of the Act, 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 account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet and the Statement of Profit and Loss, the cash flow statement dealt with by this Report are in agreement with the books of accounts and returns.
  - d) In our opinion, the aforesaid financial statements, comply with the Accounting Standards referred to in of Section 133 of the Companies Act, 2013, read with Rule 7 of the Company (Accounts) Rules 2014.
  - e) On the basis of written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of sub-section (2) of Section 164 of the Companies Act, 2013.



- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
- g) With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us:
- i) The Company does not have any pending litigations which would impact its financial position.
  - ii) The Company has not entered into any long-term contracts including derivatives contracts requiring provision under applicable laws or accounting standards, for material foreseeable losses and
  - iii) No amount is required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 2013. Hence delay in depositing the amounts to the said fund is not applicable.

for and on behalf of

**SPC & Associates**  
CHARTERED ACCOUNTANTS  
F.R.No. 005685S

**CA Seshaa RSR Prasad**  
Partner  
M.No. 028591

Place: Hyderabad  
Date : 26.05.2016

**ANNEXURE - A TO THE AUDITORS' REPORT**

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2016, we report the following:

**1. Fixed Asset**

- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The physical verification of fixed assets is carried out at regular intervals by the management. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) According to the information and explanations given to us, the title deeds of immovable properties are held in the name of the Company.

**2. Inventories:**

According to the information and explanations given to us, the Company has conducted physical verification of inventory at regular intervals and that the periodicity of the physical verification is reasonable to the size of the Company.

**3. Loans to parties covered in register maintained under Section 189:**

The Company has not granted any loan to the parties covered in register maintained under Section 189 of the Companies Act, 2013. Accordingly, clauses iii(a), iii(b) and iii (c) of the order are not applicable to the Company.

**4. Loans, guarantees and investments made under Section 185 and Section 186:**

In our opinion and according to the information and explanations given to us, the Company has not given any loans to Directors and thus section 185 is not applicable to the Company. Further the Company has complied with the provisions of section 186 of the Act, with respect to the investments made.

**5. Deposits**

The Company has not accepted any deposits from the public and hence clause (v) of the order are not applicable to the Company.

**6. Cost Records**

According to the information and explanation provided to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act for the Company.

**7. Payment of Statutory Dues:**

- a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.
- b) According to the information and explanations given to us, there are no material dues of income tax, sales tax, service tax or duty of customs which have not been deposited with the appropriate authorities on account of any dispute.

**8. Loans or Borrowings from Banks, financial institutions, Government or debenture holders:**

According to the information and explanation given to us and based on our opinion, the Company has not defaulted in repayment of any loans or borrowings from banks or financial institutions.

**9. Utilisation of Funds raised through Public offer or term loans**

According to the information and explanation given to us and based on our opinion, the Company has utilised the funds for the purpose for which they were raised through a term loan.

**10. Fraud**

According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

**11. Payment of managerial remuneration in accordance with Section 197 and Schedule V**

According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

**12. Nidhi Company:**

In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.

**13. Transactions with related parties covered under section 188:**

According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

**14. Preferential Allotment or private placement of shares and utilization of such funds:**

According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

**15. Entering into non-cash transactions with Directors or persons related to them:**

According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

**16. Registration under RBI Act, 1934:**

The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

for and on behalf of  
**SPC & Associates**  
CHARTERED ACCOUNTANTS  
F.R.No. 005685S

**CA Seshaa RSR Prasad**  
Partner  
M.No. 028591

Place: Hyderabad

Date : 26.05.2016

**Annexure - B to the Auditors' Report****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Sibar Auto Parts

Limited ("the Company") as of 31 March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of

Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over

financial reporting based on our audit. We conducted our audit in accordance with the Guidance

Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting. We have also relied upon the report

submitted by the Internal auditors of the Company with regard to the internal financial controls and we have ensured that this complies with the SA – 610 “Using the work of Internal Auditors” as issued by ICAI.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company’s internal financial control over financial reporting includes those policies and procedures that

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

(2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

for and on behalf of  
**SPC & Associates**  
CHARTERED ACCOUNTANTS  
F.R.No. 005685S

**CA Seshaa RSR Prasad**  
Partner  
M.No. 028591

Place: Hyderabad

Date : 26.05.2016

**BALANCE SHEET AS AT MARCH 31, 2016**

(Amount in ₹)

	Particulars	Note No.	As at 31 <sup>st</sup> March 2016		As at 31 <sup>st</sup> March 2015	
<b>I</b>	<b>Equity &amp; Liabilities</b>					
1.	<b>Share Holders Funds</b>					
	a) Share Capital	1		9,53,51,000		9,53,51,000
	b) Reserves and Surplus	2		(6,37,30,265)		(6,32,23,230)
2	<b>Non-Current Liabilities</b>			4,44,89,039		2,36,80,283
	a) Long Term Borrowings	3	4,31,35,272		2,29,57,714	
	b) Differed Tax Liability	4	13,53,767		7,22,569	
3	<b>Current Liabilities</b>			3,83,42,261		3,82,25,795
	a) Short Term Borrowings	5	1,60,000		1,60,000	
	b) Trade Payables	6	2,73,26,178		2,95,85,858	
	c) Other Current Liabilities	7	48,96,000		7,87,026	
	d) Short Term Provisions	8	59,60,083		76,92,911	
	<b>Total</b>			<b>11,44,52,035</b>		<b>9,40,33,848</b>
<b>II</b>	<b>ASSETS</b>					
	<b>Non-Current Assets</b>					
1	a) Fixed Assets			5,38,73,872		3,43,58,627
	i) Tangible Assets	9	4,34,30,301		3,12,84,785	
	ii) Capital work in progress	10	72,72,369		-	
	b) Non-Current Investments	11	7,01,500		7,01,500	
	c) Other non-current Assets	12	24,69,702		23,72,342	
2	<b>Current Assets</b>			6,05,78,163		5,96,75,221
	a) Inventories	13	1,57,99,457		1,18,50,038	
	b) Trade Receivables	14	3,76,72,988		3,66,96,013	
	c) Cash and Cash Equivalents	15	10,67,355		33,09,439	
	d) Short Term Loans and Advances	16	16,89,035		18,86,796	
	e) Other Current Assets	17	43,49,328		59,32,935	
	<b>Total</b>			<b>11,44,52,035</b>		<b>9,40,33,848</b>
	Significant Accounting Policies and Notes on Financial Statements	26-37				

for **SIBAR AUTO PARTS LIMITED**

as per our Report of Even date

For **SPC & Associates**

Chartered Accountants

F.R.No. 005685S

**P. VEERANARAYANA**  
 (Chairman & Managing Director)  
 DIN:00644259

**P. MADHUPRATHAP**  
 (Executive Director & CFO)  
 DIN:00644254

**CA Sesshaa RSR Prasad K**  
 (Partner)  
 MRN. 028591

Place : Hyderabad

Date : 26<sup>th</sup> May, 2016



**PROFIT AND LOSS STATEMENT AS AT 31st MARCH, 2016****(Amount in ₹)**

Sl. No.	Particulars	Note No.	As at 31 <sup>st</sup> March 2016	As at 31 <sup>st</sup> March 2015
I.	Revenue from operations	18	15,95,85,372	16,21,85,712
II.	Other Income	19	14,86,228	4,80,890
III.	Total Revenue (I+II)		<b>16,10,71,600</b>	<b>16,26,66,602</b>
IV.	Expenses:			
	Cost of materials consumed	20	9,04,38,391	10,52,47,147
	Changes in Inventories of finished Goods and work-in-progress	21	(6,28,548)	(62,70,405)
	Employee benefits expenses	22	3,08,25,998	2,94,02,436
	Finance Costs	23	36,71,566	3,75,581
	Depreciation and amortization expense	9	26,57,716	20,01,919
	Other Expenses	24	3,43,23,822	2,96,87,054
	<b>Total Expenses</b>		<b>16,12,88,944</b>	<b>16,04,43,732</b>
V.	Profit before exceptional and extraordinary items and tax (III - IV)		(2,17,345)	22,22,870
VI.	Prior Period Items		(7,26,224)	(3,29,691)
	Exceptional Items			
VII.	Profit before extraordinary items and tax (V-VI)		(9,43,569)	18,93,179
VIII.	Extraordinary Items	25	12,10,442	22,50,471
IX.	Profit before tax (VII-VIII)		<b>2,66,873</b>	<b>41,43,650</b>
X	Tax expense			
	(1) Current tax		6,81,728	16,31,480
	(2) Deferred tax		50,530	12,00,000
			6,31,198	4,31,480
XI.	Profit /(Loss) for the period from continuing operations (IX-X)		<b>(4,14,855)</b>	<b>25,12,170</b>
XII.	Profit /(loss)from discontinuing operations		-	-
XIII.	Tax expense of discontinuing operations (after tax) (XII-XIII)		-	-
XIV.	Profit/(Loss)from Discontinuing operations (after tax) (XII-XIII)		-	-
XV.	Profit (Loss) for the period (XI + XIV)		-	-
XVI.	Earnings per equity share:			
	(1) Basic		(0.04)	0.26
	(2) Diluted		(0.04)	0.28
	Significant Accounting Policies and Notes on Financial Statements	26-37		

for **SIBAR AUTO PARTS LIMITED**as per our Report of Even date  
For **SPC & Associates**  
Chartered Accountants**P. VEERANARAYANA**  
(Chairman & Managing Director)  
DIN:00644259**P. MADHUPRATHAP**  
(Executive Director & CFO)  
DIN:00644254**CA SESSHAA RSR PRASAD K**  
(Partner)  
MRN. 028591Place : Hyderabad  
Date : 26<sup>th</sup> May, 2016

**Note 1: Share Capital (Amount in ₹)**

Particulars	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
(a) Authorised Share Capital 1,00,00,000 Equity Share of Rs. 10.00 each	10,00,00,000	10,00,00,000
(b) Issued, Subscribed and Fully paid up Capital 9535100 Equity Shares of Rs. 10.00 each	9,53,51,000	9,53,51,000
<b>TOTAL</b>	<b>9,53,51,000</b>	<b>9,53,51,000</b>

**Note 1.1: Details of Share Holders holding more than 5% Shares (Amount in ₹)**

Particulars	As at 31 <sup>st</sup> March, 2016		As at 31 <sup>st</sup> March, 2015	
	No. of Shares	% Held	No. of Shares	% Held
Name of the Share Holder				
Amrex Marketing Private Limited	-	-	4,39,363	4.61
Mr. P. Veerananarayana	5,72,850	6.01	5,71,650	6.00
Mr. P. Madhu Pratap	16,97,100	17.80	16,97,100	17.80
Mrs. P. Sugunamma	23,78,680	24.95	23,78,680	24.95
Mrs. P. Annapurna	5,00,000	5.24	500,000	5.24

**Note 1.2: Reconciliation of Shares outstanding is set out below :**

Particulars	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
Equity Shares at the beginning in the year	95,35,100	55,35,100
Additions during the year		40,00,000
<b>Equity Shares at the closing of the year</b>	<b>95,35,100</b>	<b>95,35,100</b>

**Note 2 : Reserves and Surplus (Amount in ₹)**

Particulars	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
Capital Reserves		
Opening Balances	1,76,33,729	1,76,33,729
Add : Additions during the year	-	0
Closing Balance	<b>1,76,33,729</b>	<b>1,76,33,729</b>
General Reserve		
Opening Balance	15,35,979	15,35,979
Add : Additions during the year	(92,180)	0
Less : Utilised / transferred during the year		0
Closing Balance	<b>14,43,799</b>	<b>15,35,979</b>
Surplus (Profit & Loss Account)		
Opening Balance	(8,23,92,938)	(8,49,05,108)
Add : Current Year Profit	(4,14,855)	25,12,170
	<b>(8,28,07,793)</b>	<b>(8,23,92,938)</b>
Less : Appropriations	-	-
Adj in Fixed Assets due to change in Act	-	-
Transferred to General Reserve	<b>(8,28,07,793)</b>	<b>(8,23,92,938)</b>
<b>Total of Reserves and Surplus</b>	<b>(6,37,30,765)</b>	<b>(6,32,23,230)</b>

**Note 3: Long term Borrowings:****(Amount in ₹)**

<b>Secured Loans</b>	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
Term Loan from APSFC	1,40,04,177	70,55,620
Working capital loan from APSFC (Term Loan obtained from APSFC secured by hypothecation of Plant and Machinery proposed to purchased out of Finance and Equitable Mortgage of land and buildings located at shed Nos. D4 & D5, D11 and C2 in addition to personal guarantee of Directors).	1,27,55,000	
Vehicle Loan from HDFC (Term Loan obtained from HDFC secured by hypothecation of Vehicle-Lorry)	5,62,966	5,58,966
Vehicle Loan from HDFC (Term Loan obtained from HDFC secured by hypothecation of Vehicle-Auto)	2,62,395	2,62,395
<b><u>UNSECURED LOANS</u></b>		
Loans from Directors	1,34,03,098	90,33,098
Loans from Others	-	39,00,000
Loans from Corporates	21,47,635	21,47,635
<b>Total of Long Term Borrowings</b>	<b>4,31,35,272</b>	<b>2,29,57,714</b>

**Note 4 : Differed Tax Liability:****(Amount in ₹)**

Particulars	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
Opening Balance	7,22,569	2,91,089
Additions	6,31,198	4,31,480
<b>Total</b>	<b>13,53,767</b>	<b>7,22,569</b>

**Note 5 : Short Term Borrowings****(Amount in ₹)**

Particulars	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
Un Secured		
1. Deposits from Others	1,60,000	1,60,000
<b>Total</b>	<b>1,60,000</b>	<b>1,60,000</b>



**Note 6: Trade Payables**

(Amount in ₹)

Particulars	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
Micro, Small and Medium Enterprises	83,59,355	1,76,88,626
Others	1,89,66,823	1,18,97,232
<b>Total</b>	<b>2,73,26,178</b>	<b>2,95,85,858</b>

**Note 7 : Other Current Liabilities**

(Amount in ₹)

Particulars	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
Current Maturities of Long-term Debit	48,96,000	4,57,470
Short Term Provisions - Related parties	-	3,29,556
<b>Total</b>	<b>48,96,000</b>	<b>7,87,026</b>

**Note 8 : Short Term Provisions**

(Amount in ₹)

Particulars	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
Provisions for Employee Benefits	28,90,738	42,16,861
Short Term Provisions - Others	30,69,345	34,76,050
<b>Total</b>	<b>59,60,083</b>	<b>76,92,911</b>



**Note 9 : FIXED ASSETS as per Companies Act** (Amount in ₹)

Sl. No	Description	GROSS BLOCK			DEPRECIATION			NET BLOCK	
		As on 1.4.2015	Additions/ Deletions	Adjustment	As on 31.3.2015	Adjustment	For the Year	As on 31.3.2016	As on 31.3.2015
1	Land	27,06,339	0	0	27,06,339	0	0	27,06,339	27,06,339
2	Factory Buildings	1,03,22,066	2,71,505	0	1,05,93,571	46,23,379	3,09,568	56,60,624	56,98,687
3	Administrative Buildings	76,68,465	0	0	76,68,465	37,47,968	1,19,865	38,00,632	39,20,497
4	Plant & Machinery	3,16,95,330	1,23,59,229	0	4,40,54,559	1,56,00,455	15,49,118	1,71,49,573	1,60,94,875
5	Computers	45,25,926	1,38,549	92,180	45,72,295	33,91,510	3,32,639	8,48,146	11,34,416
6	Electrical & Office Equipment	0	3,83,221	0	3,83,221	0	9,934	3,73,287	0
7	Furniture & Fixtures	13,50,788	0	0	13,50,788	12,64,157	11,044	75,587	86,631
8	Vehicles	17,57,928	3,12,357	0	20,70,285	1,14,587	2,22,643	17,33,055	16,43,341
9.	Dies	0	14,30,550	0	14,30,550	0	1,02,905	13,27,645	0
	<b>Total</b>	<b>6,00,26,842</b>	<b>1,48,95,411</b>	<b>92,180</b>	<b>7,48,30,073</b>	<b>2,87,42,056</b>	<b>26,57,716</b>	<b>4,34,30,301</b>	<b>3,12,84,786</b>
II	Capital work in Progress Plant & Machinery	0	72,72,369	0	72,72,369	0	0	72,72,369	0
	<b>Total Current Year</b>	<b>6,00,26,842</b>	<b>2,21,67,780</b>	<b>92,180</b>	<b>8,21,02,442</b>	<b>2,87,42,056</b>	<b>26,57,716</b>	<b>5,07,02,670</b>	<b>3,12,84,786</b>
	<b>Previous Year</b>	<b>5,12,47,711</b>	<b>1,23,25,679</b>	<b>35,46,548</b>	<b>6,00,26,842</b>	<b>2,67,40,138</b>	<b>20,01,919</b>	<b>3,12,84,786</b>	<b>2,45,07,542</b>

**Note 10 : Capital Wok-in-proces****(Amount in ₹)**

Particulars	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
Pant & Machinery	72,72,369	-
<b>Total</b>	<b>72,72,369</b>	<b>-</b>

**Note 11 : Non - Current Investments****(Amount in ₹)**

Quoted Investmens at Cost	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
7000 Eq. Shares of Rs. 10 each in Sibar Finace	7,00,000	7,00,000
150 Eq. Shares of 10 Rs. Each in India Automative Limited, Jamshedpur	1,500	1,500
<b>Total</b>	<b>7,01,500</b>	<b>7,01,500</b>

**Note 12 : Other Non-current Assets****(Amount in ₹)**

Particulars	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
APIIC Water Deposit	2,000	2,000
A.P.S.E.B. Deposit	16,84,383	10,36,283
Cylinder Deposit	16,000	16,000
Fixed Deposit (Yesasvee)	5,000	5,000
Fixed Deposit (HDFC Bank)	5,39,455	10,90,195
Gas Deposit	25,114	25,114
Security Deposit	1,50,000	1,50,000
Sales Tax Deposit	1,500	1,500
Telephone Deposit	46,250	46,250
<b>Total</b>	<b>24,69,702</b>	<b>23,72,342</b>

**Note 13 : Inventories****(Amount in ₹)**

Particulars	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
Finished Stocks	5,37,647	14,32,410
Raw Materials	35,21,410	15,21,002
Semi Finished Stocks	88,16,663	72,93,352
Chemical and Others	3,73,945	1,84,170
Packing Materials	49,096	72,174
Stores and Spares	12,59,569	13,30,180
HSD Stock	-	16,750
Dies	12,41,127	-
<b>Total</b>	<b>1,57,99,457</b>	<b>1,18,50,038</b>

**Note 14 : Trade Receivables****(Amount in ₹)**

Particulars	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
Over 6 months	71,68,599	1,11,03,026
Others	3,05,04,389	2,55,92,987
Less : Prov. for bad debts	-	-
<b>Total</b>	<b>3,76,72,988</b>	<b>3,66,96,013</b>

**Note 15 : Cash and Cash Equivalentents****(Amount in ₹)**

Particulars	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
Cash in hand	2,21,714	68,701
Cash with Scheduled Banks	8,45,641	32,40,738
<b>Total</b>	<b>10,67,355</b>	<b>33,09,439</b>

**Note 16 : Shortterm Loans and Advances****(Amount in ₹)**

Particulars	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
Others	16,89,035	18,86,796
<b>Total</b>	<b>16,89,035</b>	<b>18,86,796</b>

**Note 17 : Other Current Assets****(Amount in ₹)**

Particulars	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
Interest Receivables	1,13,839	58,687
T.D.S. Receivables	4,10,175	8,69,210
TDS 2013-14	-	8,90,634
TDS 2014-15	11,951	7,53,872
TDS 2015-16	6,23,546	-
TDS 2014-15	-	73,978
TDS 2015-16	2,79,069	
Duties & Taxes	17,90,626	14,72,181
Rent Receivables	1,49,985	1,17,315
Stock Invest	-	2,000
Site Development Exp.	4,92,957	8,28,139
Land Stock	3,84,919	6,80,295
Prepaid Expenses	92,261	1,86,624
<b>Total</b>	<b>43,49,328</b>	<b>59,32,935</b>



**Note 18: Revenue from Operations****(Amount in ₹)**

Particulars	As at 31 <sup>st</sup> March, 2016		As at 31 <sup>st</sup> March, 2015	
Job Works (Labour Charges)		2,87,38,378		3,57,45,537
Sales Indegenous	15,65,18,589		14,88,40,566	
Less Excise Duty and VAT	2,00,60,021		1,64,98,888	
Less Sales Returns	56,11,574		59,01,503	
		13,08,46,994		12,64,40,175
<b>Total</b>		<b>15,95,85,372</b>		<b>16,21,85,712</b>

**Note 19 : Other Income****(Amount in ₹)**

Particulars	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
Interest Received	4,94,391	1,72,268
Rent Received	2,17,800	2,17,800
Other Income	2,56,708	90,823
Excess Provision for Taxation	1,58,797	-
Amounts Written Off	1,64,927	-
Interest on IT Refund	1,93,605	-
<b>Total</b>	<b>14,86,228</b>	<b>4,80,890</b>

**Note 20 : Cost of Materials consumed****(Amount in ₹)**

Particulars	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
Stores & Spares	1,91,35,658	2,70,01,164
Chemicals	54,94,410	66,60,981
Packing Materials	10,79,943	10,87,875
Raw Materials	6,40,95,534	6,99,84,290
HSD	3,49,589	5,12,837
Dies	2,83,257	-
<b>Total</b>	<b>9,04,38,391</b>	<b>10,52,47,147</b>

**Note 21 : Changes in Finished Goods and Stock-in-Process****(Amount in ₹)**

Particulars	As at 31 <sup>st</sup> March, 2016		As at 31 <sup>st</sup> March, 2015	
<b>Inventories at the close</b>				
Finished Goods	5,37,647	-	14,32,410	
SEMI FINISHED Goods	88,16,663	93,54,310	72,93,352	87,25,762
<b>Inventories at Commencement</b>				
Finished Goods	14,32,410	-	7,75,084	
Semi Finished Goods	72,93,352	87,25,762	16,80,273	24,55,357
Increase/Decrease		(6,28,548)		(62,70,405)

**Note 22: Employee Benefits Expenses****(Amount in ₹)**

Particulars	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
WagesA/C.	81,52,094	61,13,149
Director's Other Perks	2,81,128	2,32,443
Director's Remuneration	9,60,000	9,60,000
Employers' Contribution to ESI	5,33,526	3,42,755
Employers' Contribution to PF	3,42,497	3,38,550
House Rent House Allowance	6,00,000	6,00,000
Medical Allowance	3,60,000	3,60,000
Medical Expenses	1,81,319	2,57,126
Incentive	1,58,78,557	1,66,50,194
Salaries	12,10,000	11,31,903
Bonus	11,59,207	9,00,000
Staff Welfare Expenses	9,54,962	7,55,522
Gratuity	2,12,708	7,60,794
<b>Total</b>	<b>3,08,25,998</b>	<b>2,94,02,436</b>

**Note : 23. Finance Cost****(Amount in ₹ lacs)**

Particulars	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
Interest on Term Loan from A.P.S.F.C.	32,79,984	1,91,695
Interest on Vehicle Loans from HDFC	1,51,570	74,877
Interest Others	2,40,012	1,09,009
<b>Total</b>	<b>36,71,566</b>	<b>3,75,581</b>

**Note 24 : Other Expenses :****(Amount in ₹)**

Particulars	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>A) Manufacturing Expenses</b>		
Conversion charges	12,30,934	13,70,590
Dies milling	1,25,750	1,68,716
Machining charges	9,38,791	4,50,619
Power charges	98,96,350	1,09,94,744
Repairs & Maintenance (Build.)	14,37,183	9,19,736
Repairs & Maintenance (Elect.)	1,74,317	1,96,609
Repairs & Maintenance (others)	5,47,907	5,81,427
Repairs & Maintenance (Plant & Mach.)	13,47,775	2,55,556
<b>Total (A)</b>	<b>1,56,99,007</b>	<b>1,49,37,997</b>

Particulars	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
<b>B) Selling &amp; Administration Expenses</b>		
Advertisement expenses	68,020	47,112
Ag.Meeting expenses	22,380	32,146
Audit Fee	1,75,875	1,75,000
Bank charges	5,560	5,084
Calibration & analysis charges	1,77,134	98,436
Cleaning & loading and unloading charges	63,300	
Canteen	27,25,632	26,64,143
Commission	43,757	
Consultancy	13,11,786	14,28,178
Conveyance expenses	1,42,680	2,52,851
Custody fees	45,226	30,000
Director's sitting fee	1,82,000	6,000
Director's travelling	7,20,987	3,63,509
Donations	54,501	-
Fees account	2,68,281	3,11,458
Filling charges	39,715	47,842
Freight outword	12,50,568	
Insurance	1,59,602	1,98,377
Journals and periodicals	13,896	37,917
Internal audit fee	60,000	60,000
Legal & professional expenses	1,28,060	1,83,344
Listing fee	2,00,000	1,00,000
Miscellaneous expenses	4,01,434	5,66,435
Office maintenance	68,284	54,793
Pooja expenses	3,05,678	2,17,510
Postage & telegrams	1,64,334	1,57,703
Printing & stationary	2,99,519	2,88,586
Processing charges	63,000	2,70,771
Professional tax	2,500	2,500
Rates, Taxes & Fines	6,77,277	1,70,764
Repairs & maint. (Office Equip)	2,05,885	1,88,689
Sales promotion	9,40,000	8,67,495
Service charges	23,750	-
Service tax (CAB)	81,510	66,866
Subscription	20,000	-
Interest on TDS	5,642	-
Telephone and fax	4,19,586	3,73,770
Travelling expenses	20,94,623	9,20,430
Vehicle maintenance	26,57,345	22,48,043
Vehicle hire charges	13,64,884	14,58,371
Watch & ward	9,70,603	8,54,934
<b>Total (B)</b>	<b>1,86,24,815</b>	<b>1,47,49,057</b>
<b>Grand Total (A+B)</b>	<b>3,43,23,822</b>	<b>2,96,87,054</b>

**Note 25 : Extra ordinary Items:****(Amount in ₹)**

Particulars	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
Profit on Sale of land	12,10,442	22,50,471
<b>Total</b>	<b>12,10,442</b>	<b>22,50,471</b>

**Notes forming part of Financial Statements****Note : 26 SIGNIFICANT ACCOUNTING POLICIES :****A. Basis of Accounting**

The accounts of the company are prepared & maintained consistently on accrual basis and under the historic cost convention and in accordance with the generally accepted accounting principles in India and complies with the applicable Accounting Standards issued by the Institute of Chartered Accountants of India and relevant provisions of the Companies Act, 2013 except otherwise stated. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013.

**B. Fixed Assets :**

Fixed Assets are stated at cost (cost includes acquisition cost, freight, installation cost, finance cost, duties and taxes and other incidental expenses incurred during the construction/ installation). Borrowing cost directly attributable to acquisition of those fixed assets which necessarily takes substantial period of time to get ready for their intended use are capitalized

**B 1 Extraordinary Item :**

The company has obtained a surplus on the sale of part of its land which was disclosed in the Statement of Profit and Loss / Income Statement as Rs.12,10,442/- as an extraordinary item.

**C. Inventories :**

Inventories have been valued at lower of cost or net realizable value whichever is lower. The cost of purchases of inputs includes all

charges in bringing the goods in point of sale, excise duty, custom duty less CENVAT availed. Work in progress and finished goods include appropriate proportion of overheads. The company has during the year, accounted for a portion of the land as a current asset and it implies that it is held for sale. The same was valued at cost or net realizable value whichever is lower.

**D. Cash and Cash equivalents:**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

**E. Cash Flow Statement**

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

**F. Depreciation :**

Depreciation on fixed assets is provided based on the straight line method over useful lives of the assets estimated by the management as prescribed in Schedule II to the Companies Act, 2013. The value of assets whose estimated life is over at the commencement of the year are written off to opening retained earnings.

**G. Revenue Recognition :**

Revenue is recognized from the sale of goods, net of returns and trade discounts, as and when the goods are delivered and title to the ownership is transferred.

**a. Other Income:**

Interest Income and Rental Incomes are accounted on accrual basis.

**H. Investments**

Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments includes acquisition charges such as brokerage, fees and duties.

**I. Employee Benefits:**

Employee benefits include provident fund, ESI, gratuity, medical benefits.

**J. Gratuity:**

The company has Defined Benefit Plan for post employment benefit in form of Gratuity for eligible employees, which is administered through a Group Gratuity Policy with Life Insurance Corporation of India (L.I.C). The liability for the above Defined Benefit Plan is provided on the basis of an actuarial valuation as carried out by L.I.C

**K. Leases**

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lesser are recognized as operating leases. Lease rentals under operating leases are recognized in the Statement of Profit and Loss on a straight-line basis.

**L. Earnings per share:**

Basic earnings per share is computed by dividing the profit/ (loss) after tax (including the post-tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post-tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

**M. Taxes on Income**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax assets in respect of unabsorbed depreciation and carry forward

of losses are recognized only if there is virtual certainty that there will be sufficient future taxable income available to realize such assets. Deferred tax assets are recognized for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realized. Deferred tax assets and liabilities are set off if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their reliability

**N Impairment of Assets**

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount. Their recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

**O Provisions and Contingencies**

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

**P Service Tax Input Credit**

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilizing the credits.

**Q Segment Information:**

The Company operates in a single line of manufacturing which is subject to similar risks and returns. Also the business of the company is within a particular environment which is subject to similar risks and returns. Hence, there is no a business or geographical risks to be reported by the company.

**Note. 27 Related Party Transactions :**

List of Related Parties

**a. Key Management Personnel**

- i) Mr. P. Veeranyana
- ii) Mr. P. Madhuratap
- iii) Mr. P. Ravichandra
- iv) Mrs. P. Sugunamma

**b. Relative of Key Management Personnel**

- i) Mrs. P. Annapurna  
w/o Mr. P. Madhuratap
- ii) Mrs. P. Charita  
w/o Mr. P. Ravichandra

**Note : 28. Transactions with the Related Parties****(Amount in ₹ lacs)**

Particulars	Key Management Personnel		Relatives of Key Management Personal	
	2015-16	2014-15	2015-16	2014-15
1 Transactions during the year				
a. Remuneration Paid	13.79	13.53	9.52	9.68
b. Vehicle Hire Charges	13.37	12.00	0.00	0.00
<b>2. Balances as at 31.3.2015</b>				
a. Share Capital held by	464.86	464.74	87.10	87.10
b. Remuneration payable	0.96	1.15	0.77	0.79
c. Vehicle Hire charges payable	(0.21)	1.03	0.00	0.00
d. Unsecured loans	134.03	90.33	0.00	0.00

**Note : 29. Remuneration to Directors****(Amount in ₹)**

Particulars	For the Year 2015-16	For the Year 2014-15
Basic Salary	9,60,000	9,60,000
Provident Fund	86,400	86,400
HRA	4,20,000	4,20,000
Medical Allowance	3,00,000	3,00,000
Other Perks	2,81,128	2,32,443

**Note : 30. Auditors Remuneration (excluding Service Tax): (Amount in ₹)**

Particulars	For the Year 2015-16	For the Year 2015-16
Statutory Audit	1,45,000	1,45,000
Management Service & Tax Audit	30,000	30,000
Certification work	7,500	7,500
<b>Total</b>	<b>1,82,500</b>	<b>1,82,500</b>

**Note : 31. Earnings per Share****(Amount in ₹)**

S.No.	Particulars	For the Year 2015-16	For the Year 2014-15
1.	Earnings (Rs.)	(4,14,855)	25,12,170
2.	Shares	95,35,100	95,35,100
3.	Weighted Average No. of Equity shares outstanding during the year	95,35,100	89,21,401
4.	Basic EPS per value of Rs. 10	(0.04)	0.26
5.	Diluted EPS per value of Rs. 10	(0.04)	0.28

**Note 32 : Dues to Micro and Small Enterprises - Disclosures required under  
Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006****(Amount in ₹)**

Particulars	As at 31 <sup>st</sup> March, 2016	As at 31 <sup>st</sup> March, 2015
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	83,59,355	1,76,88,626
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	Nil	Nil
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	Nil	Nil
(iv) The amount of interest due and payable for the year	Nil	Nil
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	Nil	Nil
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	Nil	Nil

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

**Note 33 :** The estimated amount of capital commitments on unexecuted order is **NIL**



**Note 34 : QUANTITATIVE PARTICULARS**

Description	Opening Stock		Purchases		Production		Consumption		Sales		Closing Stock	
	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15	2015-16	2014-15
Raw Materials Indigenous (KGs)	33502	13842	481173	457083	-	-	461052	437423	-	-	53623	33502
Cylinders (NOs)	1309	880	-	-	199488	189210	-	-	199898	188781	899	1309
Electrical Parts (Nos)	245	175	-	-	4321	3761	-	-	4565	3691	-	245
Railway Parts (NOs)	-	-	-	-	800	-	-	-	800	-	-	-
Dies (NOs)	-	-	-	-	8	12	-	-	8	12	-	-

**Note 35 : Capacity**

Particulars	For the Year 2015-16	For the Year 2014-15
Licensed Capacity	NA	NA
Installed Capacity (No.'s)	5,40,000	5,40,000
Actual Production (No.'s)	2,04,609	1,92,971

**Note 36**

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

**Note 37 :** Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

As per our Report of Even date attached

for **SPC & Associates**  
 Chartered Accountants  
 F.R.No. 005685S

**P. VEERANARAYANA**  
 (Chairman & Managing Director)  
 DIN:00644259

**P. MADHUPRATHAP**  
 (Executive Director & CFO)  
 DIN:00644254

**CA SESSHAA RSR PRASAD K**  
 (Partner)  
 M. No. 028591

Place: Tirupati  
 Date : 26<sup>th</sup> May, 2015

**CASH FLOW STATEMENT FOR THE FINANCIAL YEAR ENDING MARCH, 31, 2016**  
**(Amount in ₹)**

Particulars	As at 31 <sup>st</sup> March 2016	As at 31 <sup>st</sup> March 2015
	Amount in Rs	Amount in Rs
<b>Cash flow from operating activities</b>		
Net Profit before tax, prior period items	(9,43,569)	18,93,179
<b>Adjustment to reconcile net profit before tax to cash provided by operating activities</b>	-	-
(Profits)/losses on sale of fixed assets		
Depreciation	26,57,716	20,01,919
Interest and Dividend Income	-	-
Prior Period Items	(7,26,224)	(3,29,691)
Interest	36,71,566	3,75,581
<b>Changes in Current Assets and Liabilities</b>		
Inventories	(39,49,419)	(57,64,992)
Sundry Debtors	(9,76,975)	(39,68,861)
Loans and Advances	1,97,761	79,88,219
Other Current Assets	15,83,607	11,56,340
Current Liabilities and Provisions	1,16,466	(27,07,282)
Adjustment for extra ordinary items	12,10,442	22,50,471
Add : Prior period Items	7,26,224	3,29,691
Less : Provision for Income Tax	(50,530)	(12,00,000)
<b>Net Cash generated by operating activities</b>	<b>35,17,065</b>	<b>20,24,575</b>
Cash flow from investing activities		
Purchase of fixed assets	(1,48,95,411)	(87,79,132)
Changes in Capital Work in Progress	(72,72,369)	-
Rent received	-	-
Inc.in other non current assets	(97,360)	(11,00,620)
Cash flow from investing activities before exceptional items	-	-
Proceeds on sale of long term investments (net of taxes)	-	-
<b>Net Cash used in investing activities</b>	<b>(2,22,65,140)</b>	<b>(98,79,752)</b>
Cash flow from Financing Activities		
Loan Funds:		
a) Secured Loans	1,97,07,557	75,86,422
b) Unsecured Loans	4,70,000	(3,45,370)
Interest and finance charges	(36,71,566)	(3,75,581)
<b>Net cash used in financing activities</b>	<b>1,65,05,991</b>	<b>68,65,471</b>
Net (Decrease)/Increase in cash and cash equivalents	(22,42,084)	(9,89,706)
Cash and Cash equivalents at the beginning of the period	33,09,439	42,99,145
Cash and Cash equivalents at the end of the period	10,67,355	33,09,439



**AUDITORS CERTIFICATE**

To

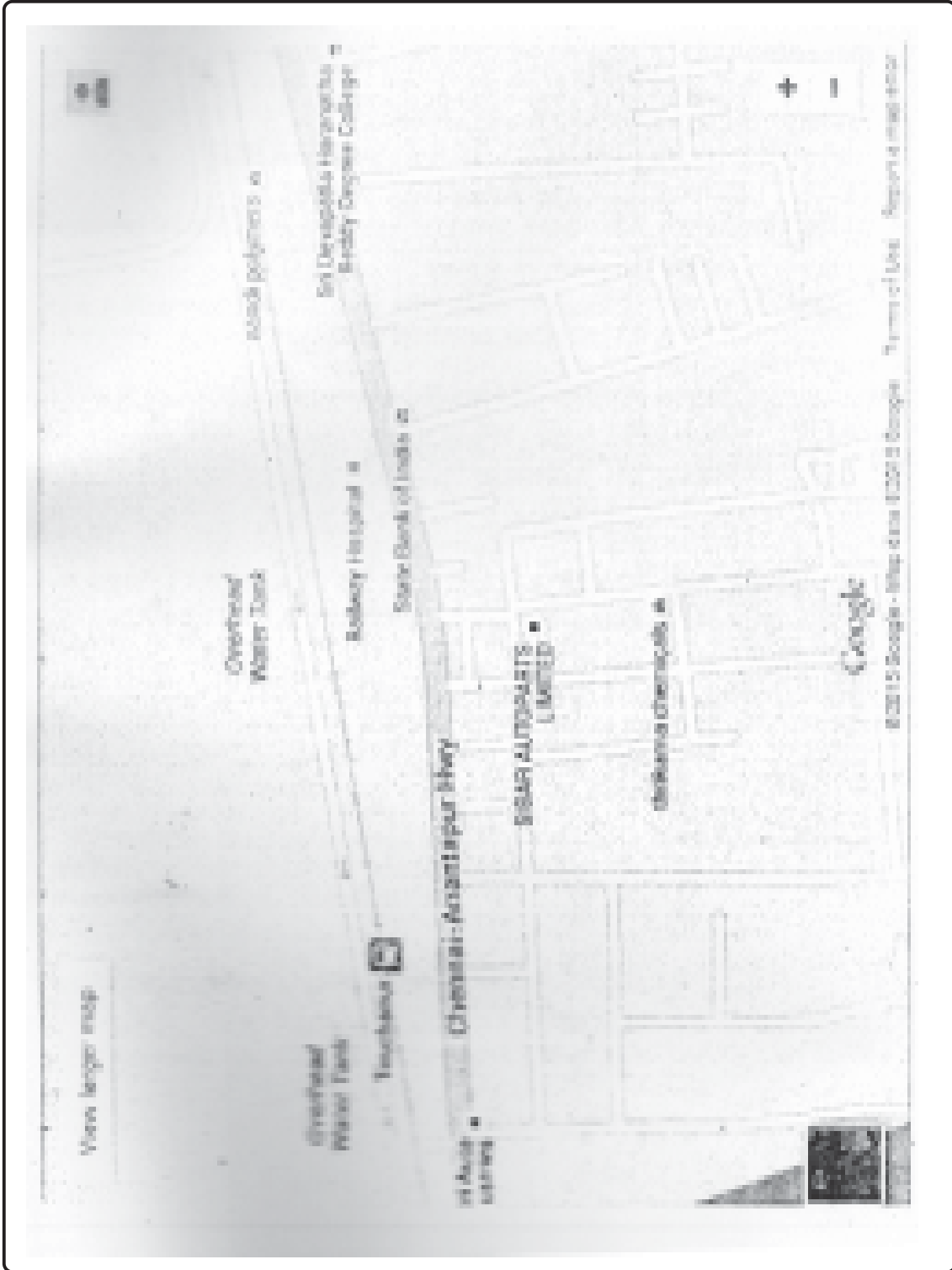
The Board of Directors, Sibar Autoparts Ltd., D4-d5 Industrial Estate, Renigunta Road, Tirupati.

We have examined the attached Cash Flow Statement of Sibar Autoparts Limited for the period 31<sup>st</sup> Mach 2016. The Statement has been prepared by the Company in accordance with the requirements of Clause 32 of listing agreements with the Stock Exchanges and is based on and in agreement with the corresponding profit and loss account and balance sheet of the Company covered by our report of 26<sup>th</sup> May, 2016 to the members of the Company.

as per our Report of Even date for  
**SPC & Associates**  
Chartered Accountants  
F.R.No. 005685S

**CA Seshaa RSR Prasad K**  
M. No. 028591  
(Partner)

Place : Hyderabad  
Date : 26<sup>th</sup> May, 2016





Attendanc Slip

**SIBAR AUTO PARTS LIMITED**

CIN : L34201AP1983PLC003817

**Registered Office** : D.4 & D5, Industrial Estate, Renigunta Road, Tirupati - 517 506.

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF  
THE MEETING HALL.

Joint Shareholders may Obtain Additional Slip at the Venue of the Meeting.

DP ID :

Folio No. :

Client ID :

No. of Shares :

Name and Address of the Shareholder

I hereby record my presence at the 33<sup>rd</sup> Annual General Meeting of the Company held  
on 19<sup>th</sup> September, 2015 at 03.00 p.m. at D4 & D5, Industrial Estate,  
Renigunta Road, Tirupati - 517 506.

\* Applicable for investors holding shares in electronic form

Signature of the Shareholder / Proxy



## SIBAR AUTO PARTS LIMITED

CIN NO. L34201AP1983PLC003817

Registered Office : D4 & D5, INDUSTRIAL ESTATE, RENIGUNTA ROAD, Tirupathi-517506

Tel : (0877) 2274765, 2271990 Fax : 0877 - 2271991

E-mail [sibarauto77@yahoo.com](mailto:sibarauto77@yahoo.com) [www.sibarauto.com](http://www.sibarauto.com)

### 33<sup>rd</sup> ANNUAL GENERAL MEETING

#### Form No. MGT-11

#### PROXY FORM

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

1. Name(s) of Member(s) :  
Including joint holders, if any
2. Registered address of the sole/ :  
: First named Member
3. E-mail ID :
4. DP ID No. & Client ID No. :  
Registered Folio No.

I / We, being the Member(s) of \_\_\_\_\_ Sibar Auto Parts Limited, hereby appoint

1. Name: \_\_\_\_\_ Address: \_\_\_\_\_

E-mail ID: \_\_\_\_\_ Signature \_\_\_\_\_, or failing him

2. Name: \_\_\_\_\_ Address: \_\_\_\_\_

E-mail ID: \_\_\_\_\_ Signature \_\_\_\_\_, or failing him

3. Name: \_\_\_\_\_ Address: \_\_\_\_\_

E-mail ID: \_\_\_\_\_ Signature \_\_\_\_\_, or failing him

as my /our proxy to attend and vote (on a poll) for me / our behalf at the 33<sup>rd</sup> Annual General Meeting (AGM) of the Company to be held on Monday, 19<sup>th</sup> day of September, 2016 at 03.00P.M at D4 & D5, Industrial Estate, Renigunta Road, Tirupathi- 517506 and at any adjournment thereof in respect of such resolutions as are indicated below:



Resolution Number	Description	Optional (✓)	
		For	Against
<b>Ordinary Business</b>			
1	Adoption of the Audited Balance Sheet as at March 31, 2016 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.		
2.	Appointment of Mrs. Sugunamma Pemmasani as a Director eligible retire by rotation.		
3	Ratify the appointment of Auditors of the company		
<b>Special Business</b>			
4	Appointment of Mr. P. Ravichandra, as an Executive Director.		
5	Approval of remuneration of Mr. P. Ravichandra, Executive Director of the Company.		
6.	Approval of expenses of delivery of documents through a particular mode.		

Signed this ..... day of .....2016.

Signature of Shareholder.....

Affix  
Revenue  
Stamp

Signature of first proxy holder    Signature of Second proxy holder    Signature of third proxy holder

**Note:**

- 1 This form of proxy, in order to be effective, should be duly completed and deposited at the Registered office at D4 & D5 Industrial Estate, Renigunta Road , Tirupathi-517506 not less than 48 hours before commencing of the meeting.
2. A Proxy need not be a Member of the Company.
3. In case the Member appointing proxy is a body corporate, the proxy form should be signed under its seal or be signed by an officer or an attorney duly authorized by it and authenticated copy of such authorization should be attached to the proxy form.
4. A person can act as proxy on behalf of such number of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. Further, a Member holding more than ten percent of the total share capital of the company carrying voting rights, may appoint a single person as proxy and such person shall not act as a proxy for any other person or Member.
5. Appointing a proxy does not prevent a Member from attending the meeting in person if he/she so wishes.
6. In case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.



# **33rd ANNUAL REPORT**

**2015-2016**



**SIBAR**  
**AUTOPARTS LIMITED**



**BOOK POST**

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SIBAR AUTOPARTS LIMITED  
D-4 & D-5, Industrial Estate,  
Renigunta Road, TIRUPATI-517 506.  
Andhra Pradesh.  
Tel : (0877) 2274765, 2271990  
Fax : 0877 - 2271991  
E-mail: [sibarauto77@yahoo.com](mailto:sibarauto77@yahoo.com)  
web: [www.sibarauto.com](http://www.sibarauto.com)