

**BOARD OF DIRECTORS**

<b>Sri P Veerananarayana</b>	Chairman and Managing Director
<b>Sri P Madhuratap</b>	Executive Director & CFO
<b>Sri P. Ravichandra</b>	Technical Director
<b>Sri Ramachandra Chowdary Amineni</b>	Independent Director
<b>Smt. P. Sugunamma</b>	Non Executive Women Director
<b>Sri B.P. Jetty</b>	Independent Director

**REGISTERED OFFICE**

D4 & D5  
Industrial Estate  
Renigunta Road  
Tirupati - 517 506

**AUDITORS**

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

**A.J. Sharma & Associate**

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

**LISTING**

The Stock Exchange, Mumbai

**35th ANNUAL GENERAL MEETING**

Date: Thursday, 27th September, 2018

Time: 3.30 P.M.

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

**FACTORY**

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

**REGISTRAR & SHARE TRANSFER AGENTS**

Bigshare Services Pvt Ltd (H.O.)  
Bharat Tin works Building,  
1st Floor, Opp. Vasant Oasis,  
Next to Keys Hostel, Marol Maroshi Road,  
Andheri (E), Mumbai - 400 059.

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

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

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**NOTICE TO SHAREHOLDERS**

Notice is hereby given that the 35<sup>th</sup> Annual General Meeting of the Members of Sibar Autoparts Limited will be held on Thursday, 27<sup>th</sup> September, 2018 at 3.30 P.M. p.m. at the Registered Office of the company at D4 & D5, Industrial Estate, Tirupati – 517501 to transact the following business:

**Ordinary Business:**

**1. Adoption of Audited Financial Statements**

To receive, consider and adopt the Audited financial statements of the Company for the financial year ended as at 31st March, 2018, including the Balance Sheet as at 31st March, 2018, statement of Profit and Loss For the year ended on that date together with the Reports of Directors and Auditor's thereon

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

To appoint a Director in place of Mrs. Pemmasani Sugunamma (holding Director Identification Number 07128299), Non executive woman director who retires by rotation and being eligible, offers her self for reappointment

**Special Business :**

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

"RESOLVED THAT pursuant to the provisions of Section 197 read with Part I and Section I of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment there of), applicable clauses of the Articles of Association of the Company and recommendation of the Nomination and Remuneration Committee and Audit Committee, approval of the Company be and is hereby accorded for revision of remuneration payable to Mr. P. Veerananarayana, Chairman & Managing Director of the Company with effect from April, 2018 on the salary , allowances and perquisites as under :

1. Salary Rs.1,25,000/- (Rupees One lac twenty five thousand only)
2. (i) In addition to the above , the Chairman & Managing Director shall also be entitled to perquisites and allowances like accommodation (furnished or otherwise) or house rent allowances in lieu thereof ; reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings, medical reimbursement ; club fees and leave travel concession for himself and his family; personal accident insurance and such other perquisites and allowances in accordance with the rules of the company or as may be agreed to by the Board of Directors; such perquisites and allowances shall be restricted to an amount equal to the annual salary

(ii) For the purpose of calculating the above ceiling , perquisites shall be evaluated as per Income-tax Rules wherever applicable. In the absence of any such Rules, Perquisites shall be evaluated at actual cost.

(iii) Company's contribution to Provident Fund and Superannuation or Annuity Fund , to the extent these neither singly or together are not taxable under the Income-tax Act, Gratuity payable as per rules of the Company and encashment of leave at the end of tenure, shall not be included in the computation of limits for the remuneration or perquisites aforesaid.

iv) Provision for car for use on Company's business and telephone at residence will not be considered as perquisites . Personal long distance calls on telephone and the use of car for private purpose shall be billed by the company.

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

None of the Directors except Sri P.Veerananarayana is concerned or interested in this Resolution.

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

"RESOLVED THAT pursuant to the provisions of Section 197 read with Part I and Section I of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof), applicable clauses of the Articles of Association of the Company and recommendation of the Nomination and Remuneration Committee and Audit Committee, approval of the Company be and is hereby accorded for revision of remuneration payable to Mr. P. Madhupratap, Executive Director cum CEO of the Company with effect from April,2018 on the salary , allowances and perquisites as under :

1. Salary Rs.1,15,000/- (Rupees One lac fifteen thousand only)
2. (i) In addition to the above , the Executive Director cum CEO shall also be entitled to perquisites and allowances like accommodation ( furnished or otherwise) or house rent allowances in lieu thereof ; reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings, medical reimbursement ; club fees and leave travel concession for himself and his family; personal accident insurance and such other perquisites and allowances in accordance with the rules of the company or as may be agreed to by the Board of Directors; such perquisites and allowances shall be restricted to an amount equal to the annual salary



- (ii) For the purpose of calculating the above ceiling , perquisites shall be evaluated as per Income-tax Rules wherever applicable. In the absence of any such Rules, Perquisites shall be evaluated at actual cost.
- (iii) Company's contribution to Provident Fund and Superannuation or Annuity Fund , to the extent these neither singly or together are not taxable under the Income-tax Act, Gratuity payable as per rules of the Company and encashment of leave at the end of tenure, shall not be included in the computation of limits for the remuneration or perquisites aforesaid.
- iv) Provision for car for use on Company's business and telephone at residence will not be considered as perquisites . Personal long distance calls on telephone and the use of car for private purpose shall be billed by the company.
- Explanation : For the above purpose family means spouse, dependent children and dependent parents
- None of the Directors except Sri P.Madhupratap is concerned or interested in this Resolution.
5. To consider and if thought fit , to pass with or without modification(s) the following resolution as an Ordinary Resolution
- \*RESOLVED THAT** pursuant to the provisions of Section 197 read with Part I and Section I of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment thereof), applicable clauses of the Articles of Association of the Company and recommendation of the Nomination and Remuneration Committee and Audit Committee, approval of the Company be and is hereby accorded for revision of remuneration payable to Mr. P. Ravichandra, Technical Director of the Company with effect from April,2018 on the salary , allowances and perquisites as under:
1. Salary Rs.1,10,000/- (Rupees One lac ten thousand only)
  - 2 (i)In addition to the above , the Executive Director shall also be entitled to perquisites and allowances like accommodation (furnished or otherwise) or house rent allowances in lieu thereof ; reimbursement of expenses or allowances for utilities such as gas, electricity, water, furnishings, medical reimbursement ; club fees and leave travel concession for himself and his family; personal accident insurance and such other perquisites and allowances in accordance with the rules of the company or as may be agreed to by the Board of Directors; such perquisites and allowances shall be restricted to an amount equal to the annual salary
  - (ii) For the purpose of calculating the above ceiling , perquisites shall be evaluated as per Income-tax Rules wherever applicable. In the absence of any such Rules, Perquisites shall be evaluated at actual cost.
  - (iii) Company's contribution to Provident Fund and Superannuation or Annuity Fund , to the extent these neither singly or together are not taxable under the Income-tax Act, Gratuity payable as per rules of the Company and encashment of leave at the end of tenure, shall not be included in the computation of limits for the remuneration or perquisites aforesaid.
  - iv) Provision for car for use on Company's business and telephone at residence will not be considered as perquisites . Personal long distance calls on telephone and the use of car for private purpose shall be billed by the company.
- Explanation : For the above purpose family means spouse, dependent children and dependent parents
- None of the Directors except Sri P.Ravichandra is concerned or interested in this Resolution.

By the Order of the Board

For Sibar Autoparts Limited

**P. Veeramarayana**

Chairman Cum Managing Director

DIN: 00644259

Place : Tirupati

Date : 13 August, 2018



**NOTES :**

1. A member entitled to attend and vote at the Meeting may appoint a proxy to attend and, to vote instead of himself/herself. A Proxy need not be a member of the Company. Proxies, in order to be effective, must be deposited with the Company not less than forty-eight hours before the meeting. Proxies submitted on behalf of limited companies, societies, partnership firms, etc. must be accompanied by appropriate resolution/authority as applicable, issued on behalf of the nominating organization.  
  
A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate shares not more than 10 percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. In accordance with the Companies Act, 2013 read with the Rules, the Notice of the AGM along with the Annual Report for 2017-18 are sent by electronic mode to those members whose e-mail addresses are registered with the Company /Depositories, unless any member has requested for a physical copy of the same. For members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
3. The Register of Members and Transfer Books of the Company will remain closed from 21st September, 2018 to 27<sup>th</sup> September, 2018 (both days inclusive).
4. Shareholders are requested to notify change in address if any, immediately to the Company's Registered Office.
5. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form are required to submit their PAN details to the Company.

6. Shareholders are requested to bring their copies of Annual Reports to the Meeting. Copies of the Annual Report will not be available for distribution to shareholders at the Meeting hall.
7. Shareholders attending the Meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the Meeting hall.
8. Shareholders intending to require information about accounts to be explained in the meeting are requested to inform the company at least 7-days in advance of the Annual General Meeting.
9. Members are requested to note that all shares related transactions i.e., transfer, transmission, transposition, nomination, change of name etc., are being handled by the company/ through share registrars.
10. Members may also note that the Notice of the 35th Annual General Meeting and the Annual Report for the financial period ended on 31.03.2018 will also be available on the Company's website [www.sibarauto.com](http://www.sibarauto.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Tirupati for inspection during normal business hours on working days. For any communication, the shareholders may also send requests to the Company's investor email id.
11. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 35th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL). The detailed procedure to be followed in this regard has been given in Annexure-A to the notice. The members are requested to go through the same carefully.

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

Name	Mrs. Pemmasani Sugunamma
Date of Birth	01-07-1953
Qualifications	-
Experience in Specific area	Administration
Directorships held in other Public Limited Companies (Except foreign and Section 8 Companies Membership/Chairmanship / Membership/ Chairmanship of Committee of other Public Companies (includes audit committee and stakeholders Relationship committee only	—
Number of shares held in the Company	23,78,680



**Annexure "A" to the Notice**

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

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

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (ii) Click on "Shareholders" tab to cast your votes.
- (iii) Now, select the Electronic Voting Sequence Number - "EVSN" along with "SibarAutoparts Limited "from the drop down menu and click on "SUBMIT"
- (iv) If you are holding shares in Demat form and have already voted earlier on [www.evotingindia.com](http://www.evotingindia.com) for a voting of any Company, then your existing login id and password are to be used.

If you are a first time user follow the steps given below.

- (v) Now, fill up the following details in the appropriate boxes:
- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Members holding shares in physical form will then reach directly the EVSN selection screen. However, members holding shares in demat form will now reach 'PasswordCreation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- (ix) Click on the relevant EVSN on which you choose to vote.

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

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

- (x) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the "Resolutions File Link" if you wish to view the entire Resolution.
- (xii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

- (xv) If Demat account holder has forgotten the changed password then Enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system \* Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
- \* They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- \* After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- \*The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.



- \*They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- (B) In case of members receiving the physical copy of Notice of AGM [for members whose e-mail IDs are not registered with the company/ depository participant(s) or requesting physical copy]: Please follow all steps from sl. no. (i) to sl.no. (xiv) above, to cast vote.
- C) The voting period begins on **24<sup>th</sup> September, 2018 (10.00 am) and ends on 26<sup>th</sup> September, 2018 (5.00 pm)** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date **20<sup>th</sup> September, 2018**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting there after. Once the vote on a resolution is cast by the share holder, the share holder shall not be allowed to change it subsequently.
- D) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- E) The members who have cast their vote by e-voting may also attend the Meeting but shall not be entitled to cast their vote again.
- F) M.M.Gopalachari FCA, a Practicing Chartered Accountant, Partner, MMGSAND ASSOCIATES, Tirupati (Membership No 025376) has been appointed as Scrutinizer to scrutinize voting process in a fair and transparent manner.
- G) The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and there after unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forth with.
- H) The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be available for inspection and also placed on the website of the Company within the prescribed period.
- I) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting

By Order of Board of Directors

For Sibar Autoparts Limited

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

Place : Tirupati  
Date : 13<sup>th</sup> August' 2018

**EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013**

As required under Section 102 of the Companies Act, 2013 the following Explanatory Statement sets out all material facts relating to the Special Businesses set out from Item No. 3 to Item No. 5 of the Notice

**Item Nos. 3, 4 & 5**

The Board of directors at their meeting held on 13.02.2018 , subject to approval of members of the Company, has accorded its approval to revision in the remuneration of Mr. P.Veeranarayana , Chairman cum Managing Director , Mr.P.MadhuPratap, Executive Director & CEO and Mr. P.Ravichandra, Technical Director (herein after referred to 'the Executive Directors') of the Company, as above, for the remaining tenure of respective executive directors. The same was approved by the Nomination and Remuneration Committee at its meeting held earlier that day and was recommended to the Board for its approval. While approving the revised remuneration of the Executive Directors, the Nomination and Remuneration Committee considered various parameters which, inter alia, includes, the scale of operations of the Company and increased involvement of executive directors for the overall growth of the Company .with a view to ensure objectivity in determining the remuneration package as well as maintaining a balance between interest of the company and share holders. The revision in remuneration of executive directors was made with the view to make the same commensurate with their efforts given to and involvement in the Company by way of increasing monthly payment so as to maintain a regular distribution of cash flow. The executive directors are related party as per Section 2(76)(i) of the Companies Act, 2013. As per section 177(4)(iv) of the Companies Act, 2013 and amended terms of reference duly approved by the Board of the Company, the audit committee has to accord its approval to any related party transaction and accordingly the Audit Committee at its meeting held on 13.02.2018 discussed, approved and recommended the same agenda for the approval of the Board. Pursuant to provisions of Section 197 read with Part I and Section I of Part II of Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or re-enactment there of) and applicable clauses of the Articles of Association of the Company, the above said revision in remuneration requires approval of members of the Company in a general meeting by way of ordinary resolution. Accordingly, the resolutions set out at item nos. 3,4 & 5 of the notice are recommended to be passed as ordinary resolution(s).



**The details of Executive Director(s) whose remuneration is proposed to be revised, are provided below :**

Name of Executive Directors	Mr. P.Veeranarayana Chairman Cum Managing Director (DIN 00644259)	Mr.P.Madhupratap Executive Director & CFO (DIN 00644254)	Mr.P.Ravichandra Technical Director (DIN 006274131)
Age	68Yrs (Date of birth 01.07.1950)	44 Yrs (Date of birth 29.05.1974)	40Yrs ( Date of birth 20.11.1977)
Date of First Appointment	19.02.1983	01.04.1997	12-08-2016
Expertise in Specific functional areas	He is founder of Sibar Autoparts Limited, possesses over 35 years of experience in the fields of production and overall administration of the company.	About 20 years of experience in field management, Administration and Marketing	About 16 years of experience in Planning and Production and nickel plating technology
Qualifications	Diploma in Automobile Engineering	M.Tech in Mechanical Engineering	B.Tech in Chemical Engineering
Terms and Conditions of Re-appointment	Re-appointed for five years w.e.f.05.03.2014	Re-appointed for five years w.e.f.01.08.2014	Appointed for five years w.e.f.12.09.2016
Remuneration FY 2017-18	Basic Pay Rs. 4,80,000 HRA Rs. 2,40,000 Medical Allowances Rs. 1,80,000 Perquisites Rs. 1,22,677	Basic Pay Rs. 4,80,000 HRA Rs. 1,80,000 Medical Allowances Rs. 1,20,000 Perquisites Rs. 4,53,000	Basic Pay Rs. 4,80,000 HRA Rs. 1,20,000 Medical Allowances Rs. 60,000 Perquisites Rs. 93,415
Remuneration FY 2016-17	Basic Pay Rs. 4,80,000 HRA Rs. 2,40,000 Medical Allowances Rs. 1,80,000 Perquisites Rs. 1,18,160	Basic Pay Rs. 4,80,000 HRA Rs. 1,80,000 Medical Allowances Rs. 1,20,000 Perquisites Rs. 1,03,540	Basic Pay Rs. 2,80,000 HRA Rs. 1,05,000 Medical Allowances Rs. 35,000
Details of Directorships , membership/ chairmanship of Committees of other Boards	NIL	NIL	NIL
Number of Equity shares held in the company	5,72,850	16,97,100	2,31,000
Number of Board Meetings attended during the financial year 2017-18	6	6	6
Relationship with other Directors , Manager and other Key Managerial Personnel of the Company	Mr.P. Madhupratap & Mr.P.Ravichandra, sons of Mr.P.Veeranarayana	Mr.P.Veeranarayan, (Father) & Mr.P.Ravichandra (Brother)	Mr.P.Veeranarayan,(Father) & Mr.P.Madhu Pratap (Brother)





None of the Directors, Key Managerial Personnel and/ or their relatives are, in any way, concerned or interested, financially or otherwise, in the Resolutions at Item Nos. 3,4& 5 of the accompanying Notice except Mr. P.Veeranarayana, Mr.P.Madhuratap and Mr. P.Ravichandra since the remuneration of each of these directors is proposed to be revised. The Board recommends the resolutions set forth in item nos. 3, 4 and 5 for the approval of members.

By Order of Board of Directors

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

Place : Tirupati

Date : 13<sup>th</sup> August'2018

### BOARD'S REPORT

Dear Members,

On behalf of the Board of Directors, it is our pleasure to present the Thirty Fifth Annual Report together with the Audited Statement of Accounts SIBAR AUTOPARTS LIMITED for the year ended March 31, 2018.

Pursuant to the notification dated February 16, 2015 issued by the Ministry of Corporate Affairs, the Company has adopted the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules 2015 with effect from April 2016. As such financial statements for the year ended as at March 31, 2016 have been restated to conform IndAS.

The summarized financial performance of your Company for the year ended 31<sup>st</sup> March, 2018 is given in the table below.

(Amount in lacs)

PARTICULARS	Financial Year ended	
	31/03/2018	31/03/2017
Total Income	1985.12	1610.72
Revenue from Operations	2375.47	2167.54
Other Income	61.85	75.19
<b>Total Income</b>	<b>2437.32</b>	<b>2242.73</b>
Profit /(Loss) before Interest ,		
Depreciation & Tax	(16.20)	111.55
Finance Cost	66.18	56.31
Depreciation	76.83	46.85
Profit before Tax	(159.21)	8.39
Less : Tax Expenses	2.65	6.48
Profit for the Year	(161.86)	1.91
Other Comprehensive Income	—	—

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

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

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

During the year under review your company reported growth in revenue from operations of 9.59% over the Previous year. The Revenue from operations stood at Rs.2375.47 lacs compared with Rs.2167.54 lacs in the previous year. However the operations resulted in Net Loss of Rs.161.86 lacs against previous year net profit of Rs.1.91 lacs. The main contributing factors are increase in Operating costs , Finance Costs and Depreciation. Effective steps are being taken to reduce operating cost by adding new machines and modifications to existing manufacturing facility so as to improve profitability.

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

#### Outlook

The Indian automotive industry is set to further improve its performance in Financial Year 2018-19 compared to Financial Year 2017-18 that steps into the last quarter of the year.

The Two Wheelers segment dominates the market in terms of volume owing to a growing middle class and a young population. Moreover, the growing interest of the companies in exploring the rural markets further aided the growth of the sector.

India is also a prominent auto exporter and has strong export growth expectations for the near future. Overall automobile exports from India grew at 6.86 per cent CAGR between FY13-18. In addition, several initiatives by the Government of India and the major automobile players in the Indian market are expected to make India a leader in the two wheeler and four wheeler market in the world by 2020.

Rural market demand for two-wheelers has improved significantly after two straight years of near-normal monsoon. Motorcycle sales grew by over 10% in the year ended 31 March for the first time in six years on improved demand for cheaper motorcycles from rural and semi-urban markets.

The auto industry is set to witness major changes in the form of electric vehicles (EVs), shared mobility, Bharat Stage-VI emission and safety norms. In order to keep up with the growing demand, several auto makers have started investing heavily in various segments of the industry during the last few months

The company had initiated and approached various OEM's for using of Electro plated cylinder blocks and is under process

Also the company approached various other sectors like Electrical, General Sectors and is planning for 30% of its volumes other than Automobile sector.

#### **Dividend**

The Board has not recommended Dividend for the year 2017-18 due to accumulated losses.

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

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

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

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

#### **Capital/ Finance**

During the year under review Your Company has raised its Authorized Capital from Rs.10.00 Crores to Rs.20.00 Crores.

During the year under review , your company has got approval under Regulation 28(1) of the SEBI(Listing Obligations and Disclosure Requirements), Regulations, 2015 for the issue of 51,40,000 equity shares of Rs.10/- each at price of Rs.20.00 per share including a premium of Rs.10 each to promoters & Non-Promoters and 18,50,000 warrants convertible into equity shares of Rs.10/- each Rs.20.00 per share including a premium of Rs.10 each to Promoters & Non-Promoters on a preferential basis vide letter dated 20<sup>th</sup> March,2018 from Bombay Stock Exchange

Pursuant to the special resolution passed at the Extra - Ordinary General Meeting of the Company held on Wednesday, February 28, 2018 your company allotted 9,25,000 shares on March 28, 2018 to non-promoter on preferential basis at price of Rs.20.00 per share including a premium of Rs.10 each and also allotted 8,15,000 shares to promoter on preferential basis at price of Rs.20 per share including a premium of Rs.10 each by converting interest free unsecured loans of Rs.1,63,00,000 brought in by Promoters into equity shares.

Pursuant to the special resolution passed at the Extra-Ordinary General Meeting of the Company held on Wednesday, February 28, 2018 your company allotted 16,00,000 numbers of warrants on March 28, 2018 to Promoter Group on preferential basis at a price of Rs.20 per Warrant including a premium of Rs.10 each by way of conversion of unsecured loans brought in by promoter group. Warrant is convertible into one equity share within a period of 18 months from the date of allotment. The Allottees have converted interest free unsecured loans equivalent to 25% the exercise price of the Warrants at the time of subscription. The Warrants can be exercised at anytime within 18 months of allotment of the Warrants. The subscription price paid for the Warrants will be adjusted against the exercise price payable at the time of exercise. In the event that any Warrant is not exercised within 18 months of allotment, the subscription price paid will be forfeited. The exercise of the Warrants shall constitute 11% of the post issue paid-up share capital. The shareholding of the Promoters will be 49% assuming all the Warrants are converted into equity shares.

The balance of equity shares and warrants were allotted in the current year.

As on 31<sup>st</sup> March 2018 , the issued , subscribed and paid up share capital of your company stood at Rs.11,27,51,000 comprising 1,12,75,100 Equity Shares of Rs.10/-each

#### **Fixed Deposits:**

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

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

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

#### **Internal Control Systems and their adequacy**

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

#### **Directors**

The current policy is to have an appropriate mix of executive, non-executive and independent directors to maintain the independence of the Board, and separate its functions of governance and management. As on March 31, 2018, the Board

consists of six members, three of whom are executive or whole-time directors, one non-executive director and two independent directors.

Mrs. P. Sugunamma (DIN 07128299), Non Executive Woman Director retires by rotation and, being eligible, offers herself for reappointment. The Board recommends the re-appointment of Mrs.P.Sugunamma

Sri K.Subbaiah, Independent Director of the Company being disqualified interms of section 164 (2) of the Act resigned from Directorship with effect from 1.10.2017.

#### Declaration by independent directors

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

#### Board Evaluation

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

#### Remuneration Policy

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

#### Meetings and Committees

Currently, the Board has three committees: the audit committee, nomination and remuneration committee and stakeholders relationship committee. During the year six Board Meetings and four Audit Committee Meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. A detailed note on the Board and its committees is provided under the Corporate governance report section in this Annual Report.

#### Directors' Responsibility Statement

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

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

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

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

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

#### Related party transactions

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

Your Directors draw attention of the members to Note.35 to the financial statement which sets out related party disclosures..

#### Particulars of Employees and related disclosures

The information required pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the reports and accounts are being sent to the members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the members at the Registered office of the company during business hours on working days of the company up to the date of ensuing Annual General Meeting. If any member is interested in inspecting the same, such member may write to the company in advance.

#### Subsidiaries, Joint Ventures and Associate Companies

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

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

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

**Vigil Mechanism / Whistle Blower Policy**

The Company has established a vigil mechanism/framed a whistleblower policy. The policy enables the employees and other stakeholders to report to the management instances of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. This policy is reviewed annually by the Audit Committee to check the effectiveness of the policy.

**Prevention of Insider Trading**

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

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

M/S SPC & Associates , Chartered Accountants was appointed as the Statutory Auditors at the Annual General Meeting held on 29<sup>th</sup> September, 2014 for a term of 5 years from the conclusion of the 31<sup>st</sup> Annual General Meeting till the conclusion of 36<sup>th</sup> Annual General Meeting . The report of the Statutory Auditors along with notes to Schedules is enclosed to this report. The observations made in the Auditors' Report are self-explanatory and therefore do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

**Cost Audit**

The Cost Audit is not applicable to the Company.

**Secretarial Audit**

In terms of Section 204 of the Act and Rules made there under, Mr.A.J. Sharma & Associates ,Practicing Company Secretaries have been appointed Secretarial Auditors of the Company. The report of the Secretarial Auditors is enclosed as

**Annexure "II"** to this report. The report is self-explanatory and do not call for any further comments except with regard to non-compliance of provisions of section 203(1) of the companies Act, 2013 for appointment of whole time company secretary. In this connection, it is submitted that the financial position of the Company is a constraint to appoint whole time company secretary. However, the company is utilizing services of practicing Company secretary to comply with statutory compliances. The Secretarial Audit Report does not contain any qualification , reservation or adverse remark.

**Extract of Annual Return**

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

**Risk Management Policy**

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

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

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

**Corporate Governance Reports**

The Corporate Governance Report, which form an integral part of this Report, is set out as separate Annexure. The certificate from practicing company secretary regarding compliance of conditions of corporate governance is attached to the report on corporate governance.

**Acknowledgement**

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

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

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

For and on behalf of the Board

P.Veeranarayana  
(Chairman & Managing Director)  
DIN:00644259

P.Madhuratap  
Whole time Director and CFO  
DIN:00644254

Place : Tirupati

Date : 13<sup>th</sup> August 2018



**Annexure "I"**

**(a) Conservation of energy**

(i)	The steps taken or impact on conservation of energy	Electrical Energy saving was achieved by installation of energy efficient motors, the production processes by eliminating high power consuming machines/equipments, Optimization of central air conditioning plant , providing for automatic switch off for pump house , illumination systems, transparent roof sheets and use of CFL lamps in installation of natural draft air exhaust ventilators.
(ii)	The steps taken by the company for utilizing alternate sources of energy	-----
(iii)	The capital investment on energy conservation equipments.	No capital investment was incurred on energy conservation equipments

**(b) Technology absorption**

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

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

During the year, the total foreign exchange used was **NIL** and the total foreign exchange earned was **NIL**

For and on behalf of the Board  
SIBAR AUTOPARTS LTD

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

DIN:00644259

Place : Tirupati

Date : 13<sup>th</sup> August 2018

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

DIN:00644254



Annexure "II"

**FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT**

For Financial Year Ended 31<sup>st</sup> March 2018

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

To,  
**The Members,**  
Sibar Auto Parts Limited,  
D 4 & D 5, Industrial Estate,  
Renigunta Road,  
Tirupati - 517 506.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SIBAR AUTO PARTS LIMITED (hereinafter called the company) bearing CIN L34201AP1983PLC003817. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2018 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings ( **Not applicable during the audit period**)

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz :

- (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, 1992 and 2015
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
- (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') to the extent applicable during the Audit Period;
- (e) The Securities Exchange Board of India (share based Employee benefits) Regulations 2014: **No scheme was formulated and placed before the shareholders for approval during the Audit period.**
- (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. ( **Not applicable during the audit period**)
- (g) 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
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009- **Not applicable during the audit period**
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998- **Not applicable to the Company during the audit period**

vi) Other applicable laws including the following

1. Factories Act, 1948
2. Industrial Disputes Act 1947
3. Payment of wages Act 1936
4. The Minimum wages Act 1948
5. Employees state insurance Act 1948
6. Employees Provident Funds and Miscellaneous Provisions Act 1952
7. Payment of Bonus Act 1965
8. Payment of gratuity Act 1972





9. Contract Labour (Regulation & Abolition ) Act, 1970
10. Maternity Benefit Act 1961
11. Environment Protection Act 1986
12. Legal Metrology Act 2009
13. Income Tax Act 1961, central excise Act 1944 and VAT Act
14. Electricity Act 2003
15. Air (Prevention & control of pollution) Act 1981 and water (Prevention & control of Pollution) Act 1974.
16. Other central and state Acts, Rules, Guidelines and regulations to the extent applicable to the Company

I have also examined compliance with the applicable clauses of the following:-

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. One meeting of Independent directors was held in terms of the provisions of Section 149 (8) 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. The decisions were reported to have been communicated to other directors orally.
2. The Company is required to appoint a whole time Company Secretary in terms of Section 203 (1) of the Companies Act, 2013
3. The net worth of the Company being less than Rs 25 crores the Regulation 17,18, 19, 20, 21,22, 23, 24, 25,

26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and disclosure requirements) Regulations 2015 are not applicable during the audit period

**I further report that**

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

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

As per the minutes of the Board and Board committees I noticed that all the decisions were carried through unanimously.

**I 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.

**I further report that** during the audit period the company after increasing the authorized share capital has issued and allotted 17,40,000 equity shares and 16,00,000 Convertible warrants of Rs 10/- each at a premium of Rs 10/- on preferential allotment basis to the promoters and others out of 51,40,000 equity shares and 18,50,000 warrants for which BSE in principle approval was received. The balance of equity shares and warrants were allotted in the current year

This report is to be read with our letter of even date which is annexed as Annexure-A and forms an integral part of this report

For For A.J.Sharma & Associate  
Company Secretaries

A.J.Sharma  
FCS-2120, CP-2176

Date : 13<sup>th</sup> August 2018  
Place : Hyderabad



Annexure

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

Dear Members,

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. I 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. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Account of the Company
4. Wherever required I have obtained the Management representation about the compliances of laws, rules and regulations and happening of events etc.,
5. The compliance of the provisions of Corporate and other applicable laws, rules and regulations, standards is the responsibility of management. My 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 For A.J.Sharma & Associate  
Company Secretaries

A.J.Sharma  
FCS-2120, CP-2176

Date : 13<sup>th</sup> August 2018  
Place : Hyderabad

## Annexure III

**Form No. MGT-9**  
 EXTRACT OF ANNUAL RETURN  
 as on the financial year ended on 31<sup>st</sup> March, 2018  
 of  
**SIBAR AUTOPARTS LTD**

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

**I. REGISTRATION AND OTHER DETAILS:**

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

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

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1.	Automobile Casting	30913	88.03
2.	Electrical casting	30913	11.97





<b>B. Public Share holding</b>									
<b>(1) Institutions</b>									
(a) Mutual Funds	160467	---	160467	1.68	77967	---	77967	0.69	(0.99)
(b) Banks / FI									
(c) Central Govt.									
(d) State Govt.(s)									
(e) Venture Capital Funds									
(f) Insurance Companies									
(g) FIs									
(h) Foreign Venture Capital Funds									
(i) Others (Specify)									
<b>Sub-Total (B) (1) :</b>	160467		160467	1.68	77967	0.00	77967	0.69	(0.99)
<b>(2) Non-Institutions</b>									
(a) Bodies Corp.	129015	65200	194215	2.04	125460	359300	484760	4.30	2.26
(i) Indian									
(ii) Overseas									
(b) Individuals									
(i) Individual Shareholders holding nominal share capital upto Rs. 2 Lakh	1070774	1522200	2592974	27.19	1125441	1481300	2606741	23.12	(4.07)
(ii) Individual Shareholders holding nominal share capital excess Rs.2Lakh	657800	50000	707800	7.42	732935	675000	1407935	12.49	5.07
(c) NRI's	15580	156000	171580	1.80	14605	156000	171605	1.51	(0.29)
(d) Clearing Members	3704	-	3704	0.04	7732	0.00	7732	0.07	0.03
<b>Sub-Total (B) (2) :</b>	1876873	1793400	3670273	38.49	2006173	2671600	4677773	41.49	3.00
<b>Total Public Share holding</b>									
<b>(B)=(B)(1)+(B)(2)</b>	2037340	1793400	3830740	40.18	2084140	2671600	4755740	42.18	2.00
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>Grand Total (A+B+C)</b>	7741700	1793400	9535100	100	7788500	3486600	11275100	100	0.00



**II. Share Holding of Promoters**

Sl. No.	Share Holder's Name	Shareholding at the beginning of the Year (As on 01.04.2017)			Shareholding at the end of the Year (As on 31.03.2018)			% Change In share holding during the year
		No. of Shares	% of total shares of the company	% of shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the company	% of shares Pledged / encumbered to total shares	
1.	Annaluru Aruna	42,620	0.45	NIL	42,620	0.38	NIL	0.00
2.	Annaluru Chenna Krishna	99,320	1.04	NIL	99,320	0.88	NIL	0.00
3.	Annaluru Usha	42,790	0.45	NIL	42,790	0.38	NIL	0.00
4.	Pemmasani Madhu Pratap	16,97,100	17.80	NIL	16,97,100	15.05	NIL	0.00
5.	P. Ravi Chandra	2,31,000	2.42	NIL	2,31,000	2.05	NIL	0.00
6.	Pemmasani P. Suganamma	23,78,680	24.95	NIL	23,78,680	21.10	NIL	0.00
7.	Pemmasani P. Veeranarayana	5,72,850	6.01	NIL	5,72,850	5.08	NIL	0.00
8.	P. Annapurna	5,00,000	5.24	NIL	5,00,000	4.43	NIL	0.00
9.	P. Charitha	1,40,000	1.47	NIL	1,40,000	1.24	NIL	0.00
10.	P. Madhu Pratap & P. Ravichandra	0	0.00	NIL	8,15,000	7.23	NIL	7.23

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

Sl. No.		Shareholding at the beginning of the Year		Cumulative Shareholding during the Year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	At the beginning of the year (As 01-04-2017)	57,04,360	59.82	57,04,360	59.82
2.	Allotment of Equity Shares on Preferential Basis during the year	8,15,000	7.23	8,15,000	7.23
	Transfer	--		--	
3.	At the end of the year (As on 31-03-2018)	65,19,360	57.82	65,19,360	57.82

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

Sl. No.	Share Holder's Name	Shareholding		Date	Increase/Decrease in share holding	Reason	Cumulative Shareholding during the Year (01.04.17 to 31.03.18)	
		No. of Shares at the beginning (01.04.17)/end of the year (31.03.18)	% of total shares of the company				No. of Shares	% of total shares of the company
1.	SIDHANT KHANNA	0	0.00	01.04.17			0	0.00
				28.03.18	5,00,000	P.Allotment	5,00,000	4.43
		5,00,000	4.43	31.03.18			5,00,000	4.43
2.	SIVANA INVESTECH	0	0.00	01.04.17			0	0.00
				28.03.18	3,00,000	P.Allotment	3,00,000	2.66
		3,00,000	2.66	31.03.18			3,00,000	2.66
3.	RAGHU VEMULAPALLI	2,21,813	2.33	01.04.17			2,21,813	2.33
				14.04.17	97	Purchase	2,21,904	2.33
				11.08.17	53	Purchase	2,21,957	2.33
				18.08.17	628	Purchase	2,22,585	2.33
				27.09.17	348	Purchase	2,22,933	2.34
				24.11.17	-40	Transfer	2,22,893	2.34
				08.12.17	40	Purchase	2,22,933	2.34
		31.03.18			2,22,933	1.98		
4.	RAJENDRA PRASAD ADI RAJU	79,274	0.83	01.04.17			79,274	0.83
				14.04.17	6,500	Purchase	85,774	0.90
				05.05.17	2,000	Purchase	87,774	0.92
				01.09.17	-500	Transfer	87,274	0.92
		87,274	0.77	31.03.18			87,274	0.77
5.	AMREX MARKETING PVT LTD	1,60,830	1.69	01.04.17			1,60,830	1.69
				26.01.18	-40,000	Transfer	1,20,830	1.27
				02.02.18	-40,000	Transfer	80,830	0.85
				09.02.18	-2,500	Transfer	78,330	0.82
		78,330	0.69	31.03.18			78,330	0.69
6.	K.AJAYA KUMAR	57,700	0.61	01.04.17	0	Nil	57,700	0.61
		57,700	0.51	31.03.18			57,700	0.51
7.	G.PAVAN KUMAR	52,000	0.55	01.04.17	0	Nil	52,000	0.55
		52,000	0.46	31.03.18	0	Movement	52,000	0.46
8.	BLUE DIAMOND PLAST OWARE PRIVATE LTD	0	0.00	01.04.17			0	0.00
				02.02.18	5,000	Purchase	5,000	0.05
				09.02.18	45,000	Purchase	50,000	0.52
		31.03.18			50,000	0.44		
9.	HARAKHCHANDRAMBHIYA	50,000	0.52	01.04.17			50,000	0.52
		50,000	0.44	31.03.18	0	Nil	50,000	0.44
10.	DEEPA PRAHLADKA	47,800	0.50	01.04.17			47,800	0.50
		47,800	0.42	31.03.18	0	Nil	47,800	0.42



(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Share Holder's Name	Shareholding		Date	Increase/Decrease in share holding	Reason	Cumulative Shareholding during the Year (01.04.17 to 31.03.18)	
		No. of Shares at the beginning (01.04.17)/end of the year (31.03.18)	% of total shares of the company				No. of Shares	% of total shares of the company
1.	Sri.p.veeranarayana	572850	6.01	01.04.17	0	Nil	572850	6.01
		572850	5.08	31.03.18	0	movement	572850	5.08
2.	Sri P.Madhu Pratap	1697100	17.80	01.04.17	0	Nil	1697100	17.80
		1697100	15.05	31.03.18	0	movement	1697100	15.05
3.	Sri P.Ravichandra	231000	2.42	01.04.17	0	Nil	231000	2.42
		231000	2.05	31.03.18	0	movement	231000	2.05
4.	Smt P.Sugunamma	2378680	24.95	01.04.17	0	Nil	2378680	24.95
		2378680	21.10	31.03.18	0	movement	2378680	21.10
5.	Sri A.R.Chowdary	0	0	01.04.17	0	Nil		0
		0	0	31.03.18	0	Movement	0	0
6.	Sri.B.P.Jetty	0		01.04.17	0	Nil		0
		0	0	31.03.18	0	Movement	0	0
7.	Sri P.Madhu pratap & Sri P.Ravi Chandra	0	0.00	01.04.17	0	Nil	0	0
				28.03.18	8,15,000	Preferential allotment	8,15,000	7.23
		8,15,000	7.23	31.03.18			8,15,000	7.23

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	55938887	12716048	0.00	68654935
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	684176	0.00	0.00	684176
<b>Total (i+ii+iii)</b>	<b>56623063</b>	<b>12716048</b>	<b>0.00</b>	<b>69339111</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	9347608	2960240	0.00	12307848
• Reduction	12613864	2768322	0.00	15382186
<b>Net Change</b>	<b>21961472</b>	<b>5728562</b>	<b>0.00</b>	<b>27690034</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	52672630	12907966	0.00	65580596
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	692247	0.00	0.00	692247
<b>Total (i+ii+iii)</b>	<b>53364877</b>	<b>12907966</b>	<b>0.00</b>	<b>66272843</b>





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

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**  
(Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of Directors			Total
		Mr. P. Veerananarayana	Mr. P. Madhupratap	Mr. P.Ravichandra	
1.	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	9,00,000	7,80,000	7,20,000	24,00,000
	(b) Value of perquisites U/s 17(2) Income-tax Act, 1961	1,22,677	4,53,000	93,415	6,69,092
	(c) Profits in lieu of salary under	---	---	---	
2.	Stock Option	---	---	---	
3.	Sweat Equity	---	---	---	
4.	Commission - as % of Profit - others, specify..	---	---	---	
5.	Others, please specify	---	---	---	
	<b>TOTAL (A)</b>	<b>10,22,677</b>	<b>12,33,000</b>	<b>8,13,415</b>	<b>30,69,092</b>
Over all Ceiling limit as per Schedule V to the Companies Act, is					Rs. 84.00 Lacs.

**B. Remuneration to other Directors :** (Amount in ₹)

Sl. No.	Particulars of Remuneration	Name of Director				Total Amount
		Mr. A.R. Chowdary	Mr. K.Subb aiah	Mr. B.P.Jetty	Mrs. P.Sugunamma	
1.	Independent Directors					
	(a) Free for attending board/ Committee meetings	75,000	45,000	75,000	0	1,95,000
	(b) Commission	0	0	0	0	0
	(c) Others, please specify	0	0	0	0	0
	<b>TOTAL (1)</b>	<b>75,000</b>	<b>45,000</b>	<b>75,000</b>	<b>0</b>	<b>1,95,000</b>
2.	Other Non-Executive Directors					
	(a) Free for attending board/ Committee meetings	0	0	0	90,000	90,000
	(b) Commission	0	0	0	0	0
	(c) Others, please specify	0	0	0	0	0
	<b>TOTAL (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>90,000</b>	<b>90,000</b>
	<b>Total (B) = (1+2)</b>	<b>75,000</b>	<b>45,000</b>	<b>75,000</b>	<b>90,000</b>	<b>2,85,000</b>
	<b>Total Managerial Remuneration (A) + (B)</b>					<b>33,54,092</b>
Over all Ceiling limit as per Schedule V to the Companies Act, is					Rs. 84.00 Lacs	



**C. Remuneration to key Management personnel other than MD / Manager/WTD:**

(Amount in ₹)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO	
1.	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-Tax Act,1961	0	0	7,80,000	7,80,000
	(b) Value of perquisites U/s 17(2) Income-Tax Act,1961	0	0	4,53,000	4,53,000
	(c) Profits in lieu of Salary Under section 17(3) Income-Tax Act,1961	0	0	0	0
2.	Stock Option	0	0	0	0
3.	Sweat Equity	0	0	0	0
4.	Commission - as % of profit - others, specify ...	0	0	0	0
5.	Others, please specify	0	0	0	0
	TOTAL	0	0	12,33,000	12,33,000



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

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

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

PEMMASANI VEERANARAYANA  
(Chairman & Managing Director)  
DIN:00644259

PEMMASANI MADHUPRATAP  
(Executive Director & CFO)  
DIN:00644254

Place: Tirupati

Date : 13<sup>th</sup> August 2018

**REPORT ON CORPORATE  
GOVERNANCE**

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

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

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

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

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

**1. Board of Directors**

**2.1 Composition of the Board**

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

None of the directors are inter-se related to each other except Sri P. MadhuPratap, Executive director & CFO of the company and Sri P.Ravichandra Technical Director of the Company are sons of Sri P. Veernarayana, Chairman and Managing Director of the company, P.Sugunamma, Non – Executive Women Director of the company is wife of Sri P. Veernarayana, Chairman and Managing Director of the company .

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

The composition of the Board is as under:

The Board of M/s Sibar Auto parts limited is headed by Sri P. Veernarayana, aged 68 years, who is the Chairman& Managing Director. He is diploma holder in automobile engineering and technocrat.

**Sri P. MadhuPratap** aged 44 years, is Executive director and CFO of M/s Sibar Auto Parts limited. He has a rich experience in management and administration. He is a Post-graduate in Master of Engineering and has a good exposure in the area of castings

**Sri A.R. Chowdary**, aged about 81 years is an independent & non-executive director He is a retired Assistant General Manager of the State Bank of India(SBI). He has held responsible positions in SBI and has rich experience in the field of Finance and Banking.

**Smt. Sugunamma**, aged 65 years is non-executive director. She has acquired an expertise in management of business.

**Sri. B.P. Jetty**, aged about 70 years is an independent & non-executive director. He is B.E Graduate in Mechanical Engineering. He has more than four decades of experience in automotive industries and expertise includes Lean Manufacturing, Materials management, Human Relations Management, Strategy & Risk management, Customer Relation management, Business excellence.

**Sri P. Ravichandra** aged 40 years, is Technical director of M/s Sibar Auto Parts limited. He has varied experience in all major departments such as planning, production, and project execution of the company. He is a B.Tech Graduate in chemical Engineering and has a good exposure in the area of plating technology.

Other information regarding the Board is given below:

No. of other Directorships and Committee Memberships /Chairmanships				
Name of the Director	Category	Other Directorships	Committee Memberships	Committee Chairmanships
Sri P. Veernarayana	Promoter & executive chairman	Nil	Nil	Nil
Sri P. Madhu Pratap	Promoter, Executive Director & CFO	Nil	Nil	Nil
Sri A.R. Chowdary	Independent & Non-Executive	1	Nil	Nil
Sri B.P.Jetty	Independent & Non-Executive	Nil	Nil	Nil
Sri B.P.Jetty	Independent & Non-Executive	Nil	Nil	Nil
Smt. Sugunamma	Non-Executive Women Director	Nil	Nil	Nil
Sri P. Ravichandra	Promoter, Technical Director & CFO	Nil	Nil	Nil



#### Meetings and attendance

During the year 2017-18, 6 (Six) Board Meetings were held on 29.05.2017, 14.08.2017, 13.11.2017, 29.01.2018, 13.02.2018 & 28.03.2018. The gap between any two meetings has been less than one hundred and twenty days.

AGM was held on 27<sup>th</sup> September 2017

A separate meeting of independent directors was held on 13<sup>th</sup> February 2018

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

Name of the Director	No. Board meetings attended	Attended last AGM held on Sep.27 2017,
Sri P. Veerananarayana	6	Yes
Sri P. Madhu Pratap	6	Yes
Sri K. Subbaiah	3	Yes
Sri A. R. Chowdary	5	Yes
Sri B.P. Jetty	5	Yes
Smt. Sugunamma	6	Yes
Sri. P. Ravichandra	6	Yes

#### Familiarization Programme

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

#### 3. Committees of the Board

##### Audit committee

##### Composition of the Audit Committee

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

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

The committee met 4 times during the financial year ended 31 March, 2018. The attendance record of the members at the meeting were as follows :-

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

#### Powers of Audit Committee

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

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

#### Role of Audit Committee

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

- Oversight of the Company's financial reporting process and the disclosures of its financial information to ensure that the financial statement is correct, sufficient and credible ;
- Recommendation for the appointment, remuneration and terms of appointment of auditors of the Company;
- Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.



- ii) Changes, if any, in accounting policies and practices and reasons for the same.
  - iii) Major accounting entries involving estimates based on the exercise of judgment by management;
  - iv) Significant adjustments made in the financial statements arising out of audit findings;
  - v) Compliance with listing and other legal requirements relating to financial statements;
  - vi) Disclosures of any related party transactions;
  - vii) Qualifications in the draft audit report.
- d. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
  - e. Reviewing, the adequacy of internal audit function including the structure of the internal audit department, staffing and seniority of the official heading the department, availability and deployment of resources to complete their responsibility and the performance of the out-sourced audit activity;
  - f. Discussion with internal auditors/ internal audit head with respect to the coverage and frequency of internal audits as per the annual audit plan, nature of significant findings and follow up thereof;
  - g. Reviewing, the findings of any internal investigation by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
  - h. Obtaining an update on the Risk Management Framework and the manner in which risks are being addressed;
  - i. Discussion with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussions to ascertain any area of concern;
  - j. To review the functioning of the Whistle Blower Mechanism and the nature of complaints received by the Ombudsman;
  - k. Ensuring the minutes of each Audit Committee Meetings are placed before the Board for noting;
  - l. A statement in summary form to be submitted to the Board relating to :-
    - a) Transactions with related parties in the ordinary course of business.
    - b) Details of material transactions with related parties, which are not in the normal course of business ("Materiality" threshold to be defined by Management and reviewed by the Audit Committee);
    - c) Details of material transactions with related parties or others, which are not on arm's length basis along with management justification for the same ("Materiality" threshold to be defined by Audit Committee).
- m. Compliance with legal and regulatory requirements and SIBAR- Code of Conduct for Board of Directors & Senior Management as well as applicable to all employees of the Company;
  - n. Scrutiny of inter-company loans and investments;
  - o. Approval of appointment of CFO (i.e. the whole-time finance Director or any other person heading the finance function or discharging the function);
  - p. Management and control of business risk;
  - q. To engage a registered Valuer as prescribed under the Companies Act, 2013 or any enactment or modification thereof taking into consideration such qualities and experience as may be considered appropriate in case of valuations required in respect of any property, stock, shares, debentures, securities, goodwill, assets, liabilities or net worth of the Company;
  - r. Monitoring the end-use of funds raised through public offers and related matters.
  - s. Review and approve all Standard Operating procedures, Manuals and other documents which have a material financial or legal or business risk implication/s;
  - t. Company's earnings press releases, as well as financial information and earnings guidance, if any, provided to analysts and rating agencies;
  - u. The effect of regulatory and accounting initiatives as well as off-balance sheet structures on the financial statements;
  - v. Establish clear hiring policies for employees or former employees of external auditors and monitoring the implementation of such policies;
  - w. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee or specifically asked to by the Board of Directors.
- OTHER RESPONSIBILITIES**
- Perform other activities related to this Charter as requested by the Board of Directors;
- Carry out additional functions as is contained in the Companies Act, 2013 or Rules there under or in the Stock Exchange Listing Agreement or other regulatory requirements applicable to the company or in the terms of reference of the Audit Committee;
- Institute and oversee any Special Investigation/Enquiry as needed.
- WHISTLE BLOWING/VIGIL MECHANISM**
- The Board adopted the revised Whistle blower/ Vigil Mechanism Policy that adopts global best practices.
- The Company is committed to developing a culture where it is safe for all employees to raise concerns about any poor or



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

**Nomination & Remuneration Committee**

Composition of Nomination and Remuneration Committee ("NRC")

Name of the Director	Position held in the committee	Nature of Directorship
Sri A.R.Chowdary	Chairman of the Committee	Independent Director
Sri P. Ravi chandra	Member	Technical Director
Sri B.P.Jetty	Member	Independent Director

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

The NRC met twice during the financial year ended March 31, 2018. The attendance record of the members at the meeting were as follows :-

Name of the Director	No.Committee meetings held	No.Committee meetings attended
Sri. A.R. Chowdary	1	1
Sri. Ravichandra	1	1
Sri B.P.Jetty	1	1

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

**Responsibilities of the NRC**

Nomination and Remuneration Committee is responsible for:

- i. Periodically reviewing the structure, size and composition and functioning of the Board and recommend proposed

changes, as may be necessary, to improve the Board's effectiveness;

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

Details of remuneration/sitting fees paid to the Directors for the year ended 2017-18 are given below.

Name	Category	Sitting Fee ₹	Salary, Perquisites and allowance	Stock Options ₹
SriP.Veeranarayana	Promoter-Executive Director	Nil	10,22,677/-	Nil
Sri P. MadhuPratap	Executive Director	Nil	12,33,000/-	Nil
Sri K. Subbaiah	Independent Director	45,000	Nil	Nil
Sri A.R.Chowdary	Independent Director	75,000	Nil	Nil
Sri. B.P .Jetty	Independent Director	75,000	Nil	Nil
Smt.P.Sugunamma	Independent Director	90,000	Nil	Nil
Sri P. Ravichandra	Technical Director	Nil	8,13,415	Nil

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

This Policy is derived from the NRC Charter.

Enhancing the competencies of the Board is the basis for the NRC to select a candidate for appointment to the Board. When recommending a candidate for appointment, the NRC has regard to:

- a. assessing the appointee against a range of criteria which includes qualifications, skills, regional and industry experience, background and other qualities required to operate successfully in the position, with due regard for the benefits from diversifying the Board;



- b. the extent to which the appointee is likely to contribute to the overall effectiveness of the Board, work constructively with the existing Directors and enhance the efficiencies of the Company;

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

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

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

**Remuneration**

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

A Non Executive Director shall be entitled to receive sitting fees for each meeting of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;

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

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

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

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

**Remuneration of KMPs and SMPs**

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

The NRC recommends individual remuneration packages for KMPs and SMPs of the Company taking into account factors it deems relevant, including business performance and practices in

comparable companies, having due regard to financial position of the Company as well as prevailing laws and government/other guidelines.

**Evaluation**

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

**Stakeholders Relationship committee**

Composition of Stakeholders Relationship Committee ("SRC")

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

The SRC met 4 time during the financial year ended March 31, 2018. The attendance record of the members at the meeting were as follows:

Name of the Director	No. Committee meetings held	No. Committee meetings attended
Sri K. Subbaiah	4	3
Sri A. R. Chowdary	4	4
Sri P. Madhu Pratap	4	4
Sri P. Veerananarayana	4	3
Sri B.P.Jetty	4	1

The committee looks into redressal of Shareholders' complaints/requests like transfer of shares, non-receipt of balance sheet, change of address, revalidation of dividend warrants etc. The committee periodically evaluates the performance of the Registrar and Share Transfer agents and recommends measures for improvement in the quality of investor services.

The company did not receive any complaints/requests (other than request for transfer and demat) during the year under review. There were no outstanding complaints as on 31st March 2018. All the valid requests for transfer of shares were considered for transfer. There were no share transfers pending as on 31.03.2018.





**Performance Evaluation**

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

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

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors

was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. The Directors expressed their satisfaction with the evaluation process.

**Independent Directors Meeting:**

During the year under review, the Independent Directors met on 13th February, 2018, inter alia, to discuss:

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

All the independent Directors were present at the meeting.

**General Body Meetings :**

Location & Time of Last 3 Annual General Meetings:

Year	Venue	Date and Time	Special Resolution passed and relevant section of the Companies Act,
<b>2016-17</b>	D4 & D5, Industrial Estate, Renigunta Road, Tirupathi – 517506	Wednesday, 27 <sup>th</sup> September,2017 at 2.00 P.M	-
<b>2015-16</b>	D4 & D5 Industrial Estate, Renigunta Road, Tirupathi - 517506	Monday, 19 <sup>th</sup> September, 2016 at 3.00 PM	-
<b>2014-15</b>	D4 & D5 Industrial Estate, Renigunta Road, Tirupathi - 517506	Thursday, 10 <sup>th</sup> September, 2015 at 3.00 PM	Adoption of new set of Articles of Association.

**Postal Ballot :**

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

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

**Disclosures :**

During the year 2017-18, the company had no materially significant related party transactions which are considered to have a potential conflict with the interest of the company at large. The disclosures as regard to related party transactions are disclosed in the notes to accounts. None of the transactions with any of the related parties were in conflict with the interests of the company.

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

**Details of compliance with mandatory requirements and adoption of non-mandatory requirement**

The Company has complied with all the Mandatory Requirements. The applicable Non Mandatory Requirements will be implemented by the Company as and when required and/or deemed necessary by the Board.

**Means of Communication :**

The quarterly, half yearly and annual results are generally published by the company in Indian Express, Financial Express (English Edition) and Andhra Prabha (Telugu Edition). The same results are sent to the stock exchanges as per Listing Agreement and also available on the company's website www. Sibarauto.com



Compliance with non-mandatory requirements Shareholder rights

<b>a. 35<sup>th</sup> Annual General Meeting</b>	
Date and time	<b>Wednesday, 27<sup>th</sup> September, 2018 at 3.30 P.M</b>
Venue	D4 & D5, Industrial estate, Renigunta Road, Tirupati-517506. As required under clause 49VI(A) of the listing agreement, particulars of directors seeking appointment and reappointment are given in the notes to the notice of the AGM to be held on 27 <sup>th</sup> September, 2018

<b>b. Financial Calender (tentative)</b>				
Financial year	1 <sup>st</sup> April, 2017 to 31 <sup>st</sup> March, 2019			
First quarter results	2 <sup>nd</sup> week of August 2018			
Second quarter results and half yearly results	2 <sup>nd</sup> week of November, 2018			
Third quarter results	2 <sup>nd</sup> week of February, 2019			
Last quarter results/ Audited results	4 <sup>th</sup> week of May 2019			
c. Dates of books closure	21-09-2018 to 27-09-2019 (Including both days)			
d. Dividend payment date	Not applicable			
e. Listing on stock exchanges				
The company's securities are listed on	Bombay stock exchange limited(stock code-520141)			
f. ISIN Numbers in NSDL & CDSL for equity shares :	INE441C01014			
g. Listing fee :	The company has paid its annual listing fees to the BSE till date.			
h. Market Price data	Month	Share Price		
		High	Low	Volume
	April, 2017	19.25	11.07	125942
	May, 2017	18.00	14.40	53603
	June, 2017	18.50	16.80	41
	July, 2017	16.00	12.60	680
	August, 2017	16.27	10.82	11911
	Sep., 2017	14.50	11.21	9706
	Oct., 2017	14.00	14.00	160
	Nov., 2017	13.30	12.64	5700
	Dec., 2017	12.01	11.98	1000
	Jan. 2018	20.54	11.02	122768
	Feb. 2018	22.75	21.15	130720
Mar. 2018	23.15	23.15	7288	

### Shareholder rights

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

### Audit qualifications

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

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

#### Share Transfer Agents

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

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

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

### Shareholding Pattern as on 31st March 2018:

Sl. No.	Range of Shares	No. of Share Holders	No. of Shares	% of Share Holding
1.	1 --- 500	8302	11,77,430	10.44
2.	501 --- 1000	457	3,89,415	3.45
3.	1001 --- 2000	158	2,51,002	2.23
4.	2001 --- 3000	70	1,78,256	1.58
5.	3001 --- 4000	26	93,413	0.83
6.	4001 --- 5000	34	1,62,557	1.44
7.	5001 --- 10000	36	2,58,198	2.29
8.	10001 & Above	54	87,64,829	77.74
<b>Total</b>		<b>9137</b>	<b>1,12,75,100</b>	<b>100</b>

Category	No. of Shares held	% of Share Holding
Promoters Holding		
1. Promoters		
Indian Promoters	6519360	57.82
Foreign Promoters	--	--
2. Persons acting in concert	--	--
<b>Sub Total</b>	<b>6519360</b>	<b>57.82</b>
Non Promoters Holding		
3. Institutional Investors	--	--
a. Mutual funds and UTI	77967	0.69
b. Banks, Financial Institutions, Insurance Companies (Central / State Gov. Institutions/Non-Government Institutions)	--	--
c. FII's	--	--
<b>Sub Total</b>	<b>77967</b>	<b>0.69</b>
4. Others		
a. Private Corporate Bodies	484760	4.30
b. Indian Public	4014676	35.61
c. NRIs / OCBs	171605	1.51
d. Any other-Trust	--	--
e. Clearing Members	7732	0.07
<b>Sub Total</b>	<b>4678773</b>	<b>41.49</b>
<b>Grand Total</b>	<b>11275100</b>	<b>100.00</b>

### Distribution of shareholding as on 31st March 2018.

#### De-materialization of shares and liquidity

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

#### Status of Dematerialization of Shares as on March 31, 2018

	No of Shares	%
NSDL	70,80,307	62.80
CDSL	7,08,193	6.28
Physical	34,86,600	30.92
<b>Total</b>	<b>1,12,75,100</b>	<b>100.00</b>



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

**Outstanding ADRs/GDRs**

Not applicable

**Plant Locations**

Industrial Estate, Renigunta Road, Tirupathi.

**Address for Correspondence**

Siibar Auto Parts Limited,

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

**Investor Correspondence**

\*For transfer in physical form

\* For Shares in Demat form

M/s Big Share Services (P) Ltd.,

306, 3rd floor, Right Wing, Amrutha Ville.,

opp. Yasoda Hospital,

Raj Bhavan Road, Hyderabad - 500082

**Declaration of Compliance with Code of Conduct**

I hereby Confirm that the Company has obtained from all the members of the Board and Senior management personnel, affirmation that they have complied with the code of conduct for Board members and Senior management personnel in respect of the financial year ended 31<sup>st</sup> March, 2018

For and on behalf of the Board

For SIBAR AUTO PARTS LIMITED

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

DIN:00644259

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

DIN:00644254

Place: Tirupati

Date : 13<sup>th</sup> August 2018



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

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

I have examined relevant records of **Sibar Autoparts Limited** (“the Company”) for the purpose of certifying compliance of conditions of Corporate Governance for the financial year ended 31st March, 2018, as per the relevant provisions of Regulation 15(2), Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”). I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purpose of certification.

The compliance of conditions of Corporate Governance is the responsibility of the Company management. My examination was limited to procedures and implementation thereof. This certificate is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company. It is neither an audit nor an expression of opinion on the financial statements of the Company.

On the basis of my examination of the records produced, explanations and information furnished, I certify that the Company has complied with all the applicable mandatory conditions of the said Listing Regulations,

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

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

Place: Hyderabad

Date : 13<sup>th</sup> August 2018



**CEO/CFO Certification**

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

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

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

For and on behalf of the Board

For **SIBAR AUTO PARTS LIMITED**

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

DIN:00644259

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

DIN:00644254

Place: Tirupati

Date : 13<sup>th</sup> August 2018

**INDEPENDENT AUDITORS' REPORT**

To

The Members

**SIBAR AUTO PARTS LIMITED, Tirupati****Report on the Standalone Ind AS Financial Statements**

We have audited the Ind AS financial statements of **SIBAR AUTO PARTS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, 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 (herein after referred to as "Ind AS financial statements").

**Management's Responsibility for the Standalone Ind AS 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 standalone 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.

**Auditor's Responsibilities for the Audit of the Standalone Ind AS Financial Statements**

Our responsibility is to express an opinion on these Standalone Ind AS Financial Statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Ind AS Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Standalone Ind AS Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS Financial Statements, whether due to fraud or error. In making those risk assessments, the

auditor considers internal control relevant to the Company's preparation and fair presentation of the Standalone Ind AS Financial Statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the Standalone Ind AS Financial Statements.

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the financial position of the Company as at March 31, 2018 and its financial performance including other comprehensive income, its cash flows and changes in equity for the year ended on that date.

**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 Standalone 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, 2018 taken on record by the Board of Directors, Sri K. Subbaiah, Independent Director of the Company being disqualified in terms of Section 164 (2) of the Act resigned from Directorship with effect from 01.10.2017.



- 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 has no pending litigations on its financial position as on 31<sup>st</sup> March,2018;
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term;
  - iii. No amounts were required to be transferred to the Investor Education and Protection Fund by the Company as on 31<sup>st</sup> March, 2018.

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

CA RLN Murthy  
Partner  
M.No. 217432

Place : Hyderabad  
Date : 29.09.2018





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 31<sup>st</sup> March 2018, we report that:

- (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) According to the information and explanations given to us and on the basis of our examination of the records of the Company there were no immovable properties are held in the name of the Company.
- ii) (a) According to the information and explanations given to us and on the basis of our observation and verification of records, physical inventory of the company has been conducted at reasonable intervals.  
(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) 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, sales-tax, service tax, duty of customs, value added tax, cess, goods and service tax 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, service tax, duty of customs, cess and other material statutory dues which were in arrears as at March 31,2018, 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, service tax / GST which have not been deposited with the appropriate authorities on account of any dispute.
- viii) According to the information and explanation given to us and based on our opinion the Company has not defaulted in repayment of any loans or borrowings from any financial institutions, banks, Government during the 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) According to the information and explanations given to us and based on our examination of records of the Company, the Company has paid Managerial Remuneration in accordance with the provisions of section 197 read with Schedule V to the Companies 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 35 to the Standalone 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 made preferential allotment during the year and the details have been disclosed in Note 13 of the Standalone Ind AS Financial Statements .
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi) 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 SPC & Associates**

CHARTERED ACCOUNTANTS

F.R.No. 005685S

**CA RLN Murthy**

Partner

M.No. 217432

Place : Hyderabad

Date : 29.09.2018

**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 2018 in conjunction with our audit of Ind AS Standalone 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 Standalone Ind AS Financial Statements, whether due to fraud or error.

**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 Standalone 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 Standalone 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 unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the Standalone 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**

According to the information and explanation given to us, the Company has not established its internal financial control over financial reporting on criteria based on or 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. Because of this reason, we are unable to obtain sufficient appropriate audit evidence to provide a basis for our opinion whether the Company had adequate internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2018.

We have considered the above in determining the nature, timing, and extent of audit tests applied in our audit of the financial statements of the Company, and we have done 100% substantive verification hence, this does not affect our opinion on the standalone financial statements of the Company.

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

**CA RLN Murthy**  
Partner  
M.No. 217432

Place : Hyderabad  
Date : 29.09.2018

**CIN : L34201AP1983PLC003817**  
**BALANCE SHEET AS AT MARCH 31, 2018** **(Amount in ₹)**

Particulars	Note No.	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017	As at 1, April 2016
<b>ASSETS</b>				
<b>Non-current assets</b>				
(a) Property, Plant and Equipment	1	12,70,42,168	10,33,59,413	9,36,18,294
(b) Capital work-in-progress	2	-	1,12,29,049	72,72,369
(c) Investment Property		-	-	-
(d) Other intangible assets		-	-	-
<b>(e) Financial Assets</b>				
(i) Investments		-	-	-
(ii) Trade Receivables	3	28,70,706	23,90,049	4,15,936
(iii) Loans		-	-	-
(iv) Others	4	22,74,051	22,21,051	24,69,702
(f) Deferred tax Assets (net)				
(g) Other non-current Assets				
<b>Current Assets</b>				
(a) Inventories	5	4,21,90,773	2,79,49,230	1,57,99,457
<b>(b) Financial Assets</b>				
(i) Investments		-	-	-
(ii) Trade Receivables	6	5,21,26,858	4,70,30,070	3,29,58,630
(iii) Cash & Cash Equivalents	7	1,59,64,892	20,47,669	10,67,355
(iv) Bank Balances other than (iii) above	8	7,831	-	-
(v) Loans		-	-	-
(iv) Others	9	1,08,722	10,06,689	20,54,450
(c) Current Tax Assets	10	13,51,510	9,35,169	13,24,741
(d) Other Current Assets	11	44,39,699	19,92,354	16,31,296
(e) Assets Classified held for Sale	12	3,33,586	3,39,805	8,77,876
<b>Total Assets</b>		<b>24,87,10,796</b>	<b>20,05,00,548</b>	<b>15,94,90,106</b>

(Amount in ₹)				
Particulars	Note No.	As at 31 <sup>st</sup> March 2018	As at 31 <sup>st</sup> March 2017	As at 1, April 2016
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share Capital	13	11,67,51,000	9,53,51,000	9,53,51,000
(b) Other Equity	14	(1,14,38,970)	(1,89,02,110)	(1,90,93,077)
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	15	5,46,04,948	5,78,58,934	4,31,34,136
(ii) Trade Payables	16	25,15,217	38,09,223	47,00,649
(b) Provisions		-	-	-
(c) Other non-current liabilities		-	-	-
(d) Deferred Tax liabilities	17	20,48,240	17,83,040	13,55,269
<b>Current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	18	24,80,539	49,44,539	1,61,135
(ii) Trade payables	19	6,18,69,727	3,71,81,386	2,08,88,636
(iii) Other Financial Liabilities	20	1,91,46,590	1,70,89,688	1,07,86,299
(b) Provisions	21	1,60,355	1,77,010	2,12,708
(c) Current Tax Liabilities	22	2,20,000	2,20,000	3,466
(d) Other current liabilities	23	3,53,150	9,87,838	19,89,885
<b>Total Equity and Liabilities</b>		<b>24,87,10,796</b>	<b>20,05,00,548</b>	<b>15,94,90,106</b>

for **SIBAR AUTO PARTS LIMITED**

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

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

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

**CA RLN MURTHY**  
(Partner)  
MRN. 217432

Place : Hyderabad  
Date : 29<sup>th</sup> May, 2018

CIN : L34201AP1983PLC003817

## Statement of Profit and Loss for the year ended March 31, 2018

(Amount in ₹)

Particulars	Note No.	Year Ended March 31, 2018	Year Ended March 31, 2017
<b>Revenue from Continuing Operations</b>			
i) Revenue From Operations	24	23,75,46,591	21,67,54,077
ii) Other Income	25	61,85,123	75,18,661
<b>Total Income</b>		<b>24,37,31,714</b>	<b>22,42,72,738</b>
<b>Expenses</b>			
i) Cost of materials consumed	26	16,33,14,979	13,53,49,961
ii) Changes in inventories of finished goods, work-in-progress and stock-in-trade	27	(61,34,272)	(1,40,57,142)
iii) Excise duty paid		52,46,536	2,35,96,441
iv) Employee benefits expense	28	3,97,19,657	3,31,17,122
v) Depreciation and amortisation	29	76,83,978	46,84,622
vi) Finance costs	30	66,17,550	56,31,348
vii) Other expenditure	31	4,32,04,946	3,51,11,648
<b>Total expenses</b>		<b>25,96,53,374</b>	<b>22,34,34,000</b>
<b>Profit/(loss) before exceptional items and tax</b>		(1,59,21,660)	8,38,738
Exceptional Items		-	-
<b>Profit Before Tax</b>		(1,59,21,660)	8,38,738
Tax Expenses		2,65,200	6,47,771
-Current Tax		-	2,20,000
-Deferred Tax		2,65,200	4,27,771
<b>Profit/(loss) for the period from continuing operations</b>		(1,61,86,860)	1,90,967
Profit/(loss) from discontinued operations		-	-
Tax expense of discontinued operations		-	-
<b>Profit/(loss) from discontinued operations after tax</b>		-	-
<b>I Profit/(loss) for the Period</b>		<b>(1,61,86,860)</b>	<b>1,90,967</b>
<b>II Other Comprehensive Income</b>			
i) Items that will not be reclassified to profit or loss:			
-Impairment of allowances in doubt ful 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		-	-
<b>Total Comprehensive Income for the period</b>		<b>(1,61,86,860)</b>	<b>1,90,967</b>
Earnings per equity share :			
(1) Basic		-1.69	0.92
(2) Diluted		-1.69	0.92

for **SIBAR AUTO PARTS LIMITED**as per our Report of Even date  
For **SPC & Associates**  
Chartered Accountants  
F.R.No. 005685S**P. VEERANARAYANA**  
(Chairman & Managing Director)  
DIN:00644259**P. MADHUPRATAP**  
(Executive Director & CFO)  
DIN:00644254**CA RLN MURTHY**  
(Partner)  
MRN. 217432Place : Hyderabad  
Date : 29<sup>th</sup> May, 2018

CIN : L34201AP1983PLC003817  
**Cash Flow Statement For The Year Ended March 31, 2018**  
 (Amount in ₹)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
<b>Cash flow from operating activities</b>		
Profit before income tax from		
Continuing operations	(1,59,21,660)	8,38,738
Discontinued operations		
<b>Profit before income tax including discontinued operations</b>	(1,59,21,660)	8,38,738
Adjustments for		
Depreciation and amortisation expense	76,83,978	46,84,622
Provision for gratuity	(16,655)	(35,698)
Finance costs	66,17,550	56,31,348
Net exchange differences	-	-
	<b>(16,36,787)</b>	<b>1,11,19,010</b>
<b>Change in operating assets and liabilities, net of effects from purchase of controlled entities and sale of subsidiary:</b>		
(Increase)/Decrease in trade receivables	(55,77,445)	(1,60,45,553)
(Increase) in inventories	(1,42,41,543)	(1,21,49,773)
Increase in trade payables	2,33,94,335	1,54,01,324
(Increase) in other financial assets	8,97,967	10,47,761
(Increase)/decrease in other non-current assets	(53,000)	2,48,651
(Increase)/decrease in other current assets	(28,57,467)	5,66,585
Increase (decrease) in other current liabilities	(6,34,688)	(7,85,513)
Increase ( decrease) in financial liabilities	20,56,902	63,03,389
<b>Cash generated from operations</b>	<b>13,48,274</b>	<b>57,05,881</b>
Income taxes paid	-	(2,20,000)
<b>Net cash inflow from operating activities</b>	<b>13,48,274</b>	<b>54,85,881</b>
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment	(2,01,37,684)	(1,83,82,421)
Increase in Term deposits	(7,831)	-
<b>Net cash outflow from investing activities</b>	<b>(2,01,45,515)</b>	<b>(1,83,82,421)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issues of shares	4,50,50,000	-
Proceeds from borrowings	(57,17,986)	1,95,08,202
Interest paid	(66,17,550)	(56,31,348)
<b>Net cash inflow (outflow) from financing activities</b>	<b>3,27,14,464</b>	<b>1,38,76,854</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>1,39,17,223</b>	<b>9,80,314</b>
Cash and cash equivalents at the beginning of the financial year	20,47,669	10,67,355
Effects of exchange rate changes on cash and cash equivalents	-	-
<b>Cash and cash equivalents at end of the year</b>	<b>1,59,64,892</b>	<b>20,47,669</b>



**Statement of Changes in Equity for the period ended 31.03.2018**

**A Equity Share Capital**

Particulars	As at March 31, 2018		As at March 31, 2017	
	No of Shares	Amount (₹)	No of Shares	Amount (₹)
Opening Equity Shares	95,35,100	9,53,51,000	95,35,100	9,53,51,000
Share Warrants of Rs.10 each, paid up Rs.2.50 each	16,00,000	40,00,000	-	-
Shares issued during the period of Rs 10 each	17,40,000	1,74,00,000	-	-
	-	-	-	-
<b>Closing balance of Shares</b>	<b>1,12,75,100</b>	<b>11,67,51,000</b>	<b>95,35,100</b>	<b>9,53,51,000</b>





**B. Other Equity as at March 31, 2018**

(Amount in ₹)

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	-	-	14,43,799	1,76,33,729	(3,79,79,638)	-	-	-	-	-	-	-	-	(1,89,02,110)
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	(1,61,86,860)	-	-	-	-	-	-	-	-	(1,61,86,860)
Dividend and DDT*	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Unamortized premium on forward contract	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Any other changes	22,50,000	-	-	-	-	-	-	-	-	-	-	-	-	2,36,50,000
<b>Balance at the end of the reporting period</b>	<b>22,50,000</b>	<b>-</b>	<b>14,43,799</b>	<b>1,76,33,72</b>	<b>(5,41,66,498)</b>	<b>2,14,00,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(1,14,38,970)</b>



**B. Other Equity as at March 31, 2017**

(Amount in ₹)

Particulars	Share application money pending allotment	Equity Components of compound financial instruments	Reserves & 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								
Balance at the beginning of the reporting period	-	-	14,43,799	1,76,33,729	(3,81,70,605)	-	-	-	-	-	-	-	(1,90,93,077)
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	1,90,967	-	-	-	-	-	-	-	1,90,967
Dividend and DDT*	-	-	-	-	-	-	-	-	-	-	-	-	-
Unamortized premium on forward contract	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-
Any other changes	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance at the end of the reporting period</b>	-	-	<b>14,43,799</b>	<b>1,76,33,729</b>	<b>(3,79,79,638)</b>	-	-	-	-	-	-	-	<b>(1,89,02,110)</b>



**B. Other Equity as at April 1, 2016**

(Amount in ₹)

Particulars	Share application money pending allotment	Equity Components of compound financial instruments	Reserves & 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								
Balance at the beginning of the reporting period	-	-	14,43,799	1,76,33,729	(3,81,70,605)	-	-	-	-	-	-	-	(1,90,93,077)
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend and DDT*	-	-	-	-	-	-	-	-	-	-	-	-	-
Unamortized premium on forward contract	-	-	-	-	-	-	-	-	-	-	-	-	-
Transfer to retained earnings	-	-	-	-	-	-	-	-	-	-	-	-	-
Any other changes	-	-	-	-	-	-	-	-	-	-	-	-	-
<b>Balance at the end of the reporting period</b>	-	-	<b>14,43,799</b>	<b>1,76,33,729</b>	<b>(3,81,70,605)</b>	-	-	-	-	-	-	-	<b>(1,90,93,077)</b>



**Notes to accounts for the year ended March 31, 2018**

**Note 1: Property, Plant and Equipment**

Particulars	(Amount in ₹)									
	Gross carrying value as at April 1, 2017	Additions	Disposal/adjustments	Gross carrying value as at March 31, 2018	Accumulated depreciation as at April 1, 2017	Depreciation for the year	Disposal/adjustments	Accumulated depreciation as at March 31, 2018	Carrying Value as at March 31, 2018	
Land	5,28,99,339	-	-	5,28,99,339	-	-	-	-	5,28,99,339	
Factory Buildings	56,60,624	2,26,574	-	58,87,198	3,06,941	3,08,533	-	6,15,474	52,71,724	
Administrative building	38,00,632	-	-	38,00,632	87,536	87,508	-	1,75,044	36,25,588	
Furniture & Fixtures	90,887	-	-	90,887	10,685	12,498	-	23,183	67,704	
Plant and Machinery	3,08,56,555	2,71,13,796	-	5,79,70,351	21,50,426	28,30,182	-	49,80,608	5,29,89,743	
Computers	10,06,546	24,871	-	10,31,417	6,77,236	1,25,684	-	8,02,920	2,28,497	
Electrical and office Equipment	17,68,229	4,45,752	-	22,13,981	1,14,053	2,07,770	-	3,21,823	18,92,158	
Plating Equipment	37,170	36,492	-	73,662	503	3,046	-	3,549	70,113	
Vehicles	17,68,323	-	-	17,68,323	2,35,901	2,52,374	-	4,88,275	12,80,048	
Dies	1,01,55,730	35,19,248	-	1,36,74,978	11,01,341	38,56,383	-	49,57,724	87,17,254	
<b>Total</b>	<b>10,80,44,035</b>	<b>3,13,66,733</b>	<b>-</b>	<b>13,94,10,768</b>	<b>46,84,622</b>	<b>76,83,978</b>	<b>-</b>	<b>1,23,68,600</b>	<b>12,70,42,168</b>	



(Amount in ₹)

Particulars	Deemed cost as at April 1, 2016	Additions	Disposal/adjustments	Gross carrying value as at March 31, 2017	Accumulated depreciation as at April 1, 2017	Depreciation for the year	Disposal/adjustments	Accumulated depreciation as at March 31, 2017	Carrying Value as at March 31, 2017	Deemed Cost as at April 1, 2016
Land	5,28,99,339	-	-	5,28,99,339	-	-	-	-	5,28,99,339	5,28,99,339
Factory Buildings	56,60,624	-	-	56,60,624	-	3,06,941	-	306,941	53,53,683	56,60,624
Administrative building	38,00,632	-	-	38,00,632	-	87,536	-	87,536	37,13,096	38,00,632
Furniture & Fixtures	75,587	15,300	-	90,887	-	10,685	-	10,685	80,202	75,587
Plant and Machinery	2,69,04,986	39,51,569	-	3,08,56,555	-	21,50,426	-	21,50,426	2,87,06,129	2,69,04,986
Computers	8,48,146	1,58,400	-	10,06,546	-	6,77,236	-	6,77,236	3,29,310	8,48,146
Electrical and office Equipment **	3,68,280	13,99,949	-	17,68,229	-	1,14,053	-	1,14,053	16,54,176	3,68,280
Plating Equipment	-	37,170	-	37,170	-	503	-	503	36,667	-
Vehicles	17,33,055	35,268	-	17,68,323	-	2,35,901	-	2,35,901	15,32,422	17,33,055
Dies	13,27,645	88,28,085	-	1,01,55,730	-	11,01,341	-	11,01,341	90,54,389	13,27,645
<b>Total</b>	<b>9,36,18,294</b>	<b>1,44,25,741</b>	<b>-</b>	<b>10,80,44,035</b>	<b>-</b>	<b>46,84,622</b>	<b>-</b>	<b>46,84,622</b>	<b>10,33,59,413</b>	<b>9,36,18,294</b>

\*As per Para 31(a) of Ind AS 17, For each class of asset acquired, net carrying value at the end of reporting period need to be given\*As per Para 31(e) of Ind AS 17, A general description about lessee's material leasing arrangements including, but not limited, to the following:-a) the basis on which contingent rent payable is determinedb) the existence and terms of renewal or purchase options and escalation clauses; andc) restrictions imposed by lease arrangements, such as those concerning dividends, additional debt, and further leasing

\*\* Prior period errors w.r.t depreciation before FY 2015-16 has been adjusted to the fair value of assets as on 01.04.2016

**Impairment Loss**

Events and circumstances that lead to recognition or reversal of impairment loss need to be stated, as per Para 130 (a) of Ind AS 36 For example impairment loss amounting to Rs. 31/3/2017( Rs. 31/3/2016)Rs. 01/04/2015) relates to Railway Wagon Rakes due to total ban on movement of cargo from Karnataka. As a result, no economic benefits will be derived from the asset.

**Notes to accounts for the year ended March 31, 2018**
**Note 2: Capital Work-in-Progress**

(Amount in ₹)

Particulars	2017-18				2016-17			
	Balance as at April 1, 2017	Additions/ Adjustments during the year	Capitalized during the year	Balance as at March 31, 2018	Balance as at April 1, 2016	Additions/ Adjustments during the year	Capitalized during the year	Balance as at March 31, 2017
Plant and Machinery	1,10,02,475	-	1,10,02,475	-	72,72,369	37,30,106	-	1,10,02,475
Building	2,26,574	-	2,26,574	-	-	2,26,574	-	2,26,574
<b>Total</b>	<b>1,12,29,049</b>	<b>-</b>	<b>1,12,29,049</b>	<b>-</b>	<b>72,72,369</b>	<b>39,56,680</b>	<b>-</b>	<b>1,12,29,049</b>

**Note 3: Trade Receivables Non Current**

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Other Trade Receivables other than from Related parties</b>			
Unsecured, considered good	28,70,706	23,90,049	4,15,936
<b>Total</b>	<b>28,70,706</b>	<b>23,90,049</b>	<b>4,15,936</b>

**Note 4: Other Financial Assets Non-Current**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured, (considered good) Deposits	22,74,051	22,21,051	24,69,702
<b>Total</b>	<b>22,74,051</b>	<b>22,21,051</b>	<b>24,69,702</b>

**Note 5: Inventories**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Finished Goods	8,24,200	14,59,292	5,37,647
Raw Materials	57,20,564	27,02,168	35,21,410
SemiFinished Stock	2,87,21,524	2,19,52,160	88,16,663
Chemical and others	12,55,155	4,59,845	3,73,945
Packing Materials	4,62,101	87,971	49,096
Stores and Spares	34,36,229	11,34,794	12,59,569
Dies	17,71,000	1,53,000	12,41,127
<b>Total</b>	<b>4,21,90,773</b>	<b>2,79,49,230</b>	<b>1,57,99,457</b>



**Note 6: Trade Receivables Current**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Other Trade Receivables other than from Related parties</b>			
Unsecured, considered good	5,21,26,858	4,70,30,070	3,29,58,630
<b>Total</b>	<b>5,21,26,858</b>	<b>4,70,30,070</b>	<b>3,29,58,630</b>

**Note 7: Cash & Cash Equivalents**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Cash on hand	7,12,665	72,278	2,21,714
Balances with Banks			
(a) in Current Account	1,52,52,227	19,75,391	8,45,641
<b>Total</b>	<b>1,59,64,892</b>	<b>20,47,669</b>	<b>10,67,355</b>

**Note 8: Bank Balances other than above**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
AS Margin Money / Under Lien			
In term deposit with original maturity more than 3 months but less than 12 months	7,831	-	-
Others			
<b>Total (A)</b>	<b>7,831</b>	<b>-</b>	<b>-</b>

**Note 9: Other Financial Assets Current**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured (considered good)			
Balances with Excise Department	-	9,07,699	17,90,626
Cash Ledger balance in GST	-	-	-
Accrued Interest	9,732	-	1,13,839
Rent Receivables	98,990	98,990	1,49,985
<b>Total</b>	<b>1,08,722</b>	<b>10,06,689</b>	<b>20,54,450</b>



**Note 10: Current tax Assets**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
TDS	13,00,657	8,84,316	13,24,741
Advance tax paid	-	-	-
MAT Credit	50,853	50,853	-
<b>Total</b>	<b>13,51,510</b>	<b>9,35,169</b>	<b>13,24,741</b>

**Note 11: Other Assets Current**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unsecured (considered good)			
Prepaid Expenses	5,28,771	2,05,685	92,261
GST balances	4,87,400	-	-
Power Subsidy Receivable	6,01,624	-	-
Other Advances	28,21,904	17,86,669	15,39,035
Unsecured Doubtful	-	-	-
Less : Provision for Doubtful Loans	-	-	-
<b>Total</b>	<b>44,39,699</b>	<b>19,92,354</b>	<b>16,31,296</b>

**Note 12: Assets Classified held for sale**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Land	3,33,586	3,39,805	8,77,876
<b>Total</b>	<b>3,33,586</b>	<b>3,39,805</b>	<b>8,77,876</b>

**Note 13: Equity Share Capital**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Authorized</b>			
Ordinary shares of par value of Rs. 10/- each Number	2,00,00,000	1,00,00,000	1,00,00,000
<b>Amount</b>	20,00,00,000	10,00,00,000	10,00,00,000
<b>Issued, subscribed and fully paid</b>			
Ordinary shares of par value of Rs.10/- each Number	1,12,75,100	95,35,100	95,35,100
<b>Amount</b>	11,27,51,000	9,53,51,000	9,53,51,000
Share Warrants 16,00,000 Share Warrants of Rs.10 each , paid up Rs.2.50 each	40,00,000	-	-
<b>Total as on 31st March, 2018</b>	<b>11,67,51,000</b>	<b>9,53,51,000</b>	<b>9,53,51,000</b>



**Reconciliation of number of shares:**

Particulars	As at March 31, 2018	As at March 31, 2017
Opening Equity Shares	95,35,100	95,35,100
Add:-No. of Shares, Share Capital issued/subscribed during the year	17,40,000	-
Less: Deduction	-	-
<b>Closing balance</b>	<b>1,12,75,100</b>	<b>95,35,100</b>

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

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Mr P Madhupratap & P Ravichandra	8,15,000	-	-
Mr.P.Veeranarayana	5,71,650	5,71,650	5,71,650
Mr.P.Madhupratap	16,97,100	16,97,100	16,97,100
Mrs. P.Sugunamma	23,78,680	23,78,680	23,78,680
Mrs.P.Annapurna		5,00,000	5,00,000

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. During year against the unsecured loans of Rs. 2,43,00,000. 8,15,000 shares were allotted at a premium of Rs 10 per share. The Company does not have any holding company.

**Note 14: Other Equity**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Capital Reserve</b>			
Opening balance	1,76,33,729	1,76,33,729	1,76,33,729
Add: Current Year Transfer	-	-	-
Less: Written Back in Current Year	-	-	-
<b>Total</b>	<b>1,76,33,729</b>	<b>1,76,33,729</b>	<b>1,76,33,729</b>
<b>Securities Premim Reserve</b>			
Opening balance	-	-	-
Add: Current Year on issue of shares	2,14,00,000	-	-
Less: Written Back in Current Year	-	-	-
<b>Total</b>	<b>2,14,00,000</b>	<b>-</b>	<b>-</b>
<b>General Reserve</b>			
Opening balance	14,43,799	14,43,799	14,43,799
Add: Current Year Transfer	-	-	-
Less: Written Back in Current Year	-	-	-
<b>Total</b>	<b>14,43,799</b>	<b>14,43,799</b>	<b>14,43,799</b>
<b>Surplus in Profit and Loss account</b>			
Opening balance	(3,79,79,638)	(3,81,70,605)	(3,81,70,605)
Add: Current Year Transfer			
Profit and loss account	(1,61,86,860)	1,90,967	-
<b>Total</b>	<b>(5,41,66,498)</b>	<b>(3,79,79,638)</b>	<b>(3,81,70,605)</b>
Share Application Money	22,50,000	-	-
<b>Total Other Equity</b>	<b>(1,14,38,970)</b>	<b>(1,89,02,110)</b>	<b>(1,90,93,077)</b>



**Note 15: Borrowings Non Current**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>(i) Term Loans</b>			
(a) From Banks			
-Secured			
Vehicle Loans*	-	3,04,345	8,25,361
(b) From Other parties			
-Secured			
- APSFC**	4,18,76,630	4,48,38,541	2,67,59,177
(i) Deposits			
(ii) Loans from Related Parties Unsecured	1,27,28,318	1,27,16,048	1,34,03,098
(iii) Deferred Payment Liabilities			
(iv) Other Loans Unsecured	-	-	21,46,500
<b>Total</b>	<b>5,46,04,948</b>	<b>5,78,58,934</b>	<b>4,31,34,136</b>

\*Term Loan obtained from HDFC secured by hypothecation of Vehicle-Lorry

\*\*Term Loan obtained from APSFC secured by hypothecation of Plant and Machinery proposed to purchased out of Finance and Equitable Mortgage of land and buildings located at Shed Nos.D4 & D5 , D11 and C2 in addition to personal guarantee of Directors

**Note 16: Trade Payable Non Current**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>CURRENT</b>			
Other than MSMEs			
-Trade Payables	25,15,217	38,09,223	47,00,649
<b>Total</b>	<b>25,15,217</b>	<b>38,09,223</b>	<b>47,00,649</b>

**17. Deferred tax assets and liabilities**

Deferred tax assets and liabilities are attributable to the following:

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Deferred Tax Liability</b>			
Property, plant and equipment	20,48,240	17,83,040	13,55,269
<b>Sub Total</b>	<b>20,48,240</b>	<b>17,83,040</b>	<b>13,55,269</b>
<b>Deferred tax Assets</b>			
Employee benefits	-	-	-
<b>Sub Total</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Net Deferred Tax Assets</b>	<b>20,48,240</b>	<b>17,83,040</b>	<b>13,55,269</b>

**Movement in deferred tax balances during the year**

(Amount in ₹)

Particulars	Balance As at March 31, 2017	Recognised in Profit and Loss	Recognised in OCI	Balance As at March 31, 2018
Property, plant and equipment	17,83,040	2,65,200	-	20,48,240
Employee benefits*	-	-	-	-
<b>Total</b>	<b>17,83,040</b>	<b>2,65,200</b>	<b>-</b>	<b>20,48,240</b>

**Movement in deferred tax balances during the year**

(Amount in ₹)

Particulars	Balance As at April 01, 2016	Recognised in profit & loss	Recognised in OCI	Balance As at March 31, 2017
Property, plant and equipment	13,55,269	4,27,771	-	17,83,040
Employee benefits*	-	-	-	-
<b>Total</b>	<b>13,55,269</b>	<b>4,27,771</b>	<b>-</b>	<b>17,83,040</b>

\* Gratuity provision is paid within the filing of the return hence deferred Tax effect is taken as Nil

**Unrecognised Deferred tax assets**

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

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deductible temporary differences		-	-
Tax losses	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Note 18: Borrowings Current**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>(i) Term Loans</b>			
(ii) Loans from Related Parties	24,79,404	47,83,404	-
(iv) Other Loans	1,135	1,61,135	1,61,135
<b>Total</b>	<b>24,80,539</b>	<b>49,44,539</b>	<b>1,61,135</b>

**Note 19: Trade Payable Current**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>CURRENT</b>			
Other than MSMEs			
-Trade Payables	1,89,15,222	3,33,79,982	1,72,29,930
MSMEs	4,29,54,504	76,10,627	83,59,355
<b>Total</b>	<b>6,18,69,726</b>	<b>4,09,90,609</b>	<b>2,55,89,285</b>

**Note 20: Other Financial Liabilities Current**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current payables of Long Term Debts	1,07,96,000	1,07,96,000	48,96,000
Salaries and other employees payables	39,71,322	30,68,443	34,67,031
Other Expenses payable	43,79,268	32,25,245	24,23,268
<b>Total</b>	<b>1,91,46,590</b>	<b>1,70,89,688</b>	<b>1,07,86,299</b>

**Note 21: Provisions**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provision for Gratuity	1,60,355	1,77,010	2,12,708
<b>Total</b>	<b>1,60,355</b>	<b>1,77,010</b>	<b>2,12,708</b>

**Note 22 : Current Tax Liabilities**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provision for Income Tax	2,20,000	2,20,000	3,466
<b>Total</b>	<b>2,20,000</b>	<b>2,20,000</b>	<b>3,466</b>

**Note 23: Other Current Liabilities**

(Amount in ₹)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>Non Current</b>			
<b>Current</b>			
Advance Received from Customers	-	7,94,977	17,36,893
Statutory dues Payable	3,53,150	1,92,861	2,52,992
Others			
<b>Total</b>	<b>3,53,150</b>	<b>9,87,838</b>	<b>19,89,885</b>

**Note 24: Revenue From Operations**

(Amount in ₹)

Particulars	For the year ended March 31,2018	For the year ended March 31,2017
Sale of Products	23,08,80,120	21,19,40,919
Sale of Services	66,66,471	48,13,158
<b>Total</b>	<b>23,75,46,591</b>	<b>21,67,54,077</b>

**Note 25: Other Income**

(Amount in ₹)

Particulars	For the year ended March 31,2018	For the year ended March 31,2017
<b>Interest Income</b>		
- From Fixed Deposits	74,177	1,98,458
- Others(IT refund)		38,776
<b>Other Non Operating Revenue (Net of expenses directly attributable to such income)</b>		
- Liabilities Written Back	23,84,068	40,96,104
- Rent Recived	-	1,99,650
- Power Subsidy	29,29,469	-
- Misc. Receipt	7,97,409	29,85,673
<b>Total</b>	<b>61,85,123</b>	<b>75,18,661</b>

**Note 26: Cost of Materials Consumed**

(Amount in ₹)

Particulars	For the year ended March 31,2018	For the year ended March 31,2017
Stores & Spares	2,53,53,540	1,98,68,510
Chemicals	78,29,429	60,34,069
Packing Materials	9,42,165	8,53,925
Raw Materials	12,79,66,800	10,47,16,687
HSD	26,419	1,57,216
Dies	11,96,626	34,71,701
Plasting Equipment	-	2,47,853
<b>TOTAL</b>	<b>16,33,14,979</b>	<b>13,53,49,961</b>

**Note 27: Changes in Inventory**

(Amount in ₹)

Particulars	For the year ended March 31,2018	For the year ended March 31,2017
<b>A. Finished Goods</b>		
Opening Balance	14,59,292	5,37,647
Closing Balance	8,24,200	14,59,292
Changes in Inventory of Finished Goods	6,35,092	(9,21,645)
<b>B. Semi Finished</b>		
Opening Balance	2,19,52,160	88,16,663
Closing Balance	2,87,21,524	2,19,52,160
Changes in Inventory of Stock in Trade	(67,69,364)	(1,31,35,497)
<b>Net (Increase) /Decrease</b>	<b>(61,34,272)</b>	<b>(1,40,57,142)</b>

**Note 28: Employees' Benefit Expenses**

(Amount in ₹)

Particulars	For the year ended March 31,2018	For the year ended March 31,2017
Wages	1,27,61,534	78,26,447
Labour Contract	68,27,562	13,62,968
Directors other Perks	6,69,092	2,21,702
Directors Remuneration	14,40,000	12,40,000
Employer Contribution to ESI	5,40,417	4,99,332
Employer Contribution to Provident Fund	3,71,718	3,36,840
House Rent Allowance	6,00,000	6,00,000
Medical Allowance	3,60,000	3,60,000
Medical Expenses	1,39,834	2,19,208
Incentives	1,18,08,633	1,69,51,774
Salaries	13,66,021	12,06,885
Bonus	12,00,000	11,65,512
Staff Welfare	15,74,491	10,49,444
Gratuity	60,355	77,010
<b>Total</b>	<b>3,97,19,657</b>	<b>3,31,17,122</b>

**Note 29 : Depreciation And Amortization Expenses**

(Amount in ₹)

Particulars	For the year ended March 31,2018	For the year ended March 31,2017
<b>Depreciation / Amortisation for the year</b>		
Depreciation	76,83,978	46,84,622
<b>Total</b>	<b>76,83,978</b>	<b>46,84,622</b>

**Note 30: Financial Cost**

(Amount in ₹)

Particulars	For the year ended March 31,2018	For the year ended March 31,2017
<b>Interest Income</b>		
Interest on Term Loan from A.P.S.F.C	61,05,694	53,65,012
Interest on Vehicle Loans from HDFC	13,238	82,944
Interest Others	4,98,618	1,83,392
<b>Total</b>	<b>66,17,550</b>	<b>56,31,348</b>

**Note 31: Other Expenses**

(Amount in ₹)

Particulars	For the year ended March 31,2018	For the year ended March 31,2017
<b>Interest Income</b>		
<b>Manufacturing Expenses</b>		
Conversion Charges	8,04,360	13,33,430
Machining Charges	52,79,749	25,75,517
Power Charges	1,48,93,772	1,10,53,036
Repair Maintenance -Building	5,49,378	2,95,251
Repair Maintenance -Electricals	1,62,762	1,62,439
Repair Maintenance -Others	2,02,757	4,10,755
Repair Maintenance -Plant & Machinery	4,16,477	8,39,785
<b>Sub total (a)</b>	<b>2,23,09,255</b>	<b>1,66,70,213</b>
<b>Selling &amp; Administrative Expenses :</b>		
Advertisement	25,224	96,340
AG Meeting Expenses	49,846	30,871
Audit Fees	1,75,000	1,75,000
Bank Charges	36,202	17,353
Bill Discounting Charges	14,05,673	-
Calibration & Analysis Charges	3,63,997	2,15,274
Cleaning & Loading un Loading Charges	4,53,905	3,53,299
Canteen	16,12,467	22,72,427
Commission	-	1,06,455
Consultancy	13,07,020	16,21,766
Conveyance Expenses	4,11,896	1,36,702



Particulars	(Amount in ₹)	
	For the year ended March 31,2018	For the year ended March 31,2017
Custody Fees	60,000	60,000
Director Sitting Fees	2,85,000	2,25,000
Directors Foreign Travel	-	3,07,230
Directors Travelling	7,28,341	6,84,957
Donations	5,001	-
Fees Account	11,62,532	11,395
Filing Charges	19,300	32,505
Freight outward	30,36,663	18,92,800
Helium Leak Testing Charges	1,58,655	-
Income Tax	-	53,210
Insurance	1,41,919	240,301
Interest on TDS	1,538	70
Jouranals & Periodicals	4,320	3,905
Internal Audit Fees	60,000	60,000
Krishi Kalyan Cess	14,161	24,677
Legal and Professional Charges	1,37,169	-
Listing Fees	2,50,000	2,00,000
Miscellaneous Expenses	3,67,246	1,89,702
Office Maintennace Expenses	1,72,918	65,987
Pooja Expenses	2,82,236	2,42,343
Postage & Telagram	1,98,015	1,80,941
Power Coating Expenses	1,37,620	-
Printing & Staionery	3,22,757	3,46,656
Processing and Inspection Charges	2,50,000	1,85,595
Professional Tax	2,500	2,500
Rates & Taxes and Fines	2,22,692	1,08,084
Repairs & Maintenance office Equipment	2,62,156	1,52,164
Revenue South Central Railway	-	7,000
Sales promotions Expenses	6,74,855	8,83,637
Servuce Charges	-	13,000
Service Tax (CAB)	19,938	72,754
Subcription	4,140	52,046
Swatch Bharat Cess	14,161	29,640





(Amount in ₹)

Particulars	For the year ended March 31,2018	For the year ended March 31,2017
Telaphone & Fax	2,65,248	4,50,187
Travelling Expenses	9,97,637	12,05,035
Vehicle Maintenance Expenses	23,61,903	29,75,815
Vehicle hire charges	17,14,383	14,17,517
Watch & Ward	7,19,458	10,39,296
<b>Sub Total (b)</b>	<b>2,08,95,691</b>	<b>1,84,41,435</b>
<b>Total (a+b)</b>	<b>4,32,04,946</b>	<b>3,51,11,648</b>

(i) Amount paid to auditors:

(Amount in ₹)

Particulars	For the year ended March 31,2018	For the year ended March 31,2017
As Auditor	1,75,000	1,75,000
For Taxation Matters/Tax Audit	-	-
For Other Services	-	-
For Reimbursement of Expenses	-	-
<b>Total</b>	<b>1,75,000</b>	<b>1,75,000</b>



**NOTE: 32 First time adoption of Indian Accounting Standards (Ind AS) - Ind AS 101**

All companies having that are being listed with stock exchange are required to adopt Ind AS. Accordingly, the company has adopted Ind AS, in accordance with Notification dated February 16, 2015 issued by Ministry of Corporate Affairs, Government of India, with effect from April 01, 2017 with transition date on April 01, 2016.

**Transition from IGAAP to Ind AS:**

These financial statements, for the year ended March 31, 2018, are the first financial statements prepared by the Company in accordance with Ind AS. For years upto and including the year ended March 31, 2017, the company prepared its financial statements in accordance with accounting standards notified under Section 133 of the Companies Act, 2013 read together with paragraph 7 of Companies (Accounts) Rules, 2014 and accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) (herein after referred as IGAAP).

The company has prepared Ind AS compliant financial statements for the year ending March 31, 2018. Accordingly, the company has prepared opening Ind AS balance sheet as at April 01, 2016, the company's date of transition to Ind AS in accordance with requirement of Ind AS 101, "First-time Adoption of Indian Accounting Standards". The principal adjustments made by the company in restating its IGAAP financial statements, including the balance sheet as at April 01, 2016 and the balance sheet as at and the Statement of Profit & Loss for the year ended March 31, 2017, are explained in detail in the accompanying reconciliation statement and the basic approach adopted is summarized hereunder:

- i) All assets and liabilities have been classified into financial assets/liabilities and non-financial assets/liabilities.
- ii) In accordance with Ind AS 101, the resulting adjustments are considered as arising from events and transactions entered before the date of transition and recognized directly in the retained earnings at the date of transition to Ind AS.
- iii) Ind AS 101 also allows first time adopter certain exemptions from the retrospective application of certain requirements under Ind AS. Accordingly, the company has availed the following exemptions/mandatory exceptions as per Ind AS 101:

- a) **Deemed Cost for Property, Plant & Equipment and Intangible assets (PPE):** The Company has availed exemption under para D7AA of appendix D to Ind AS 101 which permits a first time adopter to continue with the carrying values as per IGAAP for its PPE as at the date of transition to Ind AS.

The Land has been revalued and has been considered as the fair value. The revalued amount of land is INR 5,28,99,339.

- b) **Classification & Fair value measurement of financial assets or financial liabilities at initial recognition:** The financial assets and financial liabilities have been classified on the basis of facts existing as at the date of transition to Ind AS.

- i) The investments were treated unrealizable and thus the fair value of investments has been treated as Nil for the purpose of preparation of financial statements.

- ii) The trade receivables amounting to INR 42,98,422 were treated unrealizable and thus the fair value of trade receivables has been treated as Nil for the purpose of preparation of financial statements.

- iii) Other current assets amounting to INR 1,50,000 were treated unrealizable and thus the fair value of other current assets to that extent as Nil for the purpose of preparation of financial statements.

- iv) Prior period expenses amounting to INR 3,99,381 were adjusted to the other current liabilities.

**Deferred Tax:** The Company recalculated the deferred tax using balance sheet method as defined under Ind-AS. Accordingly, the deferred tax asset is Nil as at March 31, 2017 and deferred tax asset Nil is as at April 01, 2016. Consequently, the retained earnings have been adjusted accordingly.

**Retained Earnings:**

Retained earnings as at April 1, 2016 and as at March 31, 2017 have been adjusted consequent to the above Ind-AS transition adjustments, details are given in annexure below.

**Appendix to Note on transition from previous GAAP to IND-AS**

Reconciliation between previous GAAP and IndAS

## Reconciliation of Equity as at the date of transition to IndAS ( April 1 2016)

(Amount in ₹)

Particulars	Note to transition to IND-AS	Previous GAAP*	Adjustments	Ind AS
<b>ASSETS</b>				
<b>1. Non-current assets</b>				
(a) Property, Plant and Equipment		4,34,30,301	5,01,87,993	9,36,18,294
(b) Capital work-in-progress		72,72,369	-	72,72,369
(c) Investment Property				
(d) Other intangible assets			-	-
(e) Intangible Assets Under Development				
(f) Financial Assets				
(i) Investments		7,01,500	(7,01,500)	-
(ii) Trade Receivables		47,14,358	(42,98,422)	4,15,936
(iii) Loans				
(iv) Other Financial Assets			-	-
(g) Deferred tax Assets (net)			-	-
(h) Other non-current Assets		24,69,702		24,69,702
<b>2. Current Assets</b>				
(a) Inventories		1,57,99,457	-	1,57,99,457
(b) Financial Assets				
(i) Investments				
(ii) Trade Receivables		3,29,58,630	-	3,29,58,630
(iii) Cash & Cash Equivalents		10,67,355	-	10,67,355
(iv) Bank Balances other than (iii) above		-	-	-
(v) Loans		-	-	-
(iv) Other Financial Assets		20,54,450	-	20,54,450
(c) Current Tax Assets		13,24,741	-	13,24,741
(d) Other Current Assets		17,81,296	(1,50,000)	16,31,296
(e) Assets held for sales		8,77,876	-	8,77,876
<b>Total Assets</b>		<b>11,44,52,035</b>	<b>4,50,38,071</b>	<b>15,94,90,106</b>

(Amount in ₹)				
Particulars	Note to transition to IND-AS	Previous GAAP*	Adjustments	Ind AS
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
(a) Equity Share Capital		9,53,51,000		9,53,51,000
(b) Other Equity		(6,37,30,265)	4,46,37,188	(1,90,93,077)
<b>LIABILITIES</b>				
<b>1. Non-current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings		4,31,34,136	-	4,31,34,136
(ii) Trade Payables				
(iii) Other Financial Liabilities				
(b) Provisions			-	-
(c) Other non-current liabilities		-		-
(d) Deferred Tax liabilities		13,53,767	1,502	13,55,269
<b>2. Current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings		1,61,135	-	1,61,135
(ii) Trade payables		2,55,89,285	-	2,55,89,285
(iii) Other Financial Liabilities		1,03,86,917	3,99,381	1,07,86,298
(b) Provisions		2,12,708		2,12,708
(c) Current Tax Liabilities		3,466	-	3,466
(d) Other current liabilities		19,89,885	-	19,89,885
<b>Total Equity and Liabilities</b>		<b>11,44,52,034</b>	<b>4,50,38,071</b>	<b>15,94,90,105</b>

**Reconciliation of Equity as at the date of transition to IndAS (March 31 2017)**

(Amount in ₹)

Particulars	Note to transition to IND-AS	Previous GAAP*	Adjustments	Ind AS
<b>ASSETS</b>				
<b>1. Non-current assets</b>				
(a) Property, Plant and Equipment		10,33,99,880	(40,467)	10,33,59,413
(b) Capital work-in-progress		1,12,29,049	-	1,12,29,049
(c) Investment Property		-	-	-
(d) Other intangible assets		-	-	-
(e) Intangible Assets Under Development		-	-	-
(f) Financial Assets				
(i) Investments		-	-	-
(ii) Trade Receivables		23,90,049	-	23,90,049
(iii) Loans		-	-	-
(iv) Other Financial Assets		22,21,051	-	22,21,051
(g) Deferred tax Assets (net)			-	-
(h) Other non-current Assets			-	
<b>2. Current Assets</b>				
(a) Inventories		2,79,49,230	-	2,79,49,230
(b) Financial Assets				
(i) Investments				
(ii) Trade Receivables		4,70,30,070	-	4,70,30,070
(iii) Cash & Cash Equivalents		20,47,669	-	20,47,669
(iv) Bank Balances other than (iii) above		-	-	-
(v) Loans		-	-	-
(iv) Other Financial Assets		10,06,689	-	10,06,689
(c) Current Tax Assets		9,35,169	-	9,35,169
(d) Other Current Assets		19,92,354	-	19,92,354
(e) Assets held for sales		3,39,805	-	3,39,805
<b>Total Assets</b>		<b>20,05,41,015</b>	<b>(40,467)</b>	<b>20,05,00,548</b>

(Amount in ₹)				
Particulars	Note to transition to IND-AS	Previous GAAP*	Adjustments	Ind AS
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
(a) Equity Share Capital		9,53,51,000	-	9,53,51,000
(b) Other Equity		(1,88,49,139)	(52,971)	(1,89,02,110)
<b>LIABILITIES</b>				
<b>1. Non-current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings		5,78,58,934	-	5,78,58,934
(ii) Trade Payables				
(iii) Other Financial Liabilities				
(b) Provisions			-	-
(c) Other non-current liabilities				
(d) Deferred Tax liabilities		17,70,536	12,504	17,83,040
<b>2. Current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings		49,44,539	-	49,44,539
(ii) Trade payables		4,09,90,609	-	4,09,90,609
(iii) Other Financial Liabilities		1,70,89,689	-	1,70,89,689
(b) Provisions		1,77,010	-	1,77,010
(c) Current Tax Liabilities		2,20,000	-	2,20,000
(d) Other current liabilities		9,87,838	-	9,87,838
<b>Total Equity and Liabilities</b>		<b>20,05,41,015</b>	<b>(40,467)</b>	<b>20,05,00,548</b>



**Note 33: 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:

(Amount in ₹)

Particulars	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Profit before tax	-	11,09,645
Enacted Tax rates for the financial year	25.00%	30.00%
Expected tax expense (A)	-	3,32,894
Tax affect on allowable items (B)	-	17,96,418
Tax affect on disallowable items (C)	-	16,80,902
Tax on incomes chargeable under other heads (D)	-	-
Provision for income tax for the current year (A+B+C+D)	-	2,17,377
Interest on income tax for the year	-	2623
Current tax for the year	-	2,20,000
Tax credits allowable	-	-
Deferred tax for the year	2,65,200	4,27,771
Tax expense of earlier years adjusted	-	-
<b>Net tax expense for the year</b>	<b>2,65,200</b>	<b>6,47,771</b>

**Note 34: Employee Benefits**

- a) **Provident Fund:** Company pays fixed contribution to provident fund at predetermined rates to the government authorities. The contribution of Rs.3,71,718 (Previous year Rs.3,36,840) 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, 2018 are as follows:

(Amount in ₹)		
<b>I. Change in Benefit obligation :</b>	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Present value of obligation as at the beginning	9,42,551	8,81,989
Interest Cost	75,404	66,149
Current Service Cost	97,255	85,267
Prior Service cost	-	-
Benefits paid	-	-
Actuarial (gain) / loss	(63,064)	(90,854)
<b>Present value of obligation at the end of the period</b>	<b>10,52,146</b>	<b>9,42,551</b>
<b>II. Change in Fair value of plan assets</b>	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Fair value of Plan Assets at the beginning of the year	9,70,309	8,01,015
Expected return on plan assets	80,678	67,775
Contributions	63,021	1,01,519
Benefits paid	-	-
Premium Expense	-	-
Actuarial gain/loss on plan assets	-	-
<b>Fair value of planned assets at the end of the period</b>	<b>11,14,008</b>	<b>9,70,309</b>
<b>III. Expenses recognized in the Statement of Profit &amp; Loss :</b>	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Interest Cost	75,404	66,149
Current Service Cost	97,255	85,267
Prior Service cost	-	-
Expected return on Plan Assets	(80,678)	(67,775)
Net Actuarial (gain)/loss recognized in the period	(63,064)	(90,854)
Premium Expense	-	-
<b>Expenses recognized in the statement of Profit &amp; Loss</b>	<b>28,917</b>	<b>(7,213)</b>
<b>IV. Amounts recognized in the Balance Sheet</b>	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Present value of Obligation as at the end of the period	10,52,146	9,42,551
Fair value of Plan Assets at the end of the period	1,14,005	9,70,309
Funded Status	61,859	27,758
Urecognised Past Service cost	-	-
<b>Net Asset or Liability recognised in the Balancesheet</b>	<b>61,859</b>	<b>27,758</b>



(Amount in ₹)		
<b>V. Actual Return of plan assets:</b>	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Actual Return on Plan Assets	80,678	67,775
<b>VI. Movement in Balance Sheet</b>	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Opening Liability	1,77,010	2,12,708
Expenses as above	28,917	(7,213)
Contribution paid	(45,572)	(28,485)
<b>Closing Liability</b>	<b>1,60,355</b>	<b>1,77,010</b>
<b>VII. Principal Assumptions</b>	As at 31 <sup>st</sup> March, 2018	As at 31 <sup>st</sup> March, 2017
Discounting Rate	7.50%	8.00%
Salary Escalation Rate	7.00%	7.00%
Expected rate of return on plan assets	7.25%	7.25%

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

#### Note 35: 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. Veeramarayana
- iv) Mr. A.R. Chowdary
- v) Mr. B.P. Jetty
- vi) Ms. P. Sugunamma

##### B. Holding and Associate Companies

Nil

**C. Transaction with Related Parties**

(Amount in lacks )

Particulars	Key Management Personnel		Relatives of KMP	
	2017-18	2016-17	2017-18	2016-17
<b>1. Transaction during the year</b>				
a. Remuneration Paid	21.96	18.07	3.74	3.32
b. Vehicle Hire Charges	15.78	9.22	-	-
<b>2. Balances as at 31.03.18</b>				
a. Share Capital held by	569.46	487.96	64.00	64.00
b. Share Warrants	40.00	-	-	-
c. Remuneration Payable	0.97	3.07	0.66	0.28
d. Vehicle Hire Charges payable	0.57	1.81	-	-
e. Unsecured loans	129.03	127.17	-	-

**Note 36: Earnings per Share**

Particulars		2017-18	2016-17
Profit/ (Loss) after Tax	Rs	(1,61,86,860)	1,90,967
The weighted average number of ordinary shares for			
Basic EPS	Nos	95,54,168	95,35,100
Diluted EPS	Nos	95,54,168	95,35,100
The nominal value per Ordinary Share	Rs	10	10
<b>Earnings per share</b>			
<b>Basic</b>		<b>-1.69</b>	<b>0.20</b>
<b>Diluted</b>		<b>-1.69</b>	<b>0.20</b>

Dividend : The Board of Directors have recommended a dividend at Rs Nil per share of Rs.10 amounting to RsNil for the year 2017-18 excluding dividend distribution tax

<b>Note 37 Contingent liabilities and commitments (to the extent not provided for)</b>	2017-2018	2016-2017
<b>Contingent liabilities</b>		
Claims against the company not acknowledged as debt	-	-
<b>Total</b>	-	-

**Note 38 Segmental Reporting :**

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

**Note 39: 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 ₹ as of March 31, 2018**

Particulars	Cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
<b>Assets:</b>					
Cash & Cash Equivalents	1,59,64,892	-	-	1,59,64,892	1,59,64,892
Trade Receivable	5,49,97,564	-	-	5,49,97,564	5,49,97,564
Other Financial Assets	81,81,813	-	-	81,81,813	81,81,813
<b>Liabilities:</b>					
Trade Payable	6,43,84,944	-	-	6,43,84,944	6,43,84,944
Borrowings	5,70,85,487	-	-	5,70,85,487	5,70,85,487
Other Financial Liabilities	1,97,19,740	-	-	1,97,19,740	1,97,19,740

**Amount in Rs as of March 31, 2017**

Particulars	Cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
<b>Assets:</b>					
Cash & Cash Equivalents	20,47,669	-	-	20,47,669	20,47,669
Trade Receivable	4,94,20,119	-	-	4,94,20,119	4,94,20,119
Other Financial Assets	61,55,263	-	-	61,55,263	61,55,263
<b>Liabilities:</b>					
Trade Payable	4,09,90,609	-	-	4,09,90,609	4,09,90,609
Borrowings	6,28,03,473	-	-	6,28,03,473	6,28,03,473
Other Financial Liabilities	1,82,97,526	-	-	1,82,97,526	1,82,97,526

## Amount in Rs as of April 1 2016

Particulars	Cost	Financial assets/ liabilities at FVTPL	Financial assets/ liabilities at fair value through OCI	Total carrying value	Total fair value
<b>Assets:</b>					
Cash & Cash Equivalents	10,67,355	-	-	10,67,355	10,67,355
Trade Receivable	3,33,74,566	-	-	3,33,74,566	3,33,74,566
Other Financial Assets	74,80,189	-	-	74,80,189	74,80,189
<b>Liabilities:</b>					
Trade Payable	2,55,89,285	-	-	2,55,89,285	2,55,89,285
Borrowings	4,32,95,271	-	-	4,32,95,271	4,32,95,271
Other Financial Liabilities	1,27,79,650	-	-	1,27,79,650	1,27,79,650

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 an 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. The Company's exposure to credit risk is influenced mainly by Government Orders

**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 2018 is INR Nil (March 31 2017 INR NIL & March 31 2016 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, 2018

(Amount in ₹)

Particulars	Gross Carrying Amount	Less than one year	More than one year	More than Two year	More than Three year
Gross Carrying Amount	5,49,97,564	5,21,26,858	5,20,834	19,37,516	4,12,356
Expected Credit loss	-	-	-	-	-
Carrying amount (net of impairment)	5,49,97,564	5,21,26,858	5,20,834	19,37,516	4,12,356

For the year ended March 31, 2017

(Amount in ₹)

Particulars	Gross Carrying Amount	Less than one year	More than one year	More than Two year	More than Three year
Gross Carrying Amount	4,94,20,119	4,70,30,070	19,75,893	1,44,198	2,69,958
Expected Credit loss	-	-	-	-	-
Carrying amount (net of impairment)	4,94,20,119	4,70,30,070	19,75,893	1,44,198	2,69,958

As on April 1, 2016

(Amount in ₹)

Particulars	Gross Carrying Amount	Less than one year	More than one year	More than Two year	More than Three year
Gross Carrying Amount	3,33,74,566	3,29,28,629	1,51,706	2,64,229	-
Expected Credit loss	-	-	-	-	-
Carrying amount (net of impairment)	3,33,74,566	3,29,28,629	1,51,706	2,64,229	-

**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 committed credit lines.

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

(Amount in ₹)

Particulars	Gross Carrying Amount	Less than one year	More than one year	More than Two year	More than Three year
<b>As on March 31 2018</b>					
Trade Payables	6,43,84,943	6,18,69,726	7,40,886	5,31,430	12,42,901
Other Financial liabilities					
<b>As on March 31 2017</b>					
Trade Payables	4,09,90,608	3,71,81,385	6,37,782	31,71,441	-
Other Financial liabilities					
<b>As on April 1 2016</b>					
Trade Payables	2,55,89,285	2,21,25,528	26,71,441	35,294	19,93,914
Other Financial liabilities					

**Note 40: Expenditure in Foreign Currency**

(Amount in ₹)

Particulars	2017-18	2016-17
Foreign Travel	-	3,07,230
<b>Total</b>	-	3,07,230

**Note 41: The disclosure relating to transactions with Micro, Small and Medium Enterprises**

Sundry Creditors includes Rs. INR 4,29,54,504 /-(previous year Rs. 76,10,627/-) 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 42: 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 43: Confirmations**

The Company requested its debtors and creditors confirmation which are pending.

**Note 44:**

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

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

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

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

**CA RLN MURTHY**  
 (Partner)  
 M. No. 217432

Place: Tirupati

Date : 29<sup>th</sup> May, 2018



Notes forming part of Accounts for the year ended March 31, 2018

**Note 1 : COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES:**

**a. Corporate overview**

Sibar Auto Parts Limited ("the Company") incorporated in 1996 under the Companies Act. The Company is in the business of manufacture and sale of spare parts for automobiles. The registered office is at D4D5, Industrial Estate Renigunta Road Tirupati, Andhra Pradesh. The Company has been listed with Bombay Stock Exchange (BSE) and National Stock Exchange (NSE).

**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, 2017 and in the years prior to 2017, 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 28th May 2018

**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 ASs.

**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 realised 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 realised 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 recognised 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.

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

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

**a. 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.

**b. 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.

**c. 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.

**d. Inventories**

Inventories are valued at the lower of cost and net realisable value except scrap and by products which are valued at net realisable 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 realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

e. **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.

f. **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.

g. **Leases**

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

**Company as a lessee**

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the company is classified as a finance lease.

Operating lease payments are recognized as an expense in the statement of profit and loss on a straight-line basis over the lease term.

h. **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.

i. **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.

j. **Research and Development**

All expenses incurred for Research & Development are charged to revenue as incurred. Capital Expenditure incurred during the year on Research & Development is shown as additions to Fixed Assets.

k. **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.

l. **Segment Information:**

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

j. **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.

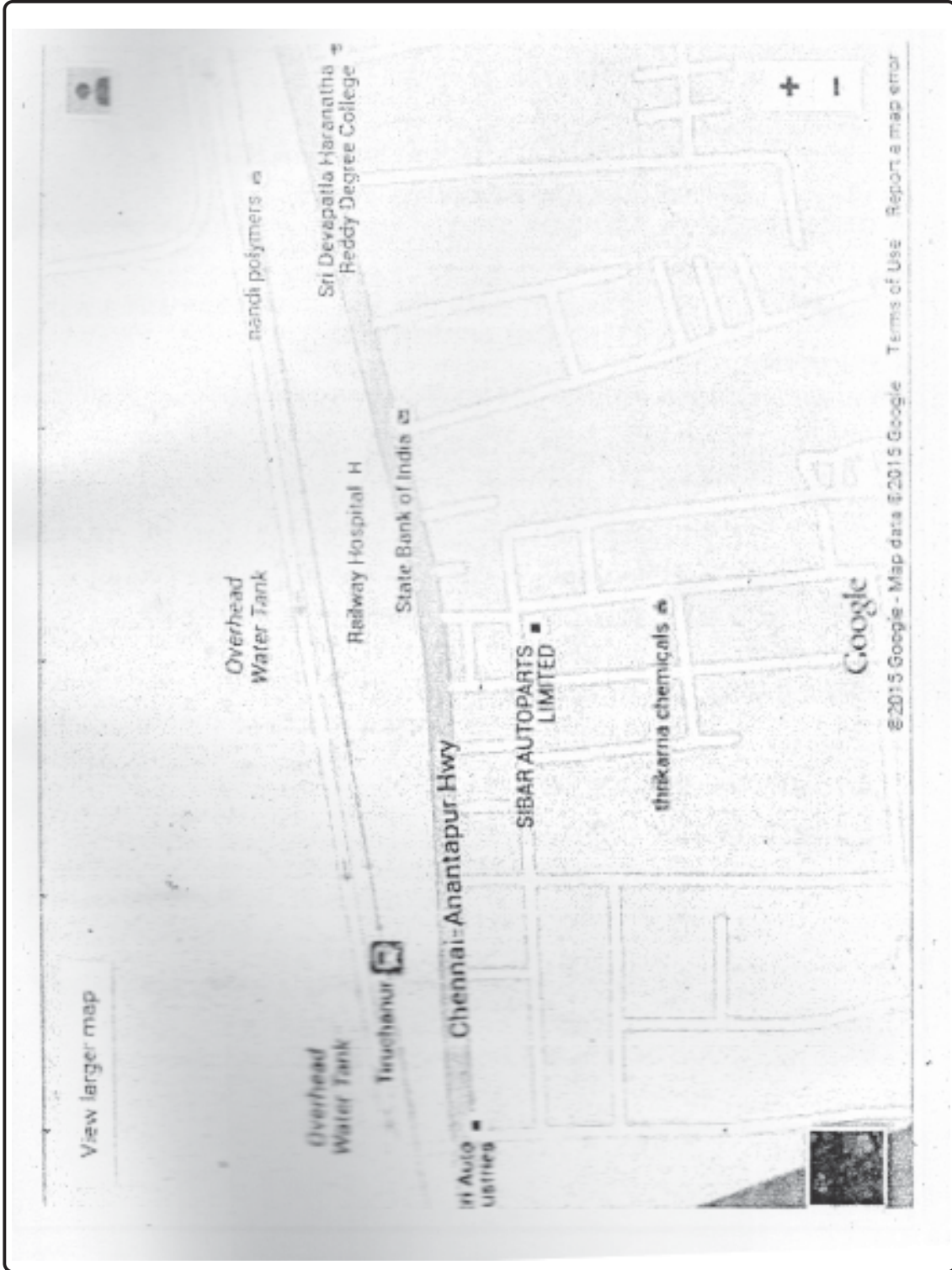
for SPC & Associates  
Chartered Accountants  
F.R.No. 005685S

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

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

**CA RLN MURTHY**  
(Partner)  
M. No. 217432

Place: Tirupati  
Date : 29<sup>th</sup> May, 2018





**Attendanc Slip**

**SIBAR AUTO PARTS LIMITED**

CIN : L34201AP1983PLC003817

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

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

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

DP ID :

Folio No. :

Client ID :

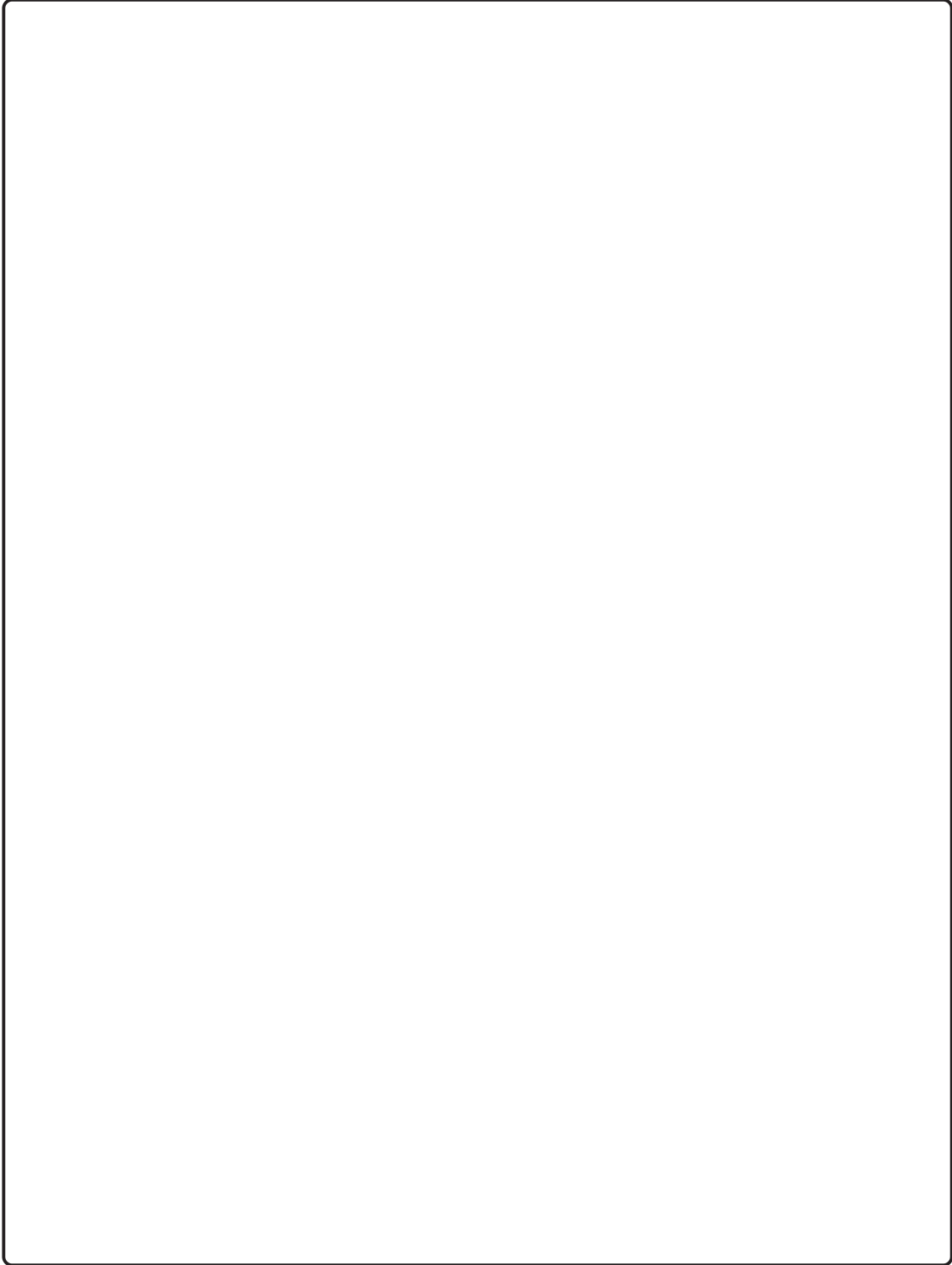
No. of Shares :

Name and Address of the Shareholder

I hereby record my presence at the 35th Annual General Meeting of the Company held  
on 27th September, 2018 at 03.30 p.m. at D4 & D5, Industrial Estate,  
Renigunta Road, Tirupati - 517 506.

\* Applicable for investors holding shares in electronic form

Signature of the Shareholder / Proxy





## SIBAR AUTO PARTS LIMITED

CIN NO. L34201AP1983PLC003817

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

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

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

### 35<sup>TH</sup> ANNUAL GENERAL MEETING Form No. MGT-11 PROXY FORM

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

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

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

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

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

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

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

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

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

as my /our proxy to attend and vote (on a poll) for me / our behalf at the 35<sup>th</sup> Annual General Meeting (AGM) of the Company to be held on Thursday, 27<sup>th</sup> day of September, 2018 at 03.30P.M at D4 & D5, Industrial Estate, Renigunta Road, Tirupathi- 517506 and at any adjournment thereof in respect of such resolutions as are indicated below:



Resolution Number	Description	Optional (✓)	
		For	Against
Ordinary Business			
1	Adoption of the Audited Balance Sheet as at March 31, 2018 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.		
2.	Appointment of Mrs. Pemmasani Sugunamma as a Director eligible retire by rotation.		
Special Business			
3.	Revision of Remuneration payable to Mr. P.Veeranarayana, Chairman & Managing Director of the Company.		
4.	Revision of Remuneration payable to Mr. P.Madhupratap, Executive Director & CFO of the Company.		
5.	Revision of Remuneration payable to Mr. P. Ravichandra Technical Director of the Company.		

Signed this ..... day of .....2018.

Signature of Shareholder.....

Affix  
Revenue  
Stamp

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

**Note:**

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



**35th ANNUAL REPORT**  
**2017-2018**



**SIBAR**  
**AUTOPARTS LIMITED**



**BOOK POST**

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