

SIBAR

AUTOPARTS LIMITED



ISO 9001 : 2015

Regd Off & Works : # D-4, & D-5, D-11, C-5, Industrial Estate, Renigunta Road, TIRUPATI - 517 506, A.P., India
CIN No. L34201AP1983PLC003817

Phone : +91-877-2271355 / 2271366/2271377, E-mail : sibarauto77@yahoo.com, web : www.sibarauto.com

Date: 06.09.2021

To
The Corporate Relations Department
BSE Limited
PhirozeJeejeebhoy Towers
Dalal Street,
Mumbai-400 001
Fax No.: 022-22723121/3719

Dear Sir,

Sub: Notice of 38th Annual General Meeting (AGM) and Annual Report of the Company for the F Y 2020-21

Ref: Company Code: 520141

With reference to the subject cited above, Please find the enclosed Notice convening the 38th AGM of the Company to be held on Tuesday, the 28th day of September, 2021 at 4.30 P.M through Video Conference/Other Audio Visual Means (VC/OAVM)

In order to comply with the requirements of Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company along with the Notice of AGM for the financial year 2020-21 which is being dispatched / sent to the members by the permitted mode(s).

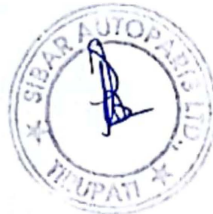
This is for your information and necessary records.

For Sibar Auto Parts Ltd

Pemmasani Veeranarayana

Managing Director

DIN 00644259



38th ANNUAL REPORT
2020 - 2021



SIBAR
AUTOPARTS LIMITED

COMPANY INFORMATION**BOARD OF DIRECTORS**

Shri. Narayana Yadla	-	Chairman & Independent Director
Shri. Pemmasani Veeranarayana	-	Managing Director
Shri. Pemmasani Ravichandra	-	Whole-Time Director
Shri. Pemmasani Madhu Pratap	-	Whole-Time Director
Smt. Pemmasani Sugunamma	-	Non-Executive Director
Shri. Rajesh Katragadda	-	Independent Director

Chief Financial Officer

Shri. Pemmasani Madhu Pratap

Company Secretary & Compliance Officer

Shri. Chiluka Seshi Kumar

Registered Office & Corporate Office:**CIN: L34201AP1983PLC003817**D4 & D5, Industrial Estate, Renigunta Road, Tirupati,
Andhra Pradesh-517506

Phone: +91 -877-2271355, 2271366

Registrars & Share Transfer Agents:

M/s. Bigshare Services Private Limited (H.O),

Bharat Tin works Building,

1st Floor, Opp. Vasant Oasis,

Next to Keys Hostel, Marol Maroshi Road,

Andheri (E), Mumbai - 400 059.

Phones: 040-23374967

040-23370295

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

306, 3rd floor, Reight Wing, Amruthavillae,

Opp. Yasoda Hospital, Somajiguda,

Raj Bhavan Road, Hyderabad – 500 082

Phones: 040-23374967

040-23370295

Email: bsshyd@bigshareonline.com

Auditors:

M/s. M M G S & Associates,

Chartered Accountants

Flat No 103, 1st Floor,

Reddy & Reddy Colony,

Tirupathi Ho, Tirupati - 517502,

Secretarial Auditors:

M /s. P. S. Rao & Associates,

Company Secretaries

Flat No.10, 4th Floor, D. No.6-3-347/22/2

Ishwarya Nilayam, Opp: Sai Baba Temple,

Dwarakapuri Colony, Punjagutta,

Hyderabad– 500 082, Telangana, India

BOARD COMMITTEES**Audit Committee**

Shri. Y Narayana	-	Chairman
Shri. K Rajesh	-	Member
Smt. P Sugunamma	-	Member

Stakeholders Relationship Committee:

Shri. Y Narayana	-	Chairman
Shri. K Rajesh	-	Member
Shri. P Madhu Pratap	-	Member

Nomination and Remuneration Committee

Shri. K Rajesh	-	Chairman
Shri. Y Narayana	-	Member
Smt. P Sugunamma	-	Member

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NOTICE

NOTICE is hereby given that the Thirty Eighth Annual General Meeting of the Members of M/s. Sibar Auto Parts Limited will be held on Tuesday, September 28, 2021 at 04.30 p.m. IST through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements of the Company for the Financial Year 2020-21 together with the Report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri. Pemmasani Veerananarayana (DIN: 00644259), who retires by rotation and being eligible, offers himself for reappointment as Director.

SPECIAL BUSINESS:

3. **TO CONSIDER AND APPROVE THE RE-APPOINTMENT OF SHRI. PEMMASANI RAVICHANDRA (DIN: 00627413) AS A WHOLE-TIME DIRECTOR OF THE COMPANY**

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

"RESOLVED THAT pursuant to the provisions of sections 196, 197, 203 and other applicable provisions, if any, of the Companies Act, 2013, read with Schedule V of the said act and Companies (Appointment and Remuneration of Managerial Personal) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the recommendations of Nomination & Remuneration Committee and the Board of Directors, the consent of the members of the Company be and is hereby accorded for the re-appointment of Shri. Pemmasani Ravichandra (DIN: 00627413) as a Whole-Time Director of the Company for another term of three years effective from 1st September 2021 at a remuneration of Rs. 31,20,000 per annum (Rupees Thirty-One Lakhs Twenty Thousand only) and other superannuation benefits as per service rules of the Company, and other perquisites."

"FURTHER RESOLVED THAT Shri. Pemmasani Ravichandra (DIN: 00627413) in addition to above mentioned Salary is also eligible for a commission of 3% on net profits of the Company arrived in pursuance of Section 198 of the Companies Act, 2013."

"FURTHER RESOLVED THAT the overall amount of remuneration payable to Shri. Pemmasani Ravichandra (DIN: 00627413) shall not exceed 5% of net profits of the Company arrived in pursuance of Section 198 of the Companies Act, 2013."

"FURTHER RESOLVED THAT in the event the Company does not have profits or the profit of the Company is inadequate in any financial year during his tenure as referred above, the amount of Salary and perquisites referred above shall be paid as minimum remuneration in terms of Section II of Part II of Schedule V to the Companies Act, 2013."

**By order of the Board of Directors
For Sibar Auto Parts Ltd**

**Sd/-
Pemmasani Veerananarayana
Managing Director
DIN: 00644259**

**Place: Tirupati
Date: 13.08.2021**

NOTES:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated January 13, 2021 and May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020 and January 13, 2021 (collectively referred to as "MCA Circulars") and Circular No. SEBI/H/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 issued by Securities and Exchange Board of India ('SEBI Circular') permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC") / Other Audio- Visual Means ("OAVM"), without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. Statement as required under section 102 of the Companies Act, 2013, in respect of special business is annexed hereto.
3. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Service (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as voting during the AGM will be provided by CDSL.
4. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI Listing Regulations and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM is annexed.
5. The Register of Members and Share Transfer Books of the Company will remain closed from September 22, 2021 to September 28, 2021 (both days inclusive) for the purpose of giving effect to the transmission and transposition requests lodged with the Company.
6. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
7. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, Bigshare Services Private Limited ("Bigshare") for assistance in this regard.
8. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to the RTA/Company.
9. To promote green initiative, Members who have not registered their email addresses are requested to register the same with their Depository Participants in case the shares are held by them in electronic form and with Bigshare, in case the shares are held in physical form.
10. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to Bigshare in case the shares are held by them in physical form.
11. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website <https://www.sibarauto.com>. Members are requested to submit the said details to their DP in case the shares are held by them in electronic form and to Bigshare in case the shares are held in physical form.

12. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Bigshare, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
13. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
14. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the Company on or before September 23, 2021 through email on sibarauto77@yahoo.com. The same will be replied by the Company suitably.
15. Pursuant to the directions/notifications of Securities and Exchange Board of India (SEBI) and Depositories, the demat account holders can operate their accounts if they had already provided Income Tax Permanent Account Number either at the time of opening of the account or at any time subsequently. In case they have not furnished the Income Tax Permanent Account Number to the Depository Participants, such demat account holders are requested to contact their DPs with a photocopy of the PAN Card (with original PAN Card for verification), so that the frozen demat accounts would be available for operation and further consequences of non-compliance with the aforesaid directives would be obviated. SEBI, vide Circular ref.no. MRD/Dop/Cir-05/2009 dated May 20, 2009 made it mandatory to have PAN particulars for registration of physical share transfer requests. Based on the directive contained in the said circulars, all share transfer requests are therefore to be accompanied with PAN details. Members holding shares in physical form can submit their PAN details to the Company / RTA.
16. Members may also note that the Notice of the 38th Annual General Meeting is available on the Company's website: sibarauto.com. All documents referred to in the accompanying Notice and the Statement pursuant to Section 102(1) of the Companies Act, 2013 shall be open for inspection by the Members by writing an e-mail to the Company sibarauto77@yahoo.com.

In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website www.sibaraito.com, websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and CDSL at <https://www.evotingindia.com/>. Members whose email IDs are not registered with the Company/Depositories are requested to follow the process provided further for registration of email IDs with the depositories for procuring user ID & password and registration of email IDs for e-voting for the resolutions set out in this notice.

17. At the Thirty-Six AGM held on September 30, 2019 the Members approved appointment of M/s. M M G S & Associates, Chartered Accountants (Firm Registration No. 010613S) as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the Forty First AGM. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the Thirty Seventh AGM.
18. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

Instructions for E-Voting

CDSL e-Voting System – For e-voting and Joining Virtual meetings.

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021. The forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020, May 05, 2020 and January 13, 2021 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic

means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at-least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.sibarauto.com. The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.

THE INTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

- (i) The voting period begins on September 25, 2021 at 09:00 A.M. and ends on September 27, 2021 at 05:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. September 21, 2021 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Board of Directors have appointed Shri. M. B. Suneel, Practising Company Secretary, to act as Scrutinizer to conduct and scrutinize the electronic voting process in connection with the ensuing Annual General Meeting in a fair and transparent manner. The members desiring to vote through electronic mode may refer the detailed procedure on e-voting given hereunder.
- (iii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iv) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020**, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions.

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting

Individual Shareholders (holding securities in demat mode) login through their Depository Participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

- (v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**
- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
 - 2) Click on "Shareholders" module.
 - 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
 - 4) Next enter the Image Verification as displayed and Click on Login.
 - 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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 shareholders 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 EVSN for the relevant Company i.e. Sibar Auto Parts Limited 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 details.
- (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 a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; sibarauto77@yahoo.com, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM/EGM THROUGH VC/OAVM & E- OTING DURING MEETING ARE AS UNDER:

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
3. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
4. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
5. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
6. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at-least **5 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **5 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). These queries will be replied to by the company suitably by email.
7. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
8. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
9. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
10. **PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**
 1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id**.
 2. For Demat shareholders: Please update your email id & mobile no. with your respective Depository Participant (DP)
 3. For Individual Demat shareholders: Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

C. General Instructions:

- A. The voting rights of Members shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on September 21, 2021.
- B. The Chairman shall, at the general meeting, at the end of discussion on the resolutions on which voting is to be held, allow voting, with the assistance of scrutiner, by using an electronic voting system for all those members who are present at the general meeting but have not cast their votes by availing the remote e-voting facility.
- C. The Scrutinizer shall immediately after the conclusion of voting at the AGM, first count the votes cast at the Meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least 2 witnesses not in the employment of the Company and make not later than 48 hours of conclusion of the Meeting a consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same and declare the result of voting forthwith.

A member can opt for only one mode of voting, i.e., either through remote e-voting or by e-e-voting at the AGM. If a member casts votes by both modes, then voting done through remote e-voting shall prevail and e-Voting at the AGM shall be treated as invalid.

The results declared along with the Scrutinizer's Report will be posted on the Company's website and communicated to the Stock Exchange.

The voting result will be announced by the Chairman or any other person authorized by him within two days of the AGM.

Explanatory Statement pursuant to Section 102 of the Companies Act, 2013**Item No. 3**

Shri. Pemmasani Ravichandra, is a Whole-Time Director of the Company and has more than 18 years of Experience in the field of Chemical Engineering. His current term of appointment as a Whole-Time Director of the Company will expire on 31.08.2021. In view of the rich experience and expertise knowledge the Board of Directors at their meeting held on 13.08.2021, considered that for smooth and efficient running of the business, the company should hire the services of Shri. Pemmasani Ravichandra and reappointed him as the Whole-Time Director of the company for a further period of 3 years with effect from 01.09.2021 at a remuneration of Rs.31,20,000 (Rupees Thirty-One Lakhs Twenty Thousand only) per annum as set out in the resolution. In addition to the above, he shall be entitled to receive the following:

1. Residential Accommodation (Furnished or Otherwise) or House Rent Allowances in lieu thereof.
2. Allowances for utilities such as gas, electricity, water, furnishings
3. Reimbursement of Medical expenses for self and family not exceeding one-month salary in a year
4. Club fees and leave travel concession for himself and his family and such other perquisites and allowances in accordance with the rules of the Company or as may be agreed to by the Board of Directors. Such perquisites and allowances shall be restricted to an amount equal to the annual salary. For the purpose of calculating the said ceiling, perquisites shall be evaluated as per Income-tax Rules wherever applicable. In the absence of any such Rules, perquisites shall be evaluated at actual cost.
5. Company's contribution to Provident Fund and Superannuation or Annuity Fund, to the extent these either singly or together are not taxable under the Income-tax Act.
6. Gratuity and Encashment of leave at the end of tenure shall not be included in the computation of limits for the remuneration or perquisites thereof
7. Provision of Car for use on Company' business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and the use of car for private purpose shall be billed by the Company.
8. For the above purpose family means spouse dependent children and dependent parents.

None of the other Directors of the Company is in any way concerned or interested except Shri. P.Veeranarayana, Shri. P. Madhu Pratap, Shri. Ravichandra and Smt. P. Sugunamma.

The following is the additional information as per Section II of Part II of Schedule V of the Companies Act, 2013:

(I) General Information

- (1) Nature of industry:
The company is specialized in Gravity Die Casting, Low Pressure Die Casting, Centrifugal Casting and Electro Plating. Apart from the above, the company is strong in producing the cylinder heads and blocks which are mainly used for motor vehicles
- (2) Date or expected date of commercial production:
The company was incorporated in the year 1983 and the commercial production commenced simultaneously.
- (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable
- (4) Financial performance based on given indicators:

PARTICULARS	(Rs. In Lakhs)	
	Financial Year 2020-21	Financial Year 2019-20
Total Revenue	1182.53	2050.90
Net Profit / Loss Before Tax (PBT)	(221.47)	(330.26)
Net Profit (PAT)	(214.41)	(331.32)

- (5) Foreign investments or collaborations, if any. The company entered technical collaboration with an Italian Firm

(II) Information about the appointee

- (1) Background details:
Shri. P. Ravichandra, aged about 44 years is a Director of the Company and having over 20 years of experience in production, marketing and nickel-plating technology. He is a B.Tech Graduate in Chemical Engineering from SRM University, Chennai. He has expertise in nickel plating technology. He is overseeing the automation and process up gradation in all processes of manufacturing activity.
- (2) Past remuneration:
Shri. P. Ravichandra was drawing a remuneration of Rs. 16,88,764/- per annum in the previous financial year.
- (3) Recognition or awards: Nil
- (4) Job profile and his suitability:
Shri. P. Ravichandra is a dedicated and committed personality with rich experience of more than 19 years of Industry Experience In the field of 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. During his tenure as Whole-Time Director, he made significant contributions to the company.

Keeping in view that Shri. P. Ravichandra has rich and varied experience in the Industry and has been involved in the operations of the Company over a long period of time it would be in the interest of the Company, the resolution is commended for your approval.
- (5) Remuneration proposed:
The board has recommended for a remuneration of Rs. 31,20,000 per annum (Rupees Thirty One Lakhs Twenty Thousand Only) along with the superannuation benefits as per the service rules of the company and a perquisites as mentioned in the terms of appointment.
- (6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin):
The proposed remuneration of Shri. P. Ravichandra is in line with the remuneration being paid to Whole-Time Director in the relevant industry.
Considering the background, competence and experience of Shri. P. Ravichandra the proposed remuneration as set out in the resolution are considered to be fair, just and reasonable.

(7) Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any.

As on 31.03.2021 Shri. P. Ravichandra holds 2,31,000 (Two Lakhs Thirty-One Thousand) equity shares constituting 1.48% of total equity share capital of the Company. He does not have any directorship or membership of committee of the Board in any other listed Company. Further, the following are the details of the relationship with the managerial personal of the company:

S No	Name of the Person	Relationship
1	Shri. Pemmasani Veerannarayana	Father
2	Shri. Pemmasani Madhu Pratap	Brother
3	Shri. Pemmasani Sugunamma	Mother

III. Other information:

1. Reasons of loss or inadequate profits:
Due to the crisis in automobile industry it is difficult to get the orders from the manufacturers of these products.
2. Steps taken or proposed to be taken for improvement
The operations of the company are being scaled up to increase to revenues.
3. Expected increase in productivity and profits in measurable terms
We expect a substantial increase in approval and implementation of various government projects leading to good improvement in operating margins.

Information pursuant to the Listing Regulations and Secretarial Standards in respect of Appointment / Re-appointment of Directors

Name of the Director	Shri. P. Veeranarayana Managing Director	Shri. P Ravichandra
Age	71 Yrs (Date of birth 01.07.1950)	44 Yrs(Date of birth 20.11.1977)
Date of First Appointment	19.02.1983	12.08.2016
Expertise in Specific functional areas	He is founder of Sibar Autoparts Limited, possess over 35 years of experience in the fields of production and overall administration of the company	Above 20 years of Experience in Production and Electro Plating and Marketing
Qualifications	Diploma in Automobile Engineering	B.Tech Chemical Engineering
Details of Directorships , membership / chairmanship of Committees of other Boards	Nil	Nil
Number of Equity shares held in the Company	922850	231000
Number of Board Meetings attended during the financial year 2020-21	4	4
Relationship with other Directors, Manager and other Key Managerial Personnel of the Company	Shri. P. Madhu Pratap & Shri. P.Ravichandra, sons of Shri. P.Veeranarayana and Smt. P Sugunamma wife of Shri. P Veeranarayana	Shri. P. Veeranarayana, (Father), Smt. P Sugunamma (Mother) & Shri. P. Madhu Pratap (Brother)

DIRECTOR'S REPORT

Dear Members,

Your directors have pleasure in presenting the 38th Annual Report on the business of your Company together with the Audited Statements of Accounts for the financial year ended 31st March, 2021.

1. FINANCIAL SUMMARY:

Your Company's performance during the year ended 31st March, 2021, as compared to the previous financial year, is summarized as below:

(Rs. In Lakhs)

PARTICULARS	Financial Year 2020-21	Financial Year 2019-20
Revenue from operation	1171.77	2028.22
Other Income	10.76	22.68
Total income	1182.53	2050.90
Profit/(Loss) before Interest, Depreciation and Tax	(108.62)	(174.92)
Finance Charges	54.73	56.41
Depreciation	58.12	98.93
Net Profit / Loss Before Tax (PBT)	(221.47)	(330.26)
Provision for Tax	-	-
Current Tax	-	-
Provision for earlier years	-	-
Deferred tax	(7.06)	1.06
Net Profit (PAT)	(214.41)	(331.32)

2. TRANSFER TO RESERVES

The Company did not transfer any amount to the General Reserve for the Financial Year ended March 31, 2021.

3. SHARE CAPITAL

During the year, the Company has not issued shares with differential voting rights, sweat equity shares or Employee Stock Options and there were no changes in the share capital of the Company.

4. DIVIDEND:

On account of the accumulated losses, your Directors do not recommend any dividend for the year ended 31st March, 2021.

5. DIRECTORS & KEY MANAGERIAL PERSONAL:

In accordance with the provisions of Section 152 of the Companies Act, 2013 Shri. Pemmasani Veeranarayana (DIN: 00644259), Director, retires by rotation at the forthcoming Annual General Meeting and being eligible offers herself for re-appointment. The Board recommends his reappointment for the consideration of the members of the company at the forthcoming annual general meeting.

Further, the term of Shri. Pemmasani Ravichandra (DIN: 00627413), Whole-Time Director of the Company will expire on 31.08.2021. The Nomination and Remuneration Committee at their meeting held on 13.08.2021 had recommended the reappointment of Shri. Pemmasani Ravichandra (DIN: 00627413) as a Whole-Time Director of the Company for a period of three years with effect from 01.09.2021. Accordingly the Board has appointed Shri. Pemmasani Ravichandra (DIN: 00627413) as a Whole-Time Director. The Board recommends his reappointment for the consideration of the members of the company at the forthcoming annual general meeting.

Brief details of Shri. Pemmasani Veeranarayana and Shri. Pemmasani Ravichandra have been mentioned in the notice convening the Annual General Meeting at "Information pursuant to the Listing Regulations and Secretarial Standards in respect of Appointment/ Re-appointment of Directors".

6. DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declaration from each Independent director under 149(7) of the Companies Act, 2013, that he/she meets the criteria of Independence laid down under section 149(6) of the Companies Act 2013.

In terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, Independent Directors of the Company have enrolled their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs

7. MEETINGS OF THE BOARD

The Board met Four Times during the financial year 2020-21 viz., on 26.06.2020, 27.08.2020, 12.11.2020, and 13.02.2021. A separate meeting of the Independent Directors of the Company held during the year on 13/02/2021 as required under Section 149 (8) read with the Schedule IV (VII) of the Companies Act 2013 and clause 25 (3) of Securities Exchange Board of India (Listing obligations and disclosure requirements) Regulations 2015. Further, due to covid 19 pandemic, the statutory authorities have given a relaxation for the time gap between two meetings. The Company has complied with the relaxed provisions of the statutory authorities.

8. STATUTORY AUDITORS:

M/s. M M G S & Associates (Firm Registration No: 010613S), Chartered Accountants was appointed as the Statutory Auditors at the Annual General Meeting held on 30th September, 2019 for a term of 5 years from the conclusion of the 36th Annual General Meeting till the conclusion of 41st Annual General Meeting. The report of the Statutory Auditors along with notes to Schedules is enclosed to this report.

9. AUDITORS' REPORT

There are no qualifications, reservations or adverse remarks made by M/s. M M G S & Associates., Chartered Accountants, Statutory Auditors in their report for the Financial Year ended 31st March, 2021.

The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company under sub-section (12) of section 143 of the Companies Act, 2013, during the year under review.

10. INTERNAL AUDITORS:

The Board of Directors based on the recommendation of the Audit Committee has appointed M/s. Y C Narayana & Co., Chartered Accountants, Vijayawada, as the Internal Auditors of your Company. The Internal Auditors are submitting their reports on quarterly basis.

11. SECRETARIAL AUDITORS:

M/s. P. S. Rao & Associates, Practicing Company Secretaries were appointed to conduct the Secretarial Audit of the Company for the financial year 2020-21, as required under Section 204 of the Companies Act, 2013 and Rule 9 thereunder. The secretarial audit report for F.Y. 2020-21 forms part of this Report as **Annexure- I**.

12. SECRETARIAL AUDIT REPORT

There are no qualifications, reservations or adverse remarks made by M/s. P. S. Rao & Associates, Practicing Company Secretaries in their report for the Financial Year ended 31st March, 2021.

13. RISK MANAGEMENT POLICY

The Company has developed and implementing a risk management policy which includes the identification therein of elements of risk, which in the opinion of the board may threaten the existence of the Company.

14. CORPORATE SOCIAL RESPONSIBILITY (CSR):

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

15. COMPOSITION OF AUDIT COMMITTEE:

The Audit Committee of the Company comprises the following Members

Shri. Y Narayana	-	Chairman
Shri. Rajesh Katragadda	-	Member
Smt. P Sugunamma	-	Member

All the recommendations made by the Audit Committee of the Company have been considered and accepted by the Board of Directors of the Company.

16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE OUTGO:

Information required under section 134(3) (m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014, is enclosed herewith as **Annexure- II**.

17. FORMAL ANNUAL EVALUATION OF PERFORMANCE OF THE MEMBERS OF THE BOARD AND COMMITTEES

One of the key functions of the Board is to monitor and review the board evaluation framework. The Board works with the nomination and remuneration committee to lay down the evaluation criteria for the performance of executive / non-executive / independent directors through a peer-evaluation excluding the director being evaluated through a Board effectiveness survey. The questionnaire of the survey is a key part of the process of reviewing the functioning and effectiveness of the Board and for identifying possible paths for improvement. Each Board member is requested to evaluate the effectiveness of the Board dynamics and relationships, information flow, decision-making of the directors, relationship to stakeholders, company performance, company strategy, and the effectiveness of the whole Board and its various committees on a scale of one to five. Feedback on each director is encouraged to be provided as part of the survey.

Independent directors have three key roles – governance, control and guidance. Some of the performance indicators based on which the independent directors are evaluated include:

- Ability to contribute by introducing international best practices to address top-management issues
- Active participation in long-term strategic planning
- Commitment to the fulfillment of a director's obligations and fiduciary responsibilities; these include participation in Board and committee meetings.

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 judgement, 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.

18. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

The Company has in place an Internal Control System, commensurate with the size, scale and complexity of its operations. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

19. SUBSIDIARIES:

The Company has no subsidiaries as on 31st March, 2021.

20. NOMINATION AND REMUNERATION POLICY:

A committee of the Board named as "Nomination and Remuneration Committee" has been constituted to comply with the provisions of section 178 of Companies Act, 2013 and to recommend a policy of the Company on directors' appointment and remuneration, including criteria for determining qualifications, positive attributes, independence of a director and other matters and to frame proper systems for identification, appointment of Directors & KMPs, Payment of Remuneration to them and Evaluation of their performance and to recommend the same to the Board from time to time. The policy is also posted in the investors section of the company's website.

21. FIXED DEPOSITS:

Your Company has not accepted any fixed deposits and as such no principal or interest was outstanding as on the date of the Balance sheet.

22. PARTICULARS OF LOANS, GUARANTEES, OR INVESTMENTS:

Details of the Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013, if any, are given in the notes to the financial statements pertaining to the year under review.

23. POLICY ON SEXUAL HARASSMENT:

The company has adopted policy on prevention of sexual harassment of women at workplace in accordance with The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

During the financial year ended March 31, 2021, the company has not received any complaints pertaining to sexual harassment.

24. DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to Section 134 (5) of the Companies Act, 2013 Your Directors' confirm that:

- i) In preparation of annual accounts for the financial year ended 31st March, 2021, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March, 2021 and of the profit and loss of the Company for the year;
- iii) The Directors have taken proper and sufficient care for their maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) The Directors had prepared the annual accounts on a 'going concern' basis;
- v) 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; and
- vi) 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.

25. VIGIL MECHANISM:

The Company has a Whistle Blower Policy framed to deal with instance of fraud and mismanagement, if any in the Company. The details of the Policy are posted on the website of the Company www.sibarauto.com

26. RELATED PARTY TRANSACTIONS:

Related party transactions entered during the financial year under review are disclosed in Note No.30 of the Financial Statements of the Company for the financial year ended 31st March, 2021. These transactions entered were at an arm's length basis and in the ordinary course of business. There were no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. Form AOC-2, containing the note on the aforesaid related party transactions is enclosed herewith as **Annexure – III**.

The Policy on the Related Party Transactions as approved by the Board is uploaded on the website of the Company.

27. ANNUAL RETURN:

The annual return of the Company would be placed on the website of the Company i.e. www.sibarauto.com.

28. STATE OF AFFAIRS OF THE COMPANY

The State of Affairs of the Company is presented as part of Management Discussion and Analysis Report forming part of this Report.

29. MANAGEMENT DISCUSSION AND ANALYSIS:

Pursuant to Regulation 34 (2) (e) of SEBI (LODR) Regulations, 2015, a report on Management Discussion & Analysis is herewith annexed as **Annexure-IV**.

30. CORPORATE GOVERNANCE REPORT:

Pursuant to Regulation 34 read with Schedule V of SEBI (LODR) Regulations, 2015, a report on Corporate Governance is herewith annexed as **Annexure-V**.

31. PARTICULARS OF EMPLOYEES:

The information required pursuant to Section 197 (12) read with Rule 5 (1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees of the Company is herewith annexed as **Annexure- VI**.

In terms of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company does not have any employee who is employed throughout the financial year and in receipt of remuneration of Rs. 120 Lakhs or more, or employees who are employed for part of the year and in receipt of Rs. 8.50 Lakhs or more per month.

The Company does not have any employee who is employed throughout financial year or part thereof, who was in receipt of remuneration in financial year under review which in aggregate, or as the case may be, at a rate which in the aggregate is in excess of that drawn by the Managing Director or Whole time director and holds by himself or along with his spouse and dependent children not less than 2% of the equity shares of the Company.

32. HUMAN RESOURCES:

Your Company considers its Human Resources as the key to achieve its objectives. Keeping this in view, your Company takes utmost care to attract and retain quality employees. The employees are sufficiently empowered and such work environment propels them to achieve higher levels of performance. The unflinching commitment of the employees is the driving force behind the Company's vision. Your Company appreciates the spirit of its dedicated employees.

33. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS:

There are no significant material orders passed by the Regulators /Courts/ Tribunals which would impact the going concern status of the Company and its future operations.

34. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There were no Material Changes and Commitments Affecting the Financial Position of the Company.

35. ACKNOWLEDGMENT AND APPRECIATION:

Your Directors take this opportunity to thank the customers, shareholders, suppliers, bankers, financial institutions, business associates for their consistent support and continued encouragement to the Company.

Further your Directors convey their appreciation for the whole hearted and committed efforts by all its employees. Your Directors gratefully acknowledge the ongoing co-operation and support provided by the Central and State Governments, Stock Exchanges, SEBI, RBI and other Regulatory Bodies.

**By order of the Board of Directors
For Sibar Auto Parts Ltd**

Sd/-

Sd/-

**Place: Tirupati
Date: 13.08.2021**

Pemmasani Madhu Pratap
Whole-Time Director
DIN: 00644254

Pemmasani Veeranarayana
Managing Director
DIN: 00644259

Form No. MR-3
SECRETARIAL AUDIT REPORT

for the Financial Year ended March 31, 2021

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

To
The Members
Sibar Auto Parts Ltd
D4D5, Industrial Estate,
Renigunta Road, Tirupati,
Andhra Pradesh-517506

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Sibar Auto Parts Ltd.**, (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, minutes 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 audit period covering the financial year ended on 31st March, 2021 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 for the financial year ended on 31st March, 2021 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder.
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment. **(Not applicable to the company during the audit period).**
- v. 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) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018. **(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, 2018; **(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;

- (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, 2018; (**Not applicable to the Company during the audit period**)
- (i) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- vi. Other specifically applicable laws to the Company:
- * Factories Act, 1948
 - * Industrial Disputes Act 1947
 - * Environment Protection Act 1986
 - * Legal Metrology Act 2009
 - * Electricity Act 2003
 - * Air (Prevention & control of pollution) Act 1981 and water (Prevention & control of Pollution) Act 1974.

We have also examined compliance with the applicable clauses Secretarial Standards issued by the institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

- * The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were changes in the composition of the Board of Directors 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.
- * All the decisions at the Board Meetings and Committee Meetings have been carried out unanimously as recorded in the Minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report 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.
- * there were no such specific events/ actions in pursuance of the above referred laws, rules, regulations, etc., having a major bearing on the company's affairs.

Place: Hyderabad
Date: 13.08.2021

For **P S Rao & Associates**
Company Secretaries

Sd/-
MB Suneel
Company Secretary
C.P. No.: 14449
UDIN: A031197C000830358

“Annexure A”

To
The Members
Sibar Auto Parts Limited
D4 & D5, Industrial Estate, Renigunta Road
Tirupati-517506

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 on test basis 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 **P S Rao & Associates**
Company Secretaries

Sd/-

MB Suneel

Company Secretary

C.P. No.: 14449

UDIN: A031197C000830358

Place: Hyderabad
Date: 13.08.2021

ANNEXURE- II

PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS REQUIRED UNDER SECTION 134 (3) (M) READ WITH RULE 8 (3) OF THE COMPANIES (ACCOUNTS) RULES, 2014
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 plant, providing for automatic switch off, illumination systems, transparent roof sheets and use of LED 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
(iv)	(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
	The expenditure incurred on Research and Development	NIL

C. Foreign Exchange Earnings and Outgo:

The foreign exchange earnings and outgo during the year under review are as follows:

Foreign exchange earnings: Rs.11.74 Lakhs

Foreign exchange outgo: NIL

Place: Tirupati
Date: 13.08.2021

By order of the Board of Directors
For **Sibar Auto Parts Ltd**

Sd/-
Pemmasani Veeranarayana
Managing Director
DIN: 00644259

Sd/-
Pemmasani Madhu Pratap
Whole-Time Director
DIN: 00644254

ANNEXURE – III

FORM NO. AOC-2

Particulars of Contracts / Arrangements made with related parties

[Pursuant to clause (h) of sub-section (3) of section 134 of the act and rule 8(2) of the Companies (Accounts) Rules, 2014]

Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis:

The Company has not entered into any contract or arrangement or transaction which is not at arm's length basis during the year under review.

2. Details of contracts or arrangements or transactions at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/arrangements/transactions	Duration of the contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount in Rs.
Shri. P. Veerananayana Managing Director	Vehicle Hire Charges	Every year	N.A	30.05.2019	4,69,692
Smt. P Sugunamma Non-Executive Director	Vehicle Hire Charges	Every year	N.A	30.05.2019	2,64,000
Smt. P Ravi Chandra Whole-Time Director	Vehicle Hire Charges	Every year	N.A	30.05.2019	2,40,000

By order of the Board of Directors

For Sibar Auto Parts Ltd

Sd/-
Pemmasani Veerananayana
Managing Director
DIN: 00644259

Sd/-
Pemmasani MadhuPratap
Whole-Time Director
DIN: 00644254

Place: Tirupati
Date: 13.08.2021

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**[Pursuant to Regulation 34 (2) (e) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]****(A) Business Overview:****Review of Operations:**

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

During the year under review your company reported negative growth in revenue from operations of 42.34% over the previous year. The Revenue from operations stood at Rs. 1182.53 lakhs compared with Rs.2050.90 lakhs in the previous year. The operations resulted in Net Loss of Rs. 214.41 lakhs against previous year net loss of Rs.331.32 lakhs. As you are aware that COVID-19 is the infectious disease caused by the coronavirus, SARS-CoV-2. In March 2020, the WHO declared COVID-19 a pandemic. The Company has adopted measures to curb the spread of infection in order to protect the health of the employees and ensure business continuity with minimal disruption. Further the automobile industry has been witnessing pre-pandemic slow down due to BS VI Transition. In view of this as expected we could not do much business. In order to overcome this situation, we have taken all measures to optimize our cash flows to sustain the situation

Your directors are hopeful of better results with increase turnover in the coming years.

INDUSTRY STRUCTURE AND DEVELOPMENTS**AUTO COMPONENTS INDUSTRY IN INDIA IN THE YEAR 2020-21**

The Indian auto-components industry has experienced negative growth during the year 2020-21 with compared to the previous years. Financial year 2020-21 has been one of the toughest year of the Indian automotive industry with the outbreak of the COVID -19 pandemic putting a spanner in the works. On the sales front , shifting of BS IV norms to BSVI norms combined with the impact of the Pandemic in 2020-21 has affected the business of your Company

Market Size

The Indian auto-components industry can be broadly classified into the organised and unorganised sectors. The organised sector caters to the Original Equipment Manufacturers (OEMs) and consists of high-value precision instruments while the unorganised sector comprises low-valued products and caters mostly to the aftermarket category. Due to the COVID 19 Pandemic the business of the company also effected.

Outlook for the next year

After the devastating effects of the Covid-19 Pandemic, it is expected that the auto industry will see stronger growth in 2021-22. We have taken necessary steps to reduce fixed costs during this period by implementing payroll flexibility measures.

- Monitoring all capital expenditure and aligning with customer launches.
- Reducing working capital by actively working with our customers
- Working closely with customers for realization of receivables as well as with the supply chain for a smooth continuity of operations as lockdown restrictions are removed.
- Ensuring upkeep and maintenance of facilities during the lockdown period.

With the Government initiatives with several measures to boost the economy your company is also working hard to improve the situation.

We continue to monitor the situation very closely and work towards getting stronger in this situation.

With the best of technical expertise, financial acumen, marketing experience and managerial skills at hand, we got export orders worth around Rs.600 lacs which will be supplied during the current financial year 2021-22.

Risks and Concerns:**RISKS:****Financial Risk Management:**

The Company's activities expose to a variety of financial risks viz., market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Company is credit risk and liquidity risk.

Management of Market Risk:

Market risks comprises of Price risk and Interest rate risk. The Company does not designate any fixed rate financial assets as fair value through Profit and Loss nor at fair value through OCI. Therefore, the Company is not exposed to any interest rate risk. Similarly, the Company does not have any Financial Instrument which is exposed to change in price.

Foreign Currency Risks:

The Company is exposed to foreign exchange risk arising currency exposure primarily with respect to the US Dollars (USD) for exports being made by the company and the details of the same have been given in notes forming part of financial statements.

Credit Risk:

Credit risk is the risk of financial loss to the Company if a customer fails to meet its contractual obligations. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. The company operations are with parent companies and hence no issues credit worthiness. The company considers that, all the financial assets that are not impaired and past due as on each reporting dates under review are considered credit worthy.

RISK MITIGATION:

The Company has appropriate risk management system in place for identification and assessment of risks , measures to mitigate them , and mechanisms for their proper and timely monitoring and reporting .

(B) Opportunities And Threats:**Opportunities:**

The Company is carrying on the business of manufacturing of auto components such as Cylinder Heads, Crankcases for Three Wheelers, Aluminium parts for CAC tanks, Aluminium Parts in Electrical Segments such as Connectors, Core boxes etc.

As reported earlier we have given Nickel Silicon Coated Electro Plated Cylinder blocks for trails for two wheeler manufacturer and trial runs are delayed due to covid-19.

In today's parlance Auto component industry has growth potential as the population is increasing, demand of vehicle in all segment is increasing so the future of the Company seems bright.

THREATS:

Your Company regularly monitors the various risks associated with its business. The Company is identifying, minimizing and mitigating the risks and the same are reviewed periodically. There are various Risk factors such as Changes in Government Policies and Regulations, Fluctuation in Foreign Exchange Rates, Prices of Raw materials, Competition, Volatile in Automobile Industry due to impact of Covid-19 , shifting of BS IV norms to BS VI norms ,Manpower etc., The Company is trying to overcome/minimize it by taking certain steps, which are in hand of company. Besides this, Companies Internal Risk, Credit Risk, Liquidity Risk, Maturities of Financial Liabilities, Interest rate risk and the details of the same has been given in Notes Forming Part of Financial Statements.

(C) Internal Control Systems:

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

(D) Cautionary Statement:

Statements in the management discussion analysis describing the Company's objectives, projections, estimates, expectations are forward looking within the meaning of applicable security-laws and regulations. Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realised. Actual results may differ materially from these expressed in the statement. Important factors that could make difference to Company's operations include economic conditions, changes in the Government priorities/policies/ regulations, tax laws and other statutes and other incidental factors affecting the business environment. The Company assumes no responsibility to publicly amend, modify or revise forward-looking statements on the basis of any subsequent developments, information or events.

For and on behalf of the Board of Directors
Sibar Auto Parts Ltd

Sd/-
Pemmasani Veeranarayana
Managing Director
DIN: 00644259

Sd/-
Pemmasani Madhu Pratap
Whole-Time Directo
DIN: 00644254

Place: Tirupati
Date: 13.08.2021

REPORT ON CORPORATE GOVERNANCE

Company's philosophy on Code of Governance:

Corporate Governance is based on the Principles of equity, fairness, integrity, transparency, accountability and commitment to values. Sibar Auto Parts Ltd adopts a business process which is aimed at enhancing an organization's wealth while being committed to high ethical values and conduct.

At Sibar Auto Parts Ltd, we believe in complying with the spirit of the law and not just the letter of the law. We follow the policy of continual disclosure of accurate financial and governance information on our website to ensure investors awareness and protection. Our Board consists of experienced and participative independent directors which ensure independent and unbiased decision making process.

At Sibar Auto Parts Ltd, we ensure application of best governance practices, adherence to high ethical values, healthy stakeholder relations and achievement of our objectives while meeting the stakeholder's needs

The Company has also adopted Code of Conduct for the Board of Directors and other Senior Level Management and also Whistle Blower Policy to enable the employees and directors to report their concerns directly to the Chairman of the Audit Committee.

At Sibar Auto Parts Ltd we have always sought to be a value driven organization, where our growth and success is directed by our values. A report on Corporate Governance as required by the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 is as under:

BOARD OF DIRECTORS

SIZE OF THE BOARD:

The composition of Board is in consonance with the requirements of Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As on 31st March, 2021, Sibar's Board consisted of 6 Members. The Company has Three Executive Directors, One Non-Executive Director and Two Non-Executive Independent Directors.

COMPOSITION AND CATEGORY OF DIRECTORS

Name of Director	Category	Designation	No. of shares held in the Company (%)	Directorship in other listed entity (Category of Directorship)
Shri P. Veerananarayana	Promoter & Executive Director	Managing Director	922850	-
Shri P. Madhu Pratap	Promoter, Executive Director & CFO	Whole-Time Director	3582100	-
Smt. Sugunamma	Non-Executive Women Director	Non-Executive Director	2558680	-
Shri P. Ravichandra	Promoter & Executive Director	Whole-Time Director	231000	-
Shri. Narayana Yadla	Non-Executive Independent Director	Non-Executive Independent Director	Nil	-
Shri Rajesh Katrgadda	Non-Executive Independent Director	Non-Executive Independent Director	Nil	1. Bodhtree Consulting Limited 2. Athena Global Technologies Limited

Relationship among Directors

Shri. P Veerananarayana	a. Shri. P Madhu Pratap – Son b. Shri. P Ravichandra – Son C. Shri. P Sugunamma – Wife
-------------------------	--

Further, none of the directors were related to each other.

Selection criteria of Board Members

The Nomination and Remuneration Committee in accordance with the Company's Policy for determining the qualifications, positive attributes and independence of director and the requirements of the skill-sets of the Board considers eminent persons having an independent standing in their respective field and who can effectively contribute to the Company's business, for appointment of new Directors on the Board. The Policy for determining the qualifications, positive attributes and independence of director is available on the website of the Company.

The Nomination and Remuneration Committee works with the Board to determine the appropriate characteristics, skills and experience required for the Board as a whole and for individual member. The Company has adopted Guidelines on selection criteria of Board members, which is available on the website of the Company.

Skills of Directors

Your Board aims to be comprised of Directors with the appropriate mix of skills, experience, expertise and diversity relevant to the Company's business and the Board's responsibilities. The objectives of the skills matrix adopted by the Board are to:

- Identify the skills, knowledge, experience and capabilities that are considered to be desirable by Board as a whole, in order for the Board to fulfill its role and in light of the Company's strategic direction;
- Ascertain the current skills, knowledge, experience and capabilities of the Board, and provide the incumbent Directors with an opportunity to reflect upon and discuss the current composition of the Board; and
- Identify any gaps in skills or competencies that can be addressed in future Director Appointments.

Your Board considers the following key skills set out in the matrix collectively, which it considered to be desired of the Board of Sibar:

Board skills and experience

S1- Industry expertise (Telecommunication and Satellite Technologies)
S2- Executive leadership and Board experience
S3- Expertise in financial matters
S4- Corporate Governance
S5- Strategy & Risk Management;
S6- Health, safety, environment and sustainability
S7- M&A/Capital Markets;
S8- Sales, Marketing and Market Strategy;

Board Competency Matrix:

Board of Directors	S1	S2	S3	S4	S5	S6	S7	S8
Shri P. Veerananarayana	Y	Y	Y	Y	Y	Y	Y	Y
Shri P. Madhu Pratap	Y	Y	Y	Y	Y	Y	Y	Y
Smt. Sugunamma	Y	Y	N	N	Y	Y	N	Y
Shri P. Ravichandra	Y	Y	Y	Y	Y	Y	Y	Y
Shri. Narayana Yadla	Y	Y	Y	Y	Y	Y	Y	Y
Shri Rajesh Katrgadda	Y	Y	Y	Y	Y	Y	Y	Y

The current composition of your Company's Board includes directors with core industry experience and has all the key skills and experience set out above.

Name	Attendance in the Board meetings		Attendance at AGM held on 28 th September 2020	Other		
	Held	Present		Directorships	Committee	
					Memberships	Chairmanships
Shri.Pemmasani Ravichandra	4	4	Yes	Nil	Nil	Nil
Shri. Pemmasani Madhu Pratap	4	4	Yes	Nil	Nil	Nil
Shri. Pemmasani Veerananarayana	4	4	Yes	Nil	Nil	Nil
Shri. Narayana Yadla	4	4	Yes	Nil	Nil	Nil
Shri. Rajesh Katragadda	4	4	Yes	3	3	3
Smt.Pemmasani Sugunamma	4	4	Yes	Nil	Nil	Nil

The Directorships held by Directors in other Companies, as mentioned above do not include Directorships in Foreign Companies, Companies registered under Section 8 of the Companies Act, 2013 and Private Limited Companies.

None of the Directors on the Board holds directorships in more than ten public companies. None of the Independent Directors serves as an independent director on more than seven listed entities. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2021 have been made by the Directors. None of the Directors on the Board is a member on more than 10 Committees and Chairman of more than 5 Committees across all the companies in which they are directors.

None of the Independent Directors are Promoters or related to Promoters. They do not have pecuniary relationship with the Company and further do not hold two percent or more of the total voting power of the Company. None of the independent directors of the Company is a non-independent director of another company on the board of which any non-independent director of the listed entity is an independent director.

In the opinion of the Board, all the Independent directors fulfill the conditions specified in the Companies Act, 2013, including amendments thereunder and SEBI Listing Regulations, 2015, as amended from time to time, and are independent of the management.

Pursuant to section 150 read with of Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014 of the Companies Act, 2013, your Company's Independent Directors have registered themselves on the portal of "Indian Institute of Corporate Affairs" as Independent Director within the prescribed timelines.

DATES OF BOARD MEETINGS:

The Board met 4 times in the financial year 2020-21 on the following dates, in compliance with the circulars and notifications issued by statutory authorities between two meetings

Date	Board Strength	No. of Directors Present
26.06.2020	6	6
27.08.2020	6	6
12.11.2020	6	6
13.02.2021	6	6

COMMITTEES OF THE BOARD:

Currently, there are 3 Board Committees – The Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee. The terms of reference of the Board Committees are determined by the Board from time to time. Meetings of each Board, Committee are convened by the Chairman of the respective Committees.

The role and composition of these Committees, including the number of meetings held during the financial year and the related attendance are provided below:

Audit Committee:

As on 31.03.2021, the Company has a qualified and Independent Audit Committee comprising of Two Independent Directors and One Non-Executive Director constituted in accordance with Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013. The Committee is empowered with the powers as prescribed under the said Regulation 18 and Section 177 of the Companies Act, 2013. The Committee also acts in terms of reference and directions if any, given by the Board from time to time.

Details on composition of the Audit Committee and the attendance by each Member of the Audit Committee are as under:

Name of the Director	Category	No. of Meetings held during the Year	No. of meetings Attended
Shri. Yadla Narayana	Chairman	4	4
Shri. Rajesh Katragadda	Member	4	4
Smt. P Sugunamma	Member	4	4

All the members of the Audit Committee are financially literate and have expertise in accounting / financial management. The Company Secretary of the Company acts as the Secretary of the said Committee. Chief Financial Officer of the Company, Internal Auditors and Statutory Auditors are invitees to the meetings of the Audit Committee.

Meetings of Audit Committee:

The Audit Committee met 4 times during the previous year, in compliance with the circulars and notifications issued by statutory authorities between two meetings. All members were present at the meetings of Audit Committees. The said committee met at the following dates.

Date	Committee Strength	No. of Directors Present
26.06.2020	3	3
27.08.2020	3	3
12.11.2020	3	3
13.02.2021	3	3

Terms of reference of Audit Committee:

The terms of reference of the Audit Committee are as per Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013 and includes such other functions as may be assigned to it by the Board from time to time.

Powers of the Audit Committee includes:

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

Role of the Audit Committee includes:

1. Oversight of Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of auditors and fixation of audit fee.
3. Approval of payment to statutory auditors for any other services rendered by them.
4. Reviewing, with the management, the annual financial statements 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) Disclosure of any related party transactions.
- vii) Review of draft Auditors Report, in particular qualifications / remarks / observations made by the Auditors on the financial statements.
- viii) Management Discussion and Analysis of financial conditions and result of operations.
5. Review of Statement of significant related party transactions submitted by the management.
6. Review of management letters/letters of internal control weaknesses issued by the statutory auditors.
7. Review of internal audit reports relating to internal control weaknesses.
8. Review of appointment, removal and terms of remuneration of the Chief Internal Auditor.
9. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
10. Review of the financial statements of subsidiary Companies.
11. Review and monitor the auditor's independence and performance and effectiveness of audit process.
12. Approval or any subsequent modification of transactions of the company with related parties.
13. Scrutiny of inter-corporate loans and investments.
14. Valuation of undertakings or assets of the Company, wherever it is necessary.
15. Evaluation of internal financial controls and risk management systems.
16. To look into the reasons for substantial defaults in the payment to the shareholders (in case of non-payment of declared dividends) and creditors.
17. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.
18. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
19. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
20. Discussion with internal auditors of any significant findings and follow up there on.
21. Reviewing the risk management policies, practices and the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
22. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
23. To review the functioning of the Whistle Blower Mechanism.
24. Approval of appointment / reappointment / remuneration of CFO (or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background etc. of the candidate.
25. Carrying out any other function as may be mentioned in the terms of reference of the Audit Committee.
26. Quarterly statements of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1).
27. Annual statements of funds utilized for purposes other than those stated in the offer document/ prospectus/notice in terms of Regulation 32(7).

The Audit Committee discharges its functions and obligations on regular basis and on the occurrence of the events.

Nomination and Remuneration Committee:

As on 31.03.2021, the Nomination and Remuneration Committee has been formed in compliance of Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Section 178 of the Companies Act, 2013 comprising of 2 Independent Non-Executive Directors and One Non-Executive Director.

Details on composition of the Nomination and Remuneration Committee and the attendance by each Member of the Committee are as under:

Name of the Director	Category	No. of Meetings held during the Year	No. of meetings Attended
Shri. Rajesh Katragadda	Chairman	1	1
Smt. P Sugunamma	Member	1	1
Shri. Yadla Narayana	Member	1	1

Meetings of Nomination and Remuneration Committee:

The Committee met once during the previous year. The said committee met on the following date:

Date	Committee Strength	No. of Directors Present
27.08.2020	3	3

The main object of this Committee is to identify persons who are qualified to become directors and who may be appointed in senior management of the Company, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance, recommend the remuneration package of both the Executive and the Non-Executive Directors on the Board and also the remuneration of Senior Management, one level below the Board. The Committee reviews the remuneration package payable to Executive Director(s) and recommends to the Board the same and acts in terms of reference of the Board from time to time.

Terms of reference:

The terms of reference of the Nomination and Remuneration Committee are as under:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key Managerial Personnel and other employees.
2. Formulation of criteria for evaluation of Independent Directors and the Board.
3. Devising a policy on Board diversity.
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
5. To recommend/review remuneration of Key Managerial Personnel based on their performance and defined assessment criteria.
6. To decide on the elements of remuneration package of all the Key Managerial Personnel i.e. salary, benefits, bonus, stock options, pensions etc.
7. Recommendation of fee / compensation if any, to be paid to Non-Executive Directors, including Independent Directors of the Board.
8. Payment / revision of remuneration payable to Managerial Personnel.
9. While approving the remuneration, the committee shall take into account financial position of the Company, trend in the industry, qualification, experience and past performance of the appointee.
10. The Committee shall be in a position to bring about objectivity in determining the remuneration package while striking the balance between the interest of the Company and shareholders.
11. Any other functions / powers / duties as may be entrusted by the Board from time to time.

The Company has adopted a policy relating to the remuneration for Directors, Key Managerial Personnel and other employees of the Company which is disclosed on the website of the Company www.sibarauto.com

During the Financial Year 2020-21, the Company has paid Remuneration to the executive directors and Sitting Fee to the Non-Executive directors

All pecuniary relationship or transactions of the Non-Executive Directors:

The Company has not entered into any pecuniary transactions with the Non-Executive Directors. During the year, the Company has paid any sitting fee or commission to the Directors.

Criteria of making payments to Non-Executive Directors:

The Company has paid only sitting fee to the Non-Executive Directors and Independent Directors

Particulars	Nature of Transaction	2020-21
Smt P Sugunamma	Sitting Fee	Rs.60,000
Shri Y. Narayana	Sitting Fee	Rs.60,000
Shri Rajesh Katragadda	Sitting Fee	Rs.60,000
Total		

Disclosure with respect to remuneration:

The Company has paid remuneration to the Executive Directors. The details of which are detailed below

Particulars	Nature of Transaction	2020-21
Shri. P Veeranayanara	Remuneration	Rs.16,15,708.00
Shri. P. Madhu Pratap	Remuneration	Rs.17,56,794.00
Shri. P. Ravichandra	Remuneration	Rs.16,88,764.00
Total		

Shareholding of Director

Particulars	No. of Shares
Shri. P. Veeranarayana	922850
Shri. P. Madhu Pratap	3582100
Smt. P. Sugunamma	2558680
Shri P. Ravichandra	231000
Shri. Narayana Yadla	Nil
Shri Rajesh Katrgadda	Nil

Stakeholders Relationship Committee:

As on 31.03.2021, the Stakeholders Relationship Committee has been formed in compliance of Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and pursuant to Section 178 of the Companies Act, 2013 comprising of 2 Independent Non-Executive Directors and 1 Executive Director. The composition of the Stakeholders Relationship Committee and the attendance of each Member of the said Committee are as under:

Name of the Director	Category	No. of Meetings held during the Year	No. of meetings Attended
Shri. Yadla Narayana	Chairman	2	2
Shri. Rajesh Katragadda	Member	2	2
Shri. P Madhu Pratap	Member	2	2

The Committee reviews the security transfers/transmissions, process of dematerialization and the Investor's grievances and the systems dealing with these issues. Shri. Seshi Kumar Chilluka, Company Secretary is appointed as the Compliance Officer of the Company. The Board has authorized the Company Secretary, who is also the Compliance Officer, to approve share transfers/transmission and comply with other formalities in relation thereto. All investor complaints, which cannot be settled at the level of the Compliance Officer, will be placed before the Committee for final settlement. There were no pending complaints and transfers as on 31st March, 2021.

Terms of reference:

The terms of reference of the Stakeholders Relationship Committee are as under:

- Redressal of grievances of shareholders, debenture holders and other security holders.
- Transfer and transmission of securities.
- Dealing with complaints related to transfer of shares, non-receipt of declared dividend, non-receipt of Balance Sheet etc.
- Issuance of duplicate shares certificates.
- Review of dematerialization of shares and related matters.

- f. Performing various functions relating to the interests of shareholders/investors of the Company as may be required under the provisions of the Companies Act, 2013, SEBI (LODR) Regulations, 2015 with the Stock Exchanges and regulations/guidelines issued by the SEBI or any other regulatory authority. In order to expedite the process and for effective resolution of grievances/complaints, the Committee has delegated powers to the Registrar and Share Transfer Agents i.e., M/s. Bigshare Online Services Private Limited., to redress all complaints/grievances/enquiries of the shareholders/investors. It redresses the grievances/ complaints of shareholders/investors under the supervision of Company Secretary & Compliance Officer of the Company.

The Committee, along with the Registrars and Share Transfer Agents of the Company follows the policy of attending to the complaints, if any, within seven days from the date of its receipt.

As mandated by SEBI, the Quarterly Reconciliation of Share Capital Audit, highlighting the reconciliation of total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) vis-à-vis the total issued and listed capital is being carried out by a Practicing Company Secretary. This Audit confirms that the total issued and paid up capital is in agreement with the total number of shares held in physical and dematerialized form with NSDL and CDSL.

Risk Management Committee:

The Company is not required to constitute Risk Management Committee pursuant to Regulation 21 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Compliance officer

Shri. Seshi Kumar Chilluka, Company Secretary, is the Compliance Officer for complying with the requirements of the Securities Laws, Listing Agreements with the Stock Exchanges and SEBI (LODR) Regulations, 2015. He acts as the Secretary to all the mandatory sub-committees of the Board.

CODE OF CONDUCT:

All the Directors and senior management confirmed the compliance of code of conduct. The Company has posted the Code of Conduct for Directors and Senior Management on the website [http:// www.sibarauto.com](http://www.sibarauto.com)

MEETING OF INDEPENDENT DIRECTORS

During the year under review, the Independent Directors met on 13th February, 2021, inter alia, to discuss:

Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole;

Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.

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.

FAMILIARIZATION PROGRAMME FOR BOARD MEMBERS:

A formal familiarization Programme was conducted about the amendments in the Companies Act, 2013, Rules prescribed thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and all other applicable laws of the Company.

It is the general practice of the Company to notify the changes in all the applicable laws from time to time in every Board Meeting conducted.

The details of such familiarization programs for Independent Directors are posted on the website of the Company [http:// www.sibarauto.com](http://www.sibarauto.com)

PERFORMANCE EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 and other Committees.

A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's 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.

GENERAL BODY MEETINGS:

Details of Last 3 Annual General Meetings (AGMs) were as under:

Financial Year ended	Date, Day and Time of AGM	Venue	Special Resolutions passed at the AGM by the Shareholders
31 st March, 2020	Monday, the 28 th Day September, 2020 04:00 P.M.	Through Video Conference	Nil
31 st March, 2019	Monday, the 30 th Day of September, 2019 03.30 P.M	D4 & D5, Industrial Estate, Renigunta Road, Tirupati, Andhra Pradesh- 517506	1. To consider and approve the re-appointment of Shri. Pemmasani Veeranarayana (DIN: 00644259) as a Managing Director of the company. 2 To consider and approve the re-appointment of Shri. Pemmasani Madhu Pratap (DIN: 00644254) as a Whole-Time Director of the company. 3 To consider and approve the Increase in Remuneration of Shri. Pemmasani Ravichandra (DIN: 00627413), Whole-Time Director of the company. 4 To consider and approve the appointment of Shri. Narayana Yadla (DIN: 02596053) as an Independent Director of the company:
31 st March, 2018	Thursday, the 27 th Day of September, 2018 03.30 P.M.	D4 & D5, Industrial Estate, Renigunta Road, Tirupati, Andhra Pradesh- 517506	Nil

Sri. MB Suneel, Practicing Company Secretary, conducted the e-voting process and the Poll during the previous Annual General Meeting.

The Company had not conducted any postal ballot during the previous financial year.

DISCLOSURES:

- a. The particulars of transactions between the Company and its related parties are set out at Notes to financial statements. However these transactions are not likely to have any conflict with the Company's interest.
The Policy on Related Party Transactions as approved by the Board is uploaded on the website of the Company www.sibarauto.com
- b. During the Financial Year 2018-19 BSE Limited had levied a penalty for non-compliance of the provisions of Regulation 6 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to the appointment of Company Secretary as the Compliance

Officer of the company. Subsequently, the company has paid the fine and had appointed a Company Secretary as the Compliance Officer of the company. Further, there were no penalties imposed nor strictures passed on the Company by any Stock Exchange, SEBI or any other Statutory Authority except mentioned above.

- c. The Whistle Blower (Vigil) mechanism provides a channel to the employees to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of Conduct or policy and also provides for adequate safeguards against victimization of employees by giving them direct access to the Chairman of the Audit Committee in exceptional cases. No person has been denied access to the Chairman of the Audit Committee.

The Policy covers malpractices and events which have taken place / suspected to have taken place, misuse or abuse of authority, fraud or suspected fraud, violation of Company rules, manipulations, negligence causing danger to public health and safety, misappropriation of monies, and other matters or activity on account of which the interest of the Company is affected and formally reported by whistle blowers concerning its employees. The Whistle Blower Policy of the Company is also posted on the website of the Company <http://www.sibarauto.com>

- d. The Company does not have any Material Subsidiary.

The Policy on Material Subsidiaries as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as approved by the Board is uploaded on the website of the Company <http://www.sibarauto.com>

- e. The Managing Director and the Chief Financial Officer have certified to the Board in accordance with Regulation 33(2)(a) of SEBI Listing Regulations pertaining to CEO/CFO certification for the Financial Year ended 31st March, 2021.

- f. The Company has complied with the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has complied with the Discretionary Requirements as specified by Regulation 27(1) of SEBI Listing Regulations which are as under:

Reporting of the Internal Auditor: The internal auditor of the company reports directly to the audit committee.

- g. There are no Shares lying in Demat Suspense Account.
- h. Company's practices and procedures meet the applicable Secretarial Standards issued by the Institute of Company Secretaries of India.
- i. Total fees for all services paid by the listed entity to the statutory auditor FY 2020-21 is set out in Note No. 27 of the Standalone Financial Statements, forming part of the Annual Report.
- j. disclosures in relation to the Sexual Harassment of Women at Workplace Prevention, Prohibition and Redressal Act, 2013:
- a. number of complaints filed during the financial year : Zero
 - b. number of complaints disposed of during the financial year : Zero
 - c. number of complaints pending as on end of the financial year : Nil

- k. The Company also complies with the following non-mandatory requirements Regulation 27 of the SEBI Listing Regulations, 2015.

- There are no audit qualifications during the year under review.
- The Internal auditors report to the Audit Committee every quarter.

MEANS OF COMMUNICATION:

The Quarterly/Half-yearly/Annual Financial results of the Company are published in the newspapers within 48 hours from the conclusion of the Board meeting.

The Results are generally published in Financial Express, Andhra Prabha and Such other News Papers from time to time within 48 Hours from time of Board Meeting.

Financial results and other information are displayed in the Investor Relations section on the company's Website <http://www.sibarauto.com>.

No presentations were made to the Institutional Investors or to Analysts.

GENERAL SHAREHOLDER INFORMATION:

The 38th Annual General Meeting of the company will be held on Tuesday, the 28th day of September, 2021 at 04.30 P.M through VC/OAVM

Financial Calendar: The Company follows April to March as its financial year.

Results for the quarter ending:

30 th June 2021	:	On or before 14 th August, 2021.
30 th Sep, 2021	:	On or before 14 th November, 2021.
31 st Dec, 2021	:	On or before 14 th February, 2021.
31 st Mar, 2022	:	On or before 30 th May, 2022.

Date of Book closure : 22nd day of September, 2021 to 28th day of September 2021 (both days inclusive).

Listing on Stock Exchanges : BSE Ltd, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai -400001.

Stock Code (BSE Ltd) : 532406

ISIN : INE441C01014

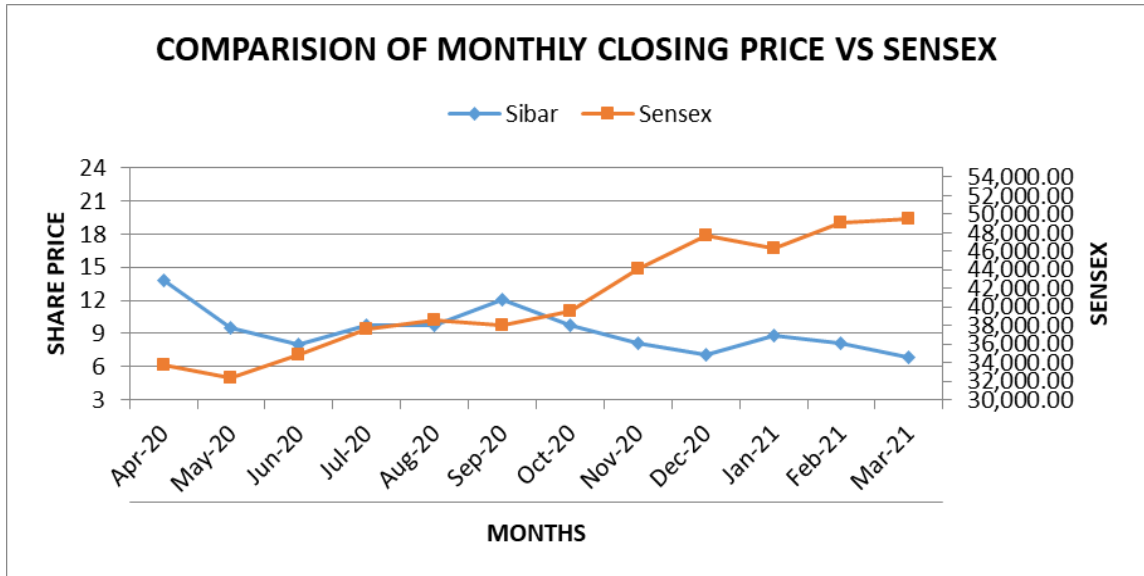
The Annual Listing fees for the year 2021-22 has been paid to the Stock Exchange.

MARKET PRICE DATA

High, low during each month and trading volumes of the Company's Equity Shares during the last financial year 2020-21 at The BSE Limited (BSE) areas under:

Month	BSE		
	High	Low	Traded Quantity
April,2020	14.00	9.58	19475
May, 2020	14.25	9.48	11574
June, 2020	10.38	6.37	158342
July, 2020	10.75	8.41	197909
August,2020	10.50	8.46	120980
September, 2020	12.10	10.10	22850
October, 2020	12.65	9.71	12712
November,2020	10.20	8.17	95651
December,2020	8.90	7.08	369886
January, 2021	9.55	7.10	533130
February, 2021	9.10	6.36	1256797
March, 2021	8.54	6.53	17686114

The securities of the Company are not suspended from trading during the financial year ended March 31, 2021.

Share Price Performance:

DISTRIBUTION OF SHAREHOLDING:

Nominal Value	Holders		Amount	
	Number	% To Total	In Rs	% To Total
Upto - 5000	8052	90.46	11233590	6.80
5001 - 10000	465	5.22	3945800	2.39
10001 - 20000	164	1.84	2605270	1.58
20001 - 30000	61	0.69	1555130	0.94
30001 - 40000	27	0.30	984440	0.60
40001 - 50000	30	0.34	1435580	0.87
50001 - 100000	43	0.48	3101570	1.88
100001 and above	59	0.66	140389620	84.96
Total	8901	100.00	165251000	100.00

CATEGORIES OF SHAREHOLDERS AS ON 31ST MARCH, 2021:

Sl.No	Category of Shareholders	No. of Shares	Percentage %
1	Promoter & Promoter Group	8117516	49.12
2	Mutual Funds	-	-
3	Alternate Investment Funds	-	-
4	Foreign Portfolio Investors	-	-
5	Financial Institutions & Banks	-	-
6	Other Bodies Corporate	455715	2.76
7	Resident Individuals	7880213	47.69
8	HUF	52344	0.32
9	Non-Resident Individuals	16906	0.10
10	Clearing Members	2406	0.01
	Total	16525100	100

Dematerialization of shares and liquidity:

The shares of the Company are under compulsory demat trading. The Company has made necessary arrangements with NSDL and CDSL for demat facility. As on 31st March, 2021, 90.54% of the Company's Shares are dematerialized.

Dematerialization mandatory for effecting share transfers

SEBI has vide proviso to Regulation 40(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, mandated that requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialized form with a depository. In view of the same, the Company shall not process any requests for transfer of shares in physical mode. Shareholders who desire to demat their shares can get in touch with any Depository Participant having registration with SEBI to open a demat account and follow the procedure for share transfers.

Bank Details

Shareholders holding shares in the physical form are requested to advise the Registrar Transfer Agent of change in their address / mandate / bank details to facilitate better servicing. Shareholders are advised that their bank details, or where such details are not available, their addresses, as furnished by them to the Company or to the Depository participant, will be printed on the dividend warrants as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as a measure of protection against fraudulent encashment.

Permanent Account Number (PAN)

Shareholders holding shares in the physical form are mandatorily required to furnish copy of PAN Card in the following transactions:

- i) Transfer of shares – Transferee and Transferor
- ii) Transmission of shares - Legal heirs' or Nominees'
- iii) Transposition of shares - Joint holders' and iv) In case of decease of shareholder - Surviving joint holders'

Outstanding GDRs/ADRs/Warrants or any convertible instruments, conversion and likely impact on equity: Nil

Plant Location: D4D5, Industrial Estate, Renigunta Road, Tirupati, Andhra Pradesh-517506

Address for Correspondence & any query on Annual Report : Shri. E Prudhvi Babu,
Accounts Manager
Sibar Auto Parts Ltd
D4D5, Industrial Estate, Renigunta Road, Tirupati, Andhra Pradesh-517506
E-mail: sibarauto77@yahoo.com
Phone: +91-877-2271355.

Registrar and Transfer Agents : Bigshare Services Pvt. Ltd
306, Right Wing, 3rd Floor, Amrutha Ville,
Opp.Yashoda Hospital, Rajbhavan Road, Somajiguda
Hyderabad – 500082

Contact Person : Shri. M M N Mohan
040-40144582
Bsshyd1@bigshareonline.com

Share Transfer System: The Share transfers are affected within one month from the date of lodgment for transfer, transmission, Sub-division, consolidation, renewal etc. Such modified Share certificates are delivered to the shareholders immediately.

Compliance Certificate: Certificate from P S Rao & Associates, Company Secretaries, confirming compliance with the conditions of Corporate Governance as stipulated Under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is attached to the Directors' Report and forms part of this 36th Annual Report.

Secretarial Audit:

1. M/s. P. S Rao & Associates, Practicing Company Secretaries have conducted Secretarial Audit of the Company for the year 2020-21. Their Audit Report confirms that the Company has complied with the applicable provisions of the Companies Act and the Rules made there under, SEBI Listing Regulations and other laws applicable to the Company. The Secretarial Audit Report forms part of the Director's Report.
2. Pursuant to Regulation 40(9) of the SEBI Listing Regulations, certificates have been issued on a half-yearly basis, by M/s. P. S. Rao & Associates, Practicing Company Secretaries, certifying due compliance of share transfer formalities by the Company.
3. M/s. P. S. Rao & Associates, Practicing Company Secretaries carry out a quarterly Reconciliation of Share Capital Audit, to reconcile the total admitted capital with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) and the total issued and listed capital. The audit confirms that the total issued/ paid-up capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with NSDL and CDSL).
4. Compliance under SEBI Listing Regulations pertaining to mandatory requirements and Practicing Company Secretaries Certificate on Corporate Governance is attached herewith.

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT:

In terms of SEBI (LODR) Regulations, 2015, I hereby confirm that all the Board members and Senior Management Personnel of the Company have affirmed compliance with the respective Code of Conduct, as applicable to them for the year ended 31st March, 2021.

For Sibar Auto Parts Ltd

Place: Tirupati
Date: 13.08.2021

Sd/-
Pemmasani Veeranarayana
Managing Director
DIN: 00644259

CEO/CFO CERTIFICATION

We, Pemmasani Veeranarayana , Managing Director and Pemmasani Madhu Pratap, Chief Financial Officer of the Company, to the best of our knowledge and belief, certify that:

- a. We have reviewed the financial statements including cash flow statement (standalone and consolidated) for the financial year ended 31st March, 2021 and 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 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 address these deficiencies.
- d. We have indicated to the auditors and the Audit Committee:
 - I. That there are no significant changes in the internal control over financial reporting during the year;
 - II. That there are no significant changes in the accounting policies during the year; and
 - III. that there are no instances of significant fraud of which they have become aware of and involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Sibar Auto Parts Ltd
Sd/-

Pemmasani Veeranarayana
Managing Director
DIN: 00644259

For Sibar Auto Parts Ltd/-
Sd/-

Pemmasani Madhu Pratap
Whole-Time Director
DIN: 00644254

Place: Tirupati
Date : 29.06.2021

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members,
Sibar Auto Parts Limited.

We have examined the compliance of conditions of Corporate Governance by Sibar Auto Parts Limited ('the Company') for the year ended 31st March, 2021 as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15 (2) of the Listing Regulations. The compliance of conditions of Corporate Governance is the responsibility of management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

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

For P.S. Rao & Associates
Company Secretaries

Place: Hyderabad
Date: 13.08.2021

Sd/-
M B Suneel
Company Secretary
C.P No.: 14449
UDIN: A031197C000830371

CERTIFICATE

(Pursuant to Schedule V(C)(10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To The Members of
Sibar Auto Parts Limited
D4D5, Industrial Estate, Renigunta Road, Tirupati, Andhra Pradesh-517506

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of M/s. Sibar Auto Parts Limited, having its Registered office at D4D5, Industrial Estate, Renigunta Road, Tirupati, Andhra Pradesh-517506, India (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with the Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and the respective Directors, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ended on March 31, 2021 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

S No	Name of the Director	Designation	DIN
1	Shri. Pemmasani Veeramarayana	Managing Director	00644259
2	Shri. Pemmasani Madhu Pratap	Whole-Time Director	00644254
3	Shri. Pemmasani Ravichandra	Whole-Time Director	00627413
4	Shri. Pemmasani Sugunamma	Non-Executive Director	07128299
5	Shri. Narayana Yadla	Non-Executive Director (Independent Director)	02596053
6	Shri. Katragadda Rajesh	Non-Executive Director (Independent Director)	02727491

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these, based on my verification. 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.

For P.S. Rao & Associates
Company Secretaries

Place: Hyderabad
Date: 13.08.2021

Sd/-
M B Suneel
Company Secretary
C.P No.: 14449
UDIN: A031197C000830424

Details pertaining to Employees as required under Section 197(12) of the Companies Act, 2013

Statement of Particulars of Employees Pursuant to Provisions of Section 197(12) of the Companies Act 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- i. **The ratio of the remuneration of the each Director to the median remuneration of the employees of the Company for the financial year:**

S. No	Name of Director	Designation	Ratio of the Remuneration of each Director to the median remuneration of employees
1	Shri. P Veerananarayana	Managing Director	11.84:1
2	Shri. P Madhu Pratap	Whole-Time Director	12.94:1
3	Shri. P Ravichandra	Whole-Time Director	12.20:1

- ii. **The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2020-21:**

S. No	Name of Director/KMP and Designation	Designation	% increase in Remuneration in the Financial year 2020-21
1	Shri P Veerananarayana	Managing Director	(26.97)
2	Shri P Madhu Pratap	Whole-Time Director	(18.49)
3	Shri P Ravichandra	Whole-Time Director	(17.99)
4	Shri. C Seshi Kumar	Company Secretary	Nil

- iii. **The percentage increase in the median remuneration of employees in the financial year:** There was no increase in the median remuneration of employees in the financial year

- iv. **The number of permanent employees on the rolls of Company as at March 31, 2021:**
 There were 87 permanent employees on the rolls of Company as on March 31, 2021

- v. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

There was no average percentile increase in salaries of employees and the managerial personnel in the last financial year.

- vi. We herewith affirm that remuneration to the Directors and Key Managerial Personnel is as per the remuneration policy of the Company.

A. Top 10 Employees in terms of remuneration:

Name	Age	Qualification And Experience of employee in Sibar Auto Parts Ltd	Designation	Date of commencement of employment	Nature of employment	Remuneration in (Rs. In Lacs) Per Year	Previous Employment	Relative of Director If any	% of Share holding
B.Kirankumar	48	B.Tech & 14 Years	PRODUCTION MANAGER	01-06-2007	Permanent	5.91	NO	No	0.00
M.Krishna Mohan	53	DIP(Mech) & 16 years	MAINTANENCE MANAGER	01-01-2005	Permanent	5.4	TMT –India Limited	No	0.00
K.Mohan Achary	67	ITI(Fitter) & 7 Years	TOOL ROOM MANAGER	05-03-2014	Permanent	4.8	MOPEDS INDIA LTD	NO	NIL
E.Prudvi Babu	39	M.Com & 9 Years	ACCOUNTS MANAGER	28-05-2012	Permanent	4.36	GVK-NOVOPAN INDUSTRIE S LTD	NO	Nil
P.Charitha	44	B.Tech & 13 Years	ENGINEER	01-04-2008	Permanent	4.20	No	YES	0.90
P.Annapurna	45	Degree & 13 Years	CANTEEN&AD MIN INCHARGE	01-04-2008	Permanent	4.20	NO	YES	3.21
S.Damodharam	46	ITI & 16 Years	SHELLCORE MANAGER	01-01-2005	Permanent	3.88	NO	NO	0.00
C.Seshi kumar	39	BCA & 2 Years	Company Secretary	28-09-2019	Permanent	3.60	NO	NO	0.00
G.Santosh Kumar	29	B Tech(Mech) & 8 Years	ENGINEER	15-05-2016	Permanent	3.00	M/s.DELTRI ONIX INDIA PVT LTD	NO	0.00
E.Chandra sekhar	47	DIP(Mech) & 17 years	Machine shop Manager	24-06-2020	Permanent	2.70	M/s.GREAVES COTTON LTD	NO	0.00

For and on behalf of the Board of Directors
Sibar Auto Parts Ltd

Sd/-

Pemmasani Veeranarayana
 Managing Director
 DIN: 00644259

Sd/-

Pemmasani Madhu Pratap
 Whole-Time Director
 DIN: 00644254

Place: Tirupati
 Date: 13.08.2021

INDEPENDENT AUDITOR'S REPORT**To the Members
Sibar Auto Parts Limited
Report on the Audit of Financial Statements****Opinion**

We have audited the financial statements of Sibar Auto Parts Limited ("the Company"), which comprise the balance sheet as at 31st March 2021, and the statement of profit and loss, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and its profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

There is no Emphasis of Key Matters to report upon

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 of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of 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 statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if,

individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also :

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

There were no inconsistencies noted by us and our opinion in so far as it relates to the amounts and disclosures included in annual report for the year 2020-21

Report on Other Legal and Regulatory Requirements

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 Companies Act, 2013, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books ;
- c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the statement of changes in equity dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid Ind AS Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
- 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"
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the 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 as on 31st March, 2021;
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts that were required to be transferred to the investor Education and Protection Fund by the Company.

**For MMGS & ASSOCIATES,
Chartered Accountants
FRN: 010613S**

Sd/-

**CA M M GOPALACHARI
Partner
MRN: 025376
UDIN: 21025376AAAAC17889
Place: Tirupathi
Date: 29.06.2021**

Annexure - A to the Auditors' Report

The Annexure referred to in Report on the Audit of Sibar Auto Parts Limited, Ind AS Financial Statements for the year ended 31st March 2021 we report that:

- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. 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) The title deeds of all the immovable properties are held in the name of the company
- ii) a) According to the information and explanations given to us the inventory has been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. and on the basis of our observation and verification of records, physical inventory of the company has been conducted at reasonable intervals.

The discrepancies noticed on verification between the physical stocks and the book records were not material and have been appropriately dealt with in books of account
- b) No material discrepancies have been observed during stock taking
- iii) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Consequently, clauses 3 (iii) (a) and 3 (iii) (b) of the Order are not applicable to the Company.
- iv) The Company has not made any transactions in the nature of loans, investments, guarantees, and security, where provisions of section 185 and 186 of the Companies Act, 2013 are applicable. Thus, paragraph 3(iv) of the order is not applicable to the company.
- v) Company has not accepted any deposits, within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under.
- vi) We have been informed that the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the products of the Company.
- vii) a) According to the information and explanations given to us and on the basis of examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, duty of customs and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. Further according to the information and explanations given to us, no undisputed amounts are payable in respect of income tax, goods and service tax, duty of customs, cess and other material statutory dues which were in arrears as at March 31, 2021, for a period of more than six months from the date they became payable.

b) According to the information and explanations given to us, there are no material dues of duty of customs, income tax, goods and service tax which have not been deposited with the appropriate authorities on account of any dispute.
- viii) The Company has not defaulted in repayment of loans to financial institution during the year under review as the company's loans has been rescheduled by AP SFC extending moratorium period by one year.
- ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- x) 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.

- xi) In our opinion and according to the information and explanations given to us and based on examination of the records of the Company, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii) 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.
- xiii) 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 Note 30 to the Ind AS Financial Statements as required by the applicable accounting standards;
- xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made preferential allotment during the year under review
- xv) According to the information and explanations given to us, the Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934.

For MMGS & ASSOCIATES,
Chartered Accountants
FRN: 010613S

Sd/-

CA M M GOPALACHARI
Partner
MRN: 025376
UDIN: 21025376AAAAC17889

Place: Tirupathi
Date : 29.06.2021

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 2021 in conjunction with our audit of Ind AS 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 Ind AS 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.

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 Ind AS 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 Ind AS Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Ind AS 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 2021, 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 MMGS & ASSOCIATES,
Chartered Accountants
FRN: 010613S**

Sd/-

**CA M M GOPALACHARI
Partner
MRN: 025376
UDIN: 21025376AAAAC17889**

**Place: Tirupathi
Date : 29.06.2021**

CIN: L34201AP1983PLC003817
 Balance Sheet as at March 31, 2021

(In Rupees)

	Note No.	As at March 31, 2021	As at March 31, 2020
ASSETS			
Non-current assets			
(a) Property, Plant and Equipment	1	118,346,160	122,559,588
(b) Capital work-in-progress		-	-
(c) Investment Property		-	-
(d) Other intangible assets		-	-
(e) Financial Assets			
(i) Investments		-	-
(ii) Trade Receivables	2	5,922,427	5,569,354
(iii) Loans		-	-
(iv) Others	3	2,903,030	2,883,022
(f) Deferred tax Assets (net)		-	-
(g) Other non-current Assets		-	-
Current Assets			
(a) Inventories	4	28,450,021	39,206,969
(b) Financial Assets			
(i) Investments		-	-
(ii) Trade Receivables	5	41,025,345	24,067,302
(iii) Cash & Cash Equivalents	6	1,272,965	3,938,654
(iv) Bank Balances other than (iii) above		-	-
(v) Loans		-	-
(iv) Others		-	-
(c) Current Tax Assets	7	622,623	565,105
(d) Other Current Assets	8	5,140,309	4,729,051
(e) Assets Classified held for Sale	9	242,799	242,799
Total Assets		203,925,679	203,761,845
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	10	165,251,000	165,251,000
(b) Other Equity	11	(56,115,216)	(34,665,666)
Liabilities			
Non-current liabilities			
(a) Financial Liabilities			
(i) Borrowings	12	33,892,568	24,926,836
(ii) Trade Payables	13	2,226,760	1,242,215
(b) Provisions		-	-
(c) Other non-current liabilities		-	-
(d) Deferred Tax Liabilities	14	1583028	2,289,119
Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	15	1,135	1,135
(ii) Trade payables	16	34,629,422	26,667,727
(iii) Other Financial Liabilities	17	21,255,611	17,257,471
(b) Provisions	18	27,135	84,793
(c) Current Tax Liabilities		-	-
(d) Other current liabilities	19	1,174,236	707,215
Total Equity and Liabilities		203,925,679	203,761,845

 For MMGS & ASSOCIATES,
 Chartered Accountants
 FRN: 010613S
 Sd/-

M M GOPALACHARI
 Partner
 MRN: 025376
 Place: Tirupathi
 Date: 29-06-2021

For Sibar Auto Parts Ltd.

 Sd/-
P Veerananayana
 Managing Director
 DIN : 00644259
 Sd/-
P.Madhupratap
 Whole-time Director CFO
 DIN:00644254

 Sd/-
P.Ravichandra
 Whole-time Director
 DIN : 00627413
 Sd/-
C.Seshi Kumar
 Company Secretary

CIN: L34201AP1983PLC003817

Statement of Profit and Loss for the year ended March 31, 2021

(In Rupees)

Particulars	Note No.	Year Ended March 31, 2021	Year Ended March 31, 2020
Revenue from Continuing Operations			
i) Revenue From Operations	20	117,177,297	202,821,897
ii) Other Income	21	1,075,857	2,267,751
Total Income		118,253,154	205,089,648
Expenses			
i) Cost of materials consumed	22	79,401,669	126,723,971
ii) Changes in inventories of finished goods, work-in-progress and stock-in-trade	23	3,044,670	16,885,076
iii) Excise duty paid		-	-
iv) Employee benefits expense	24	23,455,415	39,557,067
v) Depreciation and amortisation	25	5,812,171	9,893,267
vi) Finance costs	26	5,473,473	5,641,217
vii) Other expenditure	27	23,212,998	39,415,290
Total expenses		140,400,396	238,115,888
Profit/(loss) before exceptional items and tax		(22,147,242)	(33,026,239)
Exceptional Items		-	-
Profit Before Tax		(22,147,242)	(33,026,239)
Tax Expenses		(706,092)	105,692
-Current Tax			
-Deferred Tax		(706,092)	105,692
Profit/(loss) for the period from continuing operations		(21,441,151)	(33,131,932)
Profit/(loss) from discontinued operations			
Tax expense of discontinued operations			
Profit/(loss) from discontinued operations after tax			
I Profit / (loss) for the Period		(21,441,151)	(33,131,932)
II Other Comprehensive Income			
i) Items that will not be reclassified to profit or loss:			
-Impairment of allowances in doubtful debt			
-Remeasurements of the defined benefit plans			
-Equity Instruments through other comprehensive income			
-Income Tax relating to these items			
ii) Items that will be reclassified to profit or loss:			
-Debt Instruments through Other Comprehensive Income			
-The effective portion of gains and loss on hedging instruments in a cash flow hedge			
-Income Tax relating to these items			
Other Comprehensive Income		-	-
Total Comprehensive Income for the period		(21,441,151)	(33,131,932)
Earnings per equity share :			
(1) Basic		-1.30	-2.00
(2) Diluted		-1.30	-1.90

For **MMGS & ASSOCIATES,**
 Chartered Accountants
 FRN: 010613S
 Sd/-

M M GOPALACHARI
 Partner
 MRN: 025376
 Place:Tirupathi
 Date: 29-06-2021

For Sibar Auto Parts Ltd.

Sd/-
P.Veeranarayana
 Managing Director
 DIN : 00644259
 Sd/-
P.Madhupratap
 Whole-time Director CFO
 DIN:00644254

Sd/-
P.Ravichandra
 Whole-time Director
 DIN : 00627413
 Sd/-
C.Seshi Kumar
 Company Secretary

CIN: L34201AP1983PLC003817

Cash Flow Statement For The Year Ended March 31, 2021

(In Rupees)

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Cash flow from operating activities		
Profit before income tax from		
Continuing operations	(22,147,242)	(33,026,239)
Discontinued operations		
Prior period Items		
Profit before income tax including discontinued operations	(22,147,242)	(33,026,239)
Adjustments for		
Depreciation and amortisation expense	5,812,171	9,893,267
Provision for gratuity	(57,658)	(20,528)
Finance costs	5,473,473	5,641,217
Net exchange differences	-	-
	(10,919,256)	(17,512,284)
Change in operating assets and liabilities, net of effects from purchase of controlled entities and sale of subsidiary:		
(Increase)/Decrease in trade receivables	(17,311,116)	21,870,295
(Increase) in inventories	10,756,949	10,267,909
Increase in trade payables	8,937,840	(18,373,990)
(Increase) in other financial assets	-	-
(Increase)/decrease in other non-current assets	(20,008)	13,334,062
(Increase)/decrease in other current assets	(468,775)	809,225
Increase (decrease) in other current liabilities	467,021	(70,845)
Increase (decrease) in financial liabilities	3,998,140	(5,290,576)
Cash generated from operations	(4,559,205)	5,033,796
Income taxes paid	-	-
Net cash inflow from operating activities	(4,559,205)	5,033,796
Cash flows from investing activities		
Payments for property, plant and equipment	(1,598,743)	(8,244,179)
Increase in Term deposits	-	-
Net cash outflow from investing activities	(1,598,743)	(8,244,179)
Cash flows from financing activities		
Proceeds from issues of shares	-	13,875,000
Proceeds from borrowings	8,965,732	(3,615,221)
Interest paid	(5,473,473)	(5,641,217)
Net cash inflow (outflow) from financing activities	3,492,259	4,618,562
Net increase (decrease) in cash and cash equivalents	(2,665,689)	1,408,179
Cash and cash equivalents at the beginning of the financial year	3,938,654	2,530,475
Effects of exchange rate changes on cash and cash equivalents	-	-
Cash and cash equivalents at end of the year	1,272,965	3,938,654

For MMGS & ASSOCIATES,

Chartered Accountants

FRN: 010613S

Sd/-

M M GOPALACHARI

Partner

MRN: 025376

Place: Tirupathi

Date: 29-06-2021

For Sibar Auto Parts Ltd.

Sd/-

P Veeranarayana

Managing Director

DIN : 00644259

Sd/-

P.Madhuratap

Whole-time Director CFO

DIN:00644254

Sd/-

P.Ravichandra

Whole-time Director

DIN : 00627413

Sd/-

C.Seshi Kumar

Company Secretary

Statement of Changes in Equity for the period ended 31.03.2021

A. Equity Share Capital	(In Rupees)			
	As at March 31, 2021		As at March 31, 2020	
	No of Shares	Amount	No of Shares	Amount
Opening Equity Shares	16,525,100	165,251,000	15,600,100	158,313,500
Share Warrants of Rs.10 each , paid up Rs.2.50 each	-	-	-	-
Share Warrants of Rs.10 each , paid up Rs.2.50 each Converted into Equity of Rs.10.00 each	-	-	(231,250)	(2,312,500)
Shares issued during the period of Rs 10 each	-	-	925,000	9,250,000
Closing balance of Shares	16,525,100	165,251,000	16,525,100	165,251,000

B. Other Equity as at March 31, 2021

Particulars	Share application money pending allotment	Equity Components of compound financial instruments	Reserves and Surplus				Debt instruments through OCI	Equity instruments through OCI	Effective Portion of cash flow hedges	Revaluation Surpluses	Exchange difference on translation	Other items of OCI	Money received against share warrants	Total
			General Reserve	Capital Reserve	Retained Earnings	Securities Premium								
Balance at the beginning of the reporting period	-	-	1,443,799	17,633,729	(123,643,194)	69,900,000	-	-	-	-	-	-	-	(34,665,666)
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	(21,441,151)	-	-	-	-	-	-	-	-	(21,441,151)
Dividend and DDT*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unamortized premium on forward contract	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Any other changes	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Balance at the end of the reporting period	-	-	1,443,799	17,633,729	(145,084,345)	69,900,000	-	-	-	-	-	-	-	(56,106,817)

Notes to accounts for the year ended March 31, 2021

Note 1: Property, Plant and Equipment

(Rupees)

Particulars	Gross carrying value as at April 1, 2020	Additions	Disposal / adjustments	Gross carrying value as at March 31, 2021	Accumulated depreciation as at April 1, 2020	Depreciation for the year	Disposal / adjustments	Accumulated depreciation as at March 31, 2021	Carrying Value as at March 31, 2021	Deemed Cost as at April 1, 2020
Land	52899339	-	-	52,899,339	-	-	-	-	52,899,339	52,899,339
Factory Buildings	5957022	-	-	5,957,022	1,246,146	316,327	-	1,562,473	4,394,549	4,710,876
Administrative building	3800632	-	-	3,800,632	350,058	87,507	-	437,565	3,363,067	3,450,574
Furniture & Fixtures	148394	20,000	-	168,394	48,428	13,641	-	62,069	106,325	99,966
Plant and Machinery	65408513	602,804	-	66,011,317	13,113,028	4,149,623	-	17,262,651	48,748,666	52,295,485
Computers	1078426	139,764	-	1,218,190	978,151	35,017	-	1,013,168	205,022	100,275
Electrical and office Equipment	2940313	-	-	2,940,313	620,802	176,523	-	797,325	2,142,988	2,319,511
Plating Equipment	82662	206,000	-	288,662	12,944	11,206	-	24,150	264,512	69,718
Vehicles	4723456	-	-	4,723,456	1,167,646	456,001	-	1,623,647	3,099,809	3,555,810
Dies	17118614	630,175	-	17,748,789	14,060,580	566,326	-	14,626,906	3,121,883	3,058,034
Total	154,157,371	1,598,743	-	155,756,114	31,597,783	5,812,171	-	37,409,954	118,346,160	122,559,588

Note 2 : Trade Receivables Non Current

Particulars	As at March 31, 2021	As at March 31, 2020
Other Trade Receivables other than from Related parties		
Unsecured, considered good	5,922,427	5,569,354
Total	5,922,427	5,569,354

Note 3 : Other Financial Assets Non-Current

Particulars	As at March 31, 2021	As at March 31, 2020
<i>Unsecured (considered good)</i>		
Deposits	2,903,030	2,883,022
Total	2,903,030	2,883,022

Note 4 : Inventories

Particulars	As at March 31, 2021	As at March 31, 2020
Finished Goods	3,587,940	5,648,263
Raw Materials	2,783,767	11,561,019
Semi-Finished Stock	14,338,892	15,323,239
Chemical and others	1,015,360	681,741
Packing Materials	515,000	409,906
Stores and Spares	2,742,180	2,960,820
Dies	3,466,882	2,621,981
Total	28,450,021	39,206,969

Note 5 : Trade Receivables Current

Particulars	As at March 31, 2021	As at March 31, 2020
Other Trade Receivables other than from Related Parties		
Unsecured, considered good	41,025,345	24,067,302
Total	41,025,345	24,067,302

Note 6 : Cash & Cash Equivalents

Particulars	As at March 31, 2021	As at March 31, 2020
Cash on hand	48,215	44,793
Balances with Banks		
(a) in Current Account	1,224,750	3,893,862
Total	1,272,965	3,938,654

Note 7 : Current tax Assets

Particulars	As at March 31, 2021	As at March 31, 2020
TDS	571,770	514,252
Advance tax paid	-	-
MAT Credit	50,853	50,853
GST Reconciliation	-	-
Total	622,623	565,105

Note 8 : Other Assets Current

Particulars	As at March 31, 2021	As at March 31, 2020
Unsecured (considered good)	-	-
Prepaid Expenses	382,137	371,464
GST balances	539,514	358,669
Other Advances	4,218,659	3,998,919
Unsecured Doubtful	-	-
Less : Provision for Doubtful Loans	-	-
Total	5,140,309	4,729,051

Note 9 : Assets Classified held for sale

Particulars	As at March 31, 2021	As at March 31, 2020
Land	242,799	242,799
Total	242,799	242,799

Note 10 : Equity Share Capital

Particulars	As at March 31, 2021	As at March 31, 2020
Authorized		
Ordinary shares of par value of Rs. 10/- each Number	20,000,000	20,000,000
Amount	200,000,000	200,000,000
Issued, subscribed and fully paid		
Ordinary shares of par value of Rs.10/- each Number	16,525,100	16,525,100
Amount	165,251,000	165,251,000

Reconciliation of number of shares:

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Equity Shares	16,525,100	15,600,100
Add: -No. of Shares, Share Capital issued / subscribed during the year	-	925,000
Less: Deduction		
Closing balance	16,525,100	16,525,100

No. of Shares in the company held by shareholder holding more than 5 percent

Name of the Shareholder	As at March 31, 2021	As at March 31, 2020
Tathastu Advisors	-	2,475,000
Bajrang Kamani	2,475,000	-
Mr.P. Veerananarayana	922,850	922,850
Mr.P. Madhupratap	3,582,100	3,582,100
Mrs. P. Sugunamma	2,558,680	2,558,680

The Company has one class of share capital, comprising ordinary shares of Rs. 10/- each. Subject to the Company's Articles of Association and applicable law, the Company's ordinary shares confer on the holder the right to receive notice of and vote at general meetings of the Company, the right to receive any surplus assets on a winding-up of the Company, and an entitlement to receive any dividend declared on ordinary shares.

Note 11: Other Equity

Particulars	As at March 31, 2021	As at March 31, 2020
Capital Reserve		
Opening balance	17,633,729	17,633,729
Add: Current Year Transfer		
Less: Written Back in Current Year		
Total	17,633,729	17,633,729
Securities Premium Reserve		
Opening balance	69,900,000	62,962,500
Add: Current Year on issue of shares	-	6,937,500
Less: Written Back in Current Year	-	-
Total	69,900,000	69,900,000
General Reserve		
Opening balance	1,443,799	1,443,799
Add: Current Year Transfer		
Less: Written Back in Current Year		
Total	1,443,799	1,443,799
Surplus in Profit and Loss account		
Opening balance	(123,643,194)	(90,515,262)
Add: Prior Period Adjustment	(8,400)	4,000
Add: Current Year Transfer		
Profit and loss account	(21,441,151)	(33,131,932)
Total	(145,092,744)	(123,643,194)
Share Application Money	-	-
Total Other Equity	(56,115,216)	(34,665,666)

Note 12 : Borrowings Non Current

Particulars	As at March 31, 2021	As at March 31, 2020
(i)Term Loans		
(a) From Banks	-	-
-Secured	-	-
Vehicle Loans-ICICI	767,289	1,209,695
(b)From Other parties		
-Secured		
- APSFC**	31,097,796	23,662,608
(i) Deposits	-	-
(ii) Loans from Related Parties Unsecured	2,027,483	54,533
(iii) Deferred Payment Liabilities	-	-
(iv) Other Loans Unsecured	-	-
Total	33,892,568	24,926,836

* Term Loan obtained from ICICI Bank secured by hypothecation of Vehicle-Lorry

** Term Loan obtained from APSFC secured by hypothecation of Plant and Machinery 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

Note 13: Trade Payable Non Current		
Particulars	As at March 31, 2021	As at March 31, 2020
CURRENT		
Other than MSMEs		
-Trade Payables	2,226,760	1,242,215
Total	2,226,760	1,242,215

Note 14: Deferred tax assets and liabilities		
Deferred tax assets and liabilities are attributable to the following:		
Particulars	As at March 31, 2021	As at March 31, 2020
Deferred Tax Liability		
Property, plant and equipment	1,583,028	2,289,119
Sub Total	1,583,028	2,289,119
Deferred tax Assets		
Employee benefits	-	-
Sub Total	-	-
Net Deferred Tax Assets	1,583,028	2,289,119

Movement in deferred tax balances during the year

Particulars	Balance As at March 31, 2020	Recognised in Profit and Loss	Recognised in OCI	Balance As at March 31, 2021
Property, plant and equipment	2,289,119	(706,092)	-	1,583,028
Employee benefits*	-	-	-	-
Total	2,289,119	(706,092)	-	1,583,028

Unrecognised Deferred tax assets

Deferred tax assets have not been recognised in respect of the following items

Particulars	As at March 31, 2021	As at March 31, 2020
Deductible temporary differences	-	-
Tax losses	-	-
Total	-	-

Note 15 : Borrowings Current

Particulars	As at March 31, 2021	As at March 31, 2020
(i) Term Loans		
(ii) Loans from Related Parties	-	-
(iv) Other Loans	1,135	1,135
Total	1,135	1,135

Note 16 : Trade Payable Current

Particulars	As at March 31, 2021	As at March 31, 2020
CURRENT		
Other than MSMEs		
-Trade Payables		
MSMEs	34,629,422	26,667,727
Total	34,629,422	26,667,727

Note 17 : Other Financial Liabilities Current

Particulars	As at March 31, 2021	As at March 31, 2020
Current payables of Long Term Debts	11,831,320	11,391,320
Salaries and other employees payables	1,705,589	1,734,617
Other Expenses payable	7,718,702	4,131,534
Total	21,255,611	17,257,471

Note 18 : Provisions Current

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for Gratuity	27,135	84,793
Total	27,135	84,793

Note 19 : Other Liabilities Current

Particulars	As at March 31, 2021	As at March 31, 2020
Non Current		
Current		
Advance Received from Customers	-	-
Statutory dues Payable	1,174,236	707,215
Others	-	-
Total	1,174,236	707,215

Note 20 : Revenue From Operations

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Sale of Products	110,152,882	201,830,297
Sale of Services	7,024,415	991,600
Total	117,177,297	202,821,897

Note 21 : Other Income

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest Income		
- From Fixed Deposits	155,196	750,207
- Others(IT refund)	-	17,877
Other Non operating Revenue (Net of expenses directly attributable to such income)		
- Liabilities Written Back	910,652	4,920
- Power Subsidy	-	-
- Misc. Receipt	10,009	1,494,748
Total	1,075,857	2,267,751

Note 22 : Cost of Materials Consumed

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Stores & Spares	7,257,472	14,281,138
Chemicals	2,644,016	5,308,357
Packing Materials	587,747	824,954
Raw Materials	64,975,015	106,003,628
Dies	3,937,420	305,894
TOTAL	79,401,669	126,723,971

Note 23 : Changes in Inventory

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
A. Finished Goods		
Opening Balance	5,648,263	7,370,564
Closing Balance	3,587,940	5,648,263
Changes in Inventory of Finished Goods	2,060,323	1,722,301
B. Semi Finished		
Opening Balance	15,323,239	30,486,014
Closing Balance	14,338,892	15,323,239
Changes in work in process	984,347	15,162,775
Net (Increase) / Decrease	3,044,670	16,885,076

Note 24 : Employees' Benefit Expenses

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Wages	9,966,102	17,711,439
Labour Contract	1,032,692	4,561,699
Directors other Perks	961,266	1,258,453
Directors Remuneration	2,160,000	3,280,000
Employer Contribution to ESI	272,096	540,678
Employer Contribution to Provident Fund	343,117	613,621
House Rent Allowance	1,150,000	1,495,000
Medical Allowance	790,000	965,000
Medical Expenses	90,580	176,250
Incentives	3,935,990	5,058,128
Salaries	1,608,385	2,316,057
Bonus	-	-
Staff Welfare	1,118,052	1,495,949
Gratuity	27,135	84,793
Total	23,455,415	39,557,067

Note 25 : Depreciation And Amortization Expenses

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation / Amortisation for the year		
Depreciation	5,812,171	9,893,267
Total	5,812,171	9,893,267

Note 26 : Financial Cost

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest on Term Loan from A.P.S.F.C	5,320,559	5,528,616
Interest SBI	-	-
Interest on ICICI	152,914	112,601
Total	5,473,473	5,641,217

Note 27 : Other Expenses

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Manufacturing Expenses		
Conversion Charges	485,357	617,848
Machining Charges	679,645	1,032,674
Power Charges	8,787,434	10,790,289
Repair Maintenance -Building	182,320	1,184,265
Repair Maintenance -Electricals	97,100	155,693
Repair Maintenance -Others	109,193	97,276
Repair Maintenance -Plant & Machinery	819,500	1,258,759
Sub Total (a)	11,160,548	15,136,802
Selling & Administrative Expenses :		
Advertisement	18,000	14,060
AG Meeting Expenses	-	2,660
Audit Fees	200,000	200,000
Bank Charges	15,941	5,086
Bill Discounting Charges	28,408	1,142,475
Calibration & Analysis Charges	155,060	324,245
Cleaning & Loading un Loading Charges	67,890	123,650
Canteen	634,822	1,144,229
Consultancy	666,432	3,251,585
Conveyance Expenses	61,123	68,256
Custody Fees	90,000	90,000
Development Charges	-	12,502
Director Sitting Fees	180,000	270,000
Directors Travelling	713,172	1,564,511
Donations	-	3,116
Exchange Difference	24,985	-
Exhibition Charges	-	320,597
Fees Account	172,203	195,068
Filing Charges	22,800	58,420
Freight outward	1,255,905	1,309,101
Helium Leak Testing Charges	344,401	217,681
Income Tax	-	-
Insurance	130,148	105,775
Interest on TDS	-	8,946

Journals & Periodicals	6,140	6,910
Internal Audit Fees	60,000	60,000
Internet Charges	21,821	-
Legal and Professional Charges	187,376	251,804
Listing Fees	300,000	300,000
Loading & Unloading	89,585	90,077
Miscellaneous Expenses	182,176	746,686
Membership Fee	-	40,000
Office Maintenance Expenses	71,895	127,995
Packing Charges	-	12,495
Pooja Expenses	130,702	358,278
Postage & Telegram	18,224	91,371
Power Coating Expenses	119,655	134,527
Preferential Share Allotment Exp.	-	67,128
Printing & Stationery	77,809	170,945
Processing and Inspection Charges	-	12,755
Professional Tax	2,500	2,500
Rates, Taxes and Fines	109,634	929,824
Repairs & Maintenance office Equipment	86,044	124,480
Sales promotions Expenses	901,584	433,931
Service Charges	1,304	2,500
Subscription	6,528	-
Telephone & Fax	109,891	115,433
Travelling Expenses	663,869	2,111,291
Vehicle Maintenance Expenses	2,250,027	3,121,334
Vehicle hire charges	1,090,216	1,782,232
Watch & Ward	775,331	1,214,757
Website Expenses	8,850	-
Loss on Sale of Plant & Machinery	-	1,537,274
Sub Total (b)	12,052,450	24,278,488
Total (a + b)	23,212,998	39,415,290

(i) Amount paid to auditors:

Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
As Auditor	160,000	160,000
For Taxation Matters/Tax Audit	40,000	40,000
For Other Services	-	-
For Reimbursement of Expenses	-	-
Total	200,000	200,000

Note 28 : Income Tax

A reconciliation of the Income Tax provision to the amount computed by applying the statutory income tax rate to the profit before tax is summarized as follows:

Particulars	As at March 31, 2021	As at March 31, 2020
Loss before tax	(22,147,242)	(33,026,239)
Enacted Tax rates for the financial year	25.00%	25.00%
Expected tax expense (A)	-	-
Tax affect on allowable items (B)	-	-
Tax affect on disallowable items (C)	-	-
Tax on incomes chargeable under other heads (D)	-	-
Provision for income tax for the current year (A+B+C+D)	-	-
Interest on income tax for the year	-	-
Current tax for the year	-	-
Tax credits allowable	-	-
Deferred tax for the year	(706,092)	105,692
Tax expense of earlier years adjusted	-	-
Net tax expense for the year	(706,092)	105,692

Note 29 Employee Benefits

a) Provident Fund: Company pays fixed contribution to provident fund at predetermined rates to the government authorities. The contribution of Rs.343117 (Previous year Rs.613621) including administrative charges is recognized as expense and is charged in the Statement of Profit and Loss. The obligation of the Company is to make such fixed contribution and to ensure a minimum rate of return as specified by GOI to the members. The overall interest earnings and cumulative surplus is more than the statutory interest payment requirement during the year.

b) Gratuity: Gratuity is a funded Defined Benefit Plan payable to the qualifying employees on separation. It is managed by a Life Assurance Scheme of the Life Insurance Corporation of India.

Company makes annual contribution to the Fund based on the present value of the Defined Benefit obligation and the related current service costs which are measured on actuarial valuation carried out as on Balance Sheet date. The liability has been assessed using Projected Unit Credit Method.

Reconciliation of opening and closing balances of the present value of the defined benefit obligation as at the year ended March 31, 2021 are as follows:

I. Change in Benefit obligation :	As at March 31, 2021	As at March 31, 2020
Present value of obligation as at the beginning	1,412,353	1,291,790
Interest Cost	102,396	96,884
Current Service Cost	131,679	151,500
Prior Service cost	-	-
Benefits paid	-	(27,404)
Actuarial (gain) / loss	(161,863)	(100,417)
Present value of obligation at the end of the period	1,484,565	1,412,353

II. Change in Fair value of plan assets	As at March 31, 2021	As at March 31, 2020
Fair value of Plan Assets at the beginning of the year	1,517,149	1,349,820
Expected return on plan assets	114,056	110,010
Contributions	18,008	84,723
Benefits paid	-	(27,404)
Premium Expense	-	-
Actuarial gain/loss on plan assets	-	-
Fair value of planned assets at the end of the period	1,649,213	1,517,149

III. Expenses recognized in the Statement of Profit & Loss :	As at March 31, 2021	As at March 31, 2020
Interest Cost	102,396	96,884
Current Service Cost	131,679	151,500
Prior Service cost	-	-
Expected return on Plan Assets	(114,056)	(110,010)
Net Actuarial (gain)/loss recognized in the period	(161,863)	(100,417)
Premium Expense	-	-
Expenses recognized in the statement of Profit & Loss	(41,844)	37,957

IV. Amounts recognized in the Balance Sheet	As at March 31, 2021	As at March 31, 2020
Present value of Obligation as at the end of the period	1,484,565	1,412,353
Fair value of Plan Assets at the end of the period	1,649,213	1,517,149
Funded Status	164,648	104,796
Recognised Past Service cost	-	-
Net Asset or Liability recognised in the Balance sheet	164,648	104,796

V. Actual Return of plan assets:	As at March 31, 2021	As at March 31, 2020
Actual Return on Plan Assets	114,056	110,010

VI. Movement in Balance Sheet	As at March 31, 2021	As at March 31, 2020
Opening Liability	261,919	308,685
Expenses as above	(41,844)	37,957
Contribution paid	(18,008)	(84,723)
Closing Liability	202,067	261,919

VII. Principal Assumptions	As at March 31, 2021	As at March 31, 2020
Discounting Rate	7.00%	7.25%
Salary Escalation Rate	7.00%	7.00%
Expected rate of return on plan assets	-	-

The estimates of future salary increase considered in actuarial valuation, have been factored in inflation, seniority, promotion and other relevant factors.

Note 30: Related Party Disclosures

List of Related Parties Parties with whom the company has entered into transactions during the year/where control exists

A. Key Management Personnel

- i) Mr. P. Ravi Chandra
- ii) Mr. P. Madhu Pratap
- iii) Mr. P. Veerananarayana
- iv) Mr. Y. Narayana
- vi) Mrs. P. Sugunamma
- vii) Mr. K. Rajesh

B. Holding and Associate Companies

Nil

C. Transaction with Related Parties

Particulars	Key Management Personnel		Relatives of KMP	
	2020-21	2019-20	2020-21	2019-20
1. Transaction during the Year				
a. Remuneration Paid	5,241,266	7,241,453	770,000	826,538
b. Vehicle Hire charges	951,857	1,543,945	-	-
2. Balances as at 31.03.21				
a. Share capital held by	72,946,300	72,946,300	6,400,000	6,400,000
b. Share Warrants	-	-	-	-
c. Remuneration Payable	-	(65,896)	67,800	152,484
d. Vehicle Hire Charges payable	21,835	74,507	-	-
e. Unsecured Loans	24,533	54,533	2,002,950	-

Note 31 : Earnings per Share

Particulars		2020-21	2019-20
Profit/ (Loss) after Tax	Rs	(21,441,151)	(33,131,932)
The weighted average number of ordinary shares for			
Basic EPS	Nos	16,525,100	16,525,100
Diluted EPS	Nos	16,525,100	17,433,367
The nominal value per Ordinary Share		10	10
Earnings per share	Rs		
Basic		-1.30	-2.00
Diluted		-1.30	-1.90

Dividend : The Board of Directors have recommended a dividend at Rs Nil per share of Rs.10 amounting to Rs Nil for the year 2020-2021 excluding dividend distribution tax

Note 32 : Contingent liabilities and commitments (to the extent not provided for)	2020-21	2019-20
Contingent liabilities		
Claims against the company not acknowledged as debt	-	-
Total	-	-

Note 33 Segmental Reporting:

The entire operations of the company relate to only one segment viz., automobile parts and hence segmental reporting is not given.

Note 34: Financial Instruments - Fair Values and Risk Management
a. Financial Instruments by Categories

The following tables show the carrying amounts and fair values of financial assets and financial liabilities by categories. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value

Amount in Rs as of March 31, 2021

Particulars	Cost	Financial assets/ liabilities at FVTPL	Financial assets/liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Cash & Cash Equivalents	1,272,965	-	-	1,272,965	1,272,965
Trade Receivable	46,947,772	-	-	46,947,772	46,947,772
Other Financial Assets	8,665,962	-	-	8,665,962	8,665,962
Liabilities:					
Trade Payable	36,856,182	-	-	36,856,182	36,856,182
Borrowings	33,893,703	-	-	33,893,703	33,893,703
Other Financial Liabilities	22,429,847	-	-	22,429,847	22,429,847

Amount in Rs as of March 31, 2020

Particulars	Cost	Financial assets/ liabilities at FVTPL	Financial assets/liabilities at fair value through OCI	Total carrying value	Total fair value
Assets:					
Cash & Cash Equivalents	3,938,654	-	-	3,938,654	3,938,654
Trade Receivable	29,636,656	-	-	29,636,656	29,636,656
Other Financial Assets	8,177,178	-	-	8,177,178	8,177,178
Liabilities:					
Trade Payable	27,909,942	-	-	27,909,942	27,909,942
Borrowings	24,927,971	-	-	24,927,971	24,927,971
Other Financial Liabilities	17,964,686	-	-	17,964,686	17,964,686

Fair Value Hierarchy Management considers that, the carrying amount of those financial assets and financial liabilities that are not subsequently measured at fair value in the Financial Statements approximate their transaction value. No financial instruments are recognized and measured at fair value for which fair values are determined using the judgments and estimates. The fair value of Financial Instruments referred below has been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active market for identical assets or liabilities. (Level-1 measurements) and lowest priority to unobservable (Level-3 measurements).

The Company does not hold any equity investment and no financial instruments hence the disclosure are nil.

Financial Risk Management:

The Company's activities expose to a variety of financial risks viz., market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The primary market risk to the Company is credit risk and liquidity risk.

Management of Market Risk:

Market risks comprises of Price risk and Interest rate risk. The Company does not designate any fixed rate financial assets as fair value through Profit and Loss nor at fair value through OCI. Therefore, the Company is not exposed to any interest rate risk. Similarly, the Company does not have any Financial Instrument which is exposed to change in price.

Foreign Currency Risks:

The Company is exposed to foreign exchange risk arising from various Currency exposures primarily with respect to the US Dollars (USD), for the imports being made by the Company.

The Company exposure to foreign currency risk as at the end of the reporting period March 31 2021 is INR 11.74 lacs (March 31 2020 INR Nil)

Credit Risk:

Credit risk is the risk of financial loss to the Company if a customer fails to meet its contractual obligations. The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. The company operations are with parent companies and hence no issues credit worthiness. The company considers that, all the financial assets that are not impaired and past due as on each reporting dates under review are considered credit worthy

Credit risk exposure

An analysis of age-wise trade receivables at each reporting date is summarized as follows:

For the year ended March 31, 2021					
Particulars	Gross Carrying Amount	Less than one year	More than one year	More than two year	More than three year
Gross Carrying Amount	46,947,772	41,025,345	961,302	632,539	4,328,586
Expected Credit loss	-	-	-	-	-
Carrying amount (net of impairment)	46,947,772	41,025,345	961,302	632,539	4,328,586
For the year ended March 31, 2020					
Particulars	Gross Carrying Amount	Less than one year	More than one year	More than two year	More than three year
Gross Carrying Amount	29,636,656	24,067,302	1,308,623	1,479,700	2,781,031
Expected Credit loss	-	-	-	-	-
Carrying amount (net of impairment)	29,636,656	24,067,302	1,308,623	1,479,700	2,781,031

Liquidity Risk:

The company's liquidity needs are monitored on the basis of monthly projections. The principal sources of liquidity are cash and cash equivalents, cash generated from operations and availability of cash credit and overdraft facilities to meet the obligations as and when due.

Short term liquidity requirements consist mainly of sundry creditors, expenses payable and employee dues during the normal course of business. The company maintains sufficient balance in cash and cash equivalents and working capital facilities to meet the short term liquidity requirements. The company assesses long term liquidity requirements on a periodical basis and manages them through internal accruals and commuted credit lines.

The following table shows the maturity analysis of the Companies Financial Liabilities based on contractually agreed, undiscounted cash flows as at the balance sheet date

Particulars	Gross Carrying Amount	Less than one year	More than one year	More than two year	More than three year
As on March 31 2021	36,856,182	34,629,422	2,146,170	80,590	-
Trade Payables					
As on March 31 2020	27,909,942	26,667,727	699,510	124,083	418,622
Trade Payables					

Note 35: Expenditure in Foreign Currency

Particulars	2020-21	2019-20
Foreign Travel	-	-
Total	-	-

Note 36: The disclosure relating to transactions with Micro, Small and Medium Enterprises

Sundry Creditors includes INR Rs.34,629,422/- (previous year Rs.26,667,727/-) due to Small Scale & Ancillary undertakings. There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days at the Balance Sheet date. The above information has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

Note 37 : Corporate Social Responsibility (CSR)

As per Section 135 of the Companies Act, 2013 and rules made there under on CSR Activities are not applicable to the Company.

Note 38 : Confirmations

There were no long term leases hence lease liability and right to use assets not created

Note 39 :

COVID-19 is the infectious disease caused by the coronavirus, SARS-CoV-2. In March 2020, the WHO declared COVID-19 a pandemic. The Company has adopted measures to curb the spread of infection in order to protect the health of the employees and ensure business continuity with minimal disruption. The Company has considered Internal and certain external sources of information, including economic forecasts and industry reports, up to the date of approval of the financial results in determining the possible effects on the Inventories, receivables, deferred tax assets and other current assets, that may result from the COVID-19 pandemic. The impact of the global health pandemic may be different from that of estimated as at the date of approval of these financial results and the Company will continue to closely monitor any material changes to future economic conditions. Further the automobile industry has been witnessing pre-pandemic slow down due to BS VI Transition. In view of this as expected we could not do much business. In order to overcome this situation we have taken all measures to optimize our cash flows to sustain the situation. The company is hopeful of coming out from the present situation.

Note 40 :

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

Note 1: COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES:**a. Corporate overview**

M/s. Sibar Auto Parts Limited ("the Company") was incorporated in 1983 as Private Limited Company under the Companies Act and later it was converted into Public Limited Company in the Year 1994. The Company is in the business of manufacture and sale of spare parts for automobiles. The registered office is at D4&D5, Industrial Estate, Renigunta Road Tirupati, Andhra Pradesh. The Company has been listed with Bombay Stock Exchange (BSE).

b. Basis of preparation of Financial Statements

The financial statements of the Company are prepared in accordance with Indian Accounting Standards (Ind AS), the provisions of the Companies Act, 2013 ("the Companies Act"), as applicable and guidelines issued by the Securities and Exchange Board of India ("SEBI"). The Ind. AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

For the year ended March 31, 2018 and in the years prior to 2018, the Company prepared its financial statements in accordance with the requirements of the Indian GAAP ("Previous GAAP"), which included Standards notified under the Companies (Accounting Standards) Rules, 2006. The date of transition to Ind AS is April 1, 2016. The accounting policies have been applied consistently to all periods presented in these financial statements. The Financial Statements are approved by the Board of Directors on 29th June 2021

c. Basis of Measurement

The Ind AS Financial Statements have been prepared on a going concern basis using historical cost convention and on an accrual method of accounting, except for certain assets and liabilities which have been measured at fair value as per Ind AS.

d. Functional and Presentation Currency

These Ind AS Financial Statements are presented in Indian Rupee which is the Company's functional Currency.

e. Use of Estimates

The preparation of financial statements in conformity with Ind AS requires management to make estimates, judgments' and assumptions (including revisions, if any). These estimates, judgments and assumptions affect the application of accounting policies and reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of financial statements and the reported amounts of revenue and expenses during the period.

Appropriate changes in the estimates are made as management becomes aware of changes in circumstances. Changes in the estimates are reflected in the financial statements in the period in which changes are made.

f. Classification of Current / Non-Current Assets and Liabilities

All the 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.

Assets : An asset is classified as current when it satisfies any of the following criteria : it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;

- i. it is held primarily for the purpose of being traded;
- ii. it is expected to be realized within twelve months after the reporting date; or
- iii. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

Liabilities: A liability is classified as current when it satisfies any of the following criteria :

- i. it is expected to be settled in the Company's normal operating cycle;
- ii. it is held primarily for the purpose of being traded;
- iii. it is due to be settled within twelve months after the reporting date; or
- iv. the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

All other assets/ liabilities are classified as non-current.

Based on the nature of products and the time between the acquisition of assets for processing and their realization in Cash or cash equivalents, the Company has ascertained its normal operating cycle as 12 months for the purpose of Current / Non-current classification of assets and liabilities.

g. **Revenue of Recognition :**

Revenue is net of GST wherever applicable, recognized on accrual basis, to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Revenue from sale of spares are recognized following completion of manufacturing, inspection, customer acceptance and title transfer, in accordance with the Company's contractual terms.

Revenue from sale of other allied goods is recognized when all the significant risks and rewards of ownership of the goods have been passed to the buyer on delivery of the goods.

Revenue from services is recognized with reference to the stage of completion of a contract when outcome can be measured reliably.

Interest income is recognized using the effective interest rate method

h. **Property Plant and Equipment:**

Property, Plant and Equipment are stated at cost net of GST, if any and subsequently at cost less depreciation and impairment losses if any cost includes expenditure on acquisition of asset, present value of expected cost for the decommissioning of an asset, cost of replacing part of Plant and Equipment and borrowing costs.

Depreciation on all assets is provided on the "Straight Line Method" over the useful lives of the assets estimated by the Management. Depreciation for assets purchased/sold during the period is proportionately charged Individual low cost assets (acquired for Rs.5,000/- or less) are depreciated at 100 % in the year of acquisition/ purchase.

During the year under review the Management has recognized some plant and equipments and Computer Equipment which are not useful.

The Management estimates the useful lives for fixed assets as follows :

(i)	Buildings	--	30Years
(ii)	Computers	--	3 Years
(iii)	Furniture & Fixtures	--	10 Years
(iv)	Plant & Machinery	--	15 Years
(v)	Vehicles	--	8 Years

i. **Capital Work in Progress**

Assets in the course of construction are capitalized in capital work in progress account, At the point when an assets is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment.

j. **Borrowing Cost:**

Borrowing costs directly attributable to creation of an asset are capitalized as part of the cost of the asset. General borrowing costs are capitalized by apportioning the same to qualifying assets.

k. Impairment:

As at the end of each Balance Sheet date, the carrying amount of assets is assessed as to whether there is any indication of impairment. If the estimated recoverable amount is found less than its carrying amount, the impairment loss is recognized and assets are written down to their recoverable amount.

l. Inventories

Inventories are valued at the lower of cost and net realizable value except scrap and by products which are valued at net realizable value.

Costs incurred in bringing the inventory to its present location and conditions are accounted for as follows :

- Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.
- Finished goods and work in progress: cost includes cost of direct materials and labour wages and a proportion of manufacturing overheads based on the normal operating capacity, but excluding borrowing costs. Cost is determined on weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated cost of completion and the estimated costs necessary to make the sale.

m. Foreign Exchange Transactions/Translation

Transactions in foreign currencies are accounted at functional currency, at the exchange rate prevailing on the date of transactions. Gains/losses arising out of the fluctuations in the exchange rate between functional currency and foreign currency are recognized in the Statement of Profit & Loss in the period in which they arise. The fluctuations between foreign currency and functional currency relating to monetary items at the year ending are accounted as gains / losses in the Statement of Profit & Loss.

n. Earnings per Share

The Company presents basic and diluted earnings per share data for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held. Diluted earnings per share is determined by adjusting the profit or loss attribute to ordinary shareholders and the weighted average number of ordinary shares outstanding, adjusted for own shares held, for the effects of all dilutive potential ordinary shares.

o. Leases

The Company recognizes right of use assets under lease arrangements in which it is the lessee. Rights to use assets owned by third parties under lease agreements are capitalized at the inception of the lease and recognized on the consolidated balance sheet. The corresponding liability to the lessor is recognized as a lease obligation within short and long term borrowings. The carrying amount is subsequently increased to reflect interest on the lease liability and reduced by lease payments made. For calculating the discounted lease liability on leases, the incremental borrowing rate is used. The incremental borrowing rate is calculated at the rate of interest at which the company would have been able to borrow for a similar term and with a similar security the funds necessary to obtain a similar asset in a similar market. Finance costs are charged to the income statement so as to produce a constant periodic rate of charge on the remaining balance of the obligations for each accounting period. If modifications or reassessments occur, the lease liability and right of use asset are re-measured. Right of use assets are depreciated over the shorter of the useful life of the asset or the lease term.

p. Employee benefits:

Defined Contribution Plans: Payments made to a defined contribution plan such as provident Fund are charged as an expense in the Profit and Loss Account as they fall due.

Defined Benefit Plans: Company's liability towards gratuity to past employees is determined using the projected unit credit method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Past services are recognized on a straight-line basis over the average period until the amended benefits become vested. Actuarial gain and losses are recognized immediately in the statement of profit and loss Account as income or expense. Obligation is measured at the present value of estimated future cash flows using a discounted rate that is determined by reference to market yields at the Balance Sheet date on Government Securities where the currency and terms of the Government Securities are consistent with the currency and estimate terms of the defined benefit obligations.

q. Income Tax:

Income tax expense represents the sum of current tax payable and deferred tax. Current Tax: The tax currently payable is based on the current year taxable profit for the year. The current tax is calculated using the tax rates that have been enacted or substantively enacted at the end of the reporting period.

Deferred tax: Deferred tax is provided using the Balance Sheet method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that the taxable profits will be available against which those deductible temporary differences can be utilized. Deferred tax is calculated using the tax rates that have been enacted or substantively enacted at the end of the reporting period. The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

r. **Research and Development**

All expenses incurred for Research & Development are charged to revenue as incurred.

s. **Provisions, Contingent Assets/ Contingent Liabilities**

Provisions are recognized when the company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Show cause notices issued by Government Authorities where the probability of outflow of economic resources is remote are not considered as obligations. When the demands are raised against show-cause notices and are disputed by the company, these are treated as disputed obligations along with other contingent liabilities. Such contingent liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

t. **Segment Information:**

The company is considered to be a single segment company engaged in the manufacture of Automobile and Electrical and providing related customer support services. Consequently, the company has in its primary segment only one reportable business segment.

u. **Financial Instruments:**

Non-derivative financial instruments

Non-derivative financial instruments consist of :

Financial assets, which include cash and cash equivalents, trade receivables, other advances and eligible current and non-current assets;

Financial liabilities, which include long and short-term loans and borrowings, trade payables, eligible current and non-current liabilities.

Offsetting of financial Instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously

Non derivative financial instruments are recognized initially at fair value including any directly attributable transaction costs. Financial assets are derecognized when substantial risks and rewards of ownership of the financial asset have been transferred. In cases where substantial risks and rewards of ownership of the financial assets are neither transferred nor retained, financial assets are derecognized only when the Company has not retained control over the financial asset.

Subsequent to initial recognition, non-derivative financial instruments are measured as described below:

Cash and cash equivalents

For the purposes of the cash flow statement, cash and cash equivalents include cash in hand, at banks and demand deposits with banks, net of outstanding bank overdrafts, if any, that are repayable on demand and are considered part of the Company's cash management system.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Loans and receivables are initially recognized at fair value plus directly attributable transaction costs and subsequently measured at amortized cost, less any impairment losses. Loans and receivables comprise trade receivables and other assets.

The company estimates the un-collectability of accounts receivable by analyzing historical payment patterns, customer concentrations, customer credit-worthiness and current economic trends. If the financial condition of a customer deteriorates, additional allowances may be required.

Borrowings

Borrowings are subsequently measured at amortized cost using the EIR method.

Trade and payable

Liabilities are recognized for amounts to be paid in future for goods or services received, whether billed by the supplier or not.

v. **Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non –cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

w. **Events after the reporting period :**

Adjusting events are events that provide further evidence of condition that existed at the end of the reporting period. The financial statements are adjusted for such events before authorization for issue.

x. **Prior Period Errors**

Errors of material amount relating to prior period(s) are disclosed by a note with nature of prior period errors, amount of correction of each such prior period presented retrospectively, to the extent practicable along with change in basic and diluted earnings per share. However, where retrospective restatement is not practicable for a particular period then the circumstances that lead to the existence of that condition and the description of how and from where the error is corrected are disclosed in Notes to Accounts.

For **MMGS & ASSOCIATES,**

Chartered Accountants

FRN: 010613S

Sd/-

M M GOPALACHARI

Partner

MRN: 025376

For **Sibar Auto Parts Ltd.**

Sd/-

P Veeranarayana

Managing Director

DIN : 00644259

Sd/-

P.Madhupratap

Whole-time Director CFO

DIN:00644254

Sd/-

P.Ravichandra

Whole-time Director

DIN : 00627413

Sd/-

C.Seshi Kumar

Company Secretary

Place:Tirupathi

Date: 29-06-2021

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