



SAR AUTO PRODUCTS LIMITED

Regd. Off : 50-E, Bhaktinagar Industrial Estate, RAJKOT. (GUJARAT) INDIA
Web site : www.sarautoproductsltd.com E-Mail : sapl@sarautoproductsltd.com
Ph.: +91 281 2374726, Fax : +91 281 2376806

CIN No. L34100GJ1987PLC010088

November 24, 2016.

BSE Ltd
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai-400 001

Respected Sir/Madam,

Sub: Submission of Annual Report for the year ended on 31-03-2016

As mentioned in the captioned subject matter find enclosed herewith

1. Annual Report for the year ended on 31st March, 2016 as per the requirement of Regulation 34 (1).

Please take the same in your record and oblige us.

Thanking you

Yours faithfully

For SAR AUTO PRODUCTS LIMITED

Chintan
AUTHORISED SIGNATORY

Encl: As Above





ANNUAL REPORT 2015-16

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COMPANY INFORMATION

BOARD OF DIRECTORS

Rameshkumar Dhurlabjibhai Virani	Chairman And Managing Director
Shreyas Rameshbhai Virani	Whole-Time Director
IssacThomas Charianthomas Kavunkal	Independent Director
Aarti Chintan Sodha	Independent Director

KEY MANAGERIAL PERSONNEL

Rameshkumar Dhurlabjibhai Virani	- Managing Director
Shreyas Rameshbhai Virani	- Whole-time Director
Ronak M. Khanvani	- Company Secretary
Shreyas Rameshbhai Virani	- Chief Financial officer

STATUTORY AUDITORS

Arun M. Kothari
Chartered Accountant
4, Jaygujarat Society,
Opp. Police Commissioner Office,
Shahibaug
Ahmedabad – 380 004

SECRETARIAL AUDITOR

M/s. K.P. RACHCHH & CO.,
Company Secretary
317, Krishna Con Arch-2
Tagore Road, Rajkot 360002

REGISTRARS & SHARE TRANSFER AGENT

Link Intime India Private Limited
303, Shoppers Plaza V,
Opp. Municipal Market,
Off: C.G. Road
Ahmedabad – 380 009

STOCK EXCHANGE DETAILS

BSE
Script Code: 538992
ISIN: INE002E01010

Ahmedabad Stock Exchange Ltd.

BANKERS

Industrial Development Bank of India
Amrish, Near K.K.V. Circle,
Kalawad Road,
Rajkot (Gujarat) – 360 005.

REGISTERED OFFICE

50-E, Bhaktinagar,
Inds. Estate, Rajkot
Ph: 0281- 2374726 Fax: +912812376806
Email: sapl@sarautoproductsltd.com
Website: www.sarautoproductsltd.com
CIN: L34100GJ1987PLC010088

NOTICE

Notice is hereby given that the **TWENTY NINTH ANNUAL GENERAL MEETING OF SAR AUTO PRODUCTS LIMITED** will be held at the Registered Office of the Company at 50-E, Bhaktinagar, Inds. Estate, Rajkot. on Thursday the 29th September, 2016 at 11:00 A.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Audited Financial Statements as on 31st March, 2016 and the Profit & Loss Account for the year ended on that date and the Board's Report and the Auditors' Report there on.
2. To appoint a Director in place of Shri Shreyas Rameshbhai Virani, (DIN 00465240) who retires by rotation and being eligible, offers himself for re-appointment.
3. To ratify the appointment of Auditors and to fix their remuneration and in this regard to pass, with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 Mr. Arun M. Kothari (Membership No. 108669), Chartered Accountants, were appointed as the auditor of the company upto the AGM of the financial year 2016-17, whose appointment be and is hereby ratified at this meeting, at a remuneration as decided by the Chairman in consultation with the Auditors, plus applicable service tax and re-imbursement of travelling and out of pocket expenses incurred by them for the purpose of audit."

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE, INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT TO BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD HOWEVER BE DEPOSITED AT REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE COMMENCEMENT OF THE MEETING.

A Person can act as Proxy on behalf 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. 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 for his/her entire shareholding and such person shall not act as a Proxy for another person or shareholder.

2. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board resolution to the Company, authorizing their representative to attend and vote on their behalf at the meeting.
3. The Register of member and Share Transfer Book of the Company will remain closed from 23rd September, 2016 to 29th September, 2016 (Both days inclusive) in connection with the Annual General Meeting.

4. To ensure correct identity each member and proxy holders attending meeting is expected to bring with him/her an appropriate ID document like Driving License, Passport, Voters card, etc.
5. The Members/Proxies are requested to produce the attendance slip duly completed and signed at the entrance of the meeting.
6. Shareholders are requested to bring their copies of Annual Report at the meeting.
7. Members who are holding shares in Physical form are requested to intimate any change in their address immediately to the Company's Registrar and Share Transfer Agent LINK INTIME INDIA PVT.LTD.,303, 3rd Floor, Shopper's Plaza-V, Opp. Municipal Market, Off. C.G. Road, Navrangpura, Ahmedabad-380 009, quoting their folio no. Further, please note that in case of members holding shares in demat form, any change(s) required in Address, Bank details, etc. are to be intimated to your DP and not to the Company or Registrar.
8. In terms of circular issued by the Securities and Exchange Board of India (SEBI), it is now mandatory to furnish a copy of Pan Card to the Company or its RTA in the following cases viz. Transfer of shares, deletion of name, transmission of share and transposition of shares. Shareholders are requested to furnish copy of Pan Card for all above mentioned transactions.
9. Members having any questions on accounts are requested to send their queries at least 10 days in advance to the Company at its registered office address to enable the Company to collect relevant information.
10. The Route Map of Venue is printed over here at the end of the Notice (attached herewith separately)
12. Voting through electronic means:

In compliance with the 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 29th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting service provided by CDSL :

The voting period begins on 26-09-2016 at 10:00 a.m. and ends on 28-09-2016 at 5:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23-09-2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue

The Instructions for members for voting electronically are as under: In case of members receiving e-mail :

- (i) Log on to e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "SAR AUTO PRODUCTS LTD." from the drop down menu and click on "SUBMIT"
- (iv) Now enter your user ID
 - a. For CDSL : 16 digit beneficiary ID
 - b. For NSDL : 8 character DPID followed by 8 digits Client ID

- c. Members holding shares in physical forms should enter Folio Number registered with the Company.
- (v) Next enter the image verification as displayed and click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.</p> <p>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p>
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <p>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</p>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant SAR AUTO PRODUCTS LIMITED on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTION FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "click here to print" option on the voting page.
- (xvii) If demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

- (xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for non-individual shareholders and custodians.
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login the details a compliance user should be created using the Admin login and password. The compliance user would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any; in PDF format in the system for the scrutinizer to verify the same.
- (xx) 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 under help section or write an email to helpdesk.evoting@cdslindia.com.

Mr. Kalpesh P. Rachchh of M/s. K. P. Rachchh & Co., Practicing Company Secretary (Membership no. FCS 5156) (Address: 317 Krishna Con Arch -2, Tagore Road, Rajkot 360 002, Gujarat) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

The Result shall be declared within two days of the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website and communicate to the Stock Exchange.

Place: Rajkot

Date: 12th August, 2016

By order of Board of Directors

Sar Auto Products Ltd.

Rameshkumar D. Virani
Chairman and Managing Director
DIN: 00313236

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Clause 49 of Listing Agreement, a Management Discussion & Analysis report is given below:-

OVERALL REVIEW

In this year there is increase in Production. In this year there is Production of 75419 (nos.) parts as compared to last year production of 43156 (nos.) auto parts components. In terms of Turnover the company has achieved the net turnover of Rs. 2,97,23,070/-. The overall Review highlighted below:

Particulars	Year: 2015-2016	Year: 2014-2015	% wise Up/Down
Export Sales	5524264.00	11494118.00	-51.93
Domestic Sales	24198806.00	10629514.00	127.65
Total Sales	29723070.00	22123632.00	34.35
Other Income	6729854.00	4975611.00	35.25
Earnings Per Share	0.37	-6.69	-105.08

OUTLOOK ON OPPORTUNITIES, THREATS, RISK AND CONCERN:

The Company is carrying on the business of manufacturing of auto components such as automobile gears like Spur, Helical, Straight Bevel, Sprockets along with Transmission Spline Shaft, Couplings and Power Takeoff Clutches which are used for Transmission, Engine and Differential gear boxes.

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

Your Company regularly monitors the various risks associated with its business. The Company is identifying, minimizing and mitigating the risks and the same are reviewed periodically. The Risk i.e. Changes in Government Policies, Fluctuation in Foreign Exchange Rates, Prices of Raw materials, Competition, Manpower, identified. The Company is trying to overcome/minimize it by taking certain steps, which are in hand of company.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company is committed to maintaining high standards of internal controls designed to provide accuracy of information, efficiency of operations, and security of assets. The company has adequate internal controls commensurate with the size and nature of its operations to ensure orderly and efficient conduct of business.

These controls ensure the safeguarding of assets, prevention and detection of fraud and error, Irregularities. The accuracy and completeness of the accounting records, timely preparation of reliable financial information and adherence to Companies, policies, procedures and legal obligations. The audit committee of the Board of Directors meets periodically to review the performance as reported by the auditors.

FINANCIAL PERFORMANCE

As stated earlier, the Company has achieved its commercial production and the Net turnover of Rs. 2,97,23,070/- in the Financial year 2015-2016. This year company has incurred Profit of Rs. 17.67 Lacs as compared to last year loss of Rs. 318.94 Lacs.

EXPORTS

Export turnover of the Company Decreased compare to last year.

HUMAN RESOURCE AND DEVELOPMENT

There has been no material development on the Human Resource/ Industrial Relations Front during the year.

CORPORATE SOCIAL RESPONSIBILITY

Your Company is committed to conduct its business in a socially responsible, ethical and environmental friendly manner and to continuously work towards improving quality of life of the communities in its operational areas. The Company has a duly constituted CSR Committee, which is responsible for fulfilling the CSR objectives of the Company. As CSR is not applicable to company under section 135 of the Companies Act, 2013 and fluctuations in the profitability of the Company no CSR activities was carried out during last year.

CAUTIONARY STATEMENT:

Management Discussion and Analysis Report are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized by the Company. Actual results could differ materially from those expressed or implied. Important factors that could make deference to the Company's operation include global and Indian market conditions, changes in the Government Regulations, Tax regimes, WTO Regulations and such other factor.

The Company assumes no responsibility to publicly amend, modify or revise any of these statements on the basis, of any subsequent developments, information or events.

Place: Rajkot

Date: 12th August, 2016

For and on Behalf of

Sar Auto Products Ltd.

Rameshkumar D. Virani
Chairman and Managing Director
DIN: 00313236

REPORT ON CORPORATE GOVERNANCE

As required compliance of Corporate Governance under Regulation 34 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements), 2015, However This regulation of Schedule V is not applicable to company but company has given below voluntary compliance Report on Corporate Governance for the financial year ended on 31st March, 2016 along with certificate of auditors of the Company.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance is very important to build confidence and trust which leads to strong, stable and long term partnership with the Investors and all other Stakeholders. The detailed Report on implementation of Corporate Governance Code as incorporated under Regulation 34 read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements), 2015 and Listing Agreement with the Stock Exchange/s is set out below.

2. BOARD OF DIRECTORS:

(I) Composition of Board:

The Board consists of 4 Directors showing the fair combination of Executive, Non-Executive and Independent Directors. The directors are different in respect of the knowledge and expertise in the field. Some of the directors are professionals from different field; some are having the vast knowledge and experience of marketing/Production

(II) Attendance of each Director at the Board Meetings held during the year 2015-16 and Annual General Meeting :-

No.	Name of Director	Category	No. of Board Meeting Attended	Attendance at Last AGM
1	Shri Rameshbhai Virani	NI- E	6	Yes
2.	Shri Shreyas Virani	NI-E	6	Yes
3	Shri Issac Thomas C. Kavunkal	IND-NE	6	No
4.	Smt. Aarti Chintan Sodha	IND-NE	6	No

NI- non independent, NE- non executive, IND- independent, E- executive

(III) No. of other Companies or Committees the Director is Director/Chairman

No.	Name of Director	No. of other Directorship	No. of Committees in which Member	Chairmanship At the Committee
1	Shri Ramesh Virani	Nil	4	1
2	Shri Shreyas Virani	Nil	4	1
3	Shri Issac Thomas C. Kavunkal	Nil	5	3

4	Smt. Aarti Chintan Sodha	Nil	2	--
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As per Section 165 (1) of the Companies Act, 2013, none of the directors can hold directorship in more than 10 public companies and as per Regulation 36 of SEBI (LODR) Regulations, 2015, a director shall not be a member in more than 10 committees or act as Chairman of more than 5 committees across all companies in which he is director. The Directors of the Company are in compliance with the requirements.

(IV) NUMBER OF BOARD MEETINGS HELD AND THE DATES OF BOARD MEETING

Six (6) Board Meetings were held during the financial year 2015-2016 on following dates:

11-05-2015, 31-07-2015, 31-10-2015, 23-11-2015, 15-12-2015 and 05-02-2016

3. AUDIT COMMITTEE:

As a measure of good corporate governance and to provide assistance to the Board of Directors in overseeing the Boards responsibilities, your company has constituted an Audit Committee pursuant to provision of section 177 of the Companies Act, 2013 and as per Regulation 18 of SEBI (LODR) Regulations, 2015

(I) COMPOSITION OF COMMITTEE:

Audit Committee consist of the following Members

Shri Issac Thomas C. Kavunkal- Chairman - Non Executive Independent Director
Smt. Aarti C. Sodha- Member- Non Executive Independent Director
Shri Shreyas R. Virani - Member of the Committee- Executive Director

The terms of reference of Audit Committee in accordance with the provision of Section 177 of the Companies Act 2013 are as follows :-

- The recommendation for appointment, remuneration and terms of appointment of the auditors of the company.
- Review and monitor the auditor's independence and performance and effectiveness of the audit process
- Examination of the financial statement and the auditor's report thereon
- Approval of any subsequent modification of transactions of the company with related parties.
- Scrutiny of Inter-Corporate loans and investments.
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Evaluation of internal financial controls and risk management systems.
- Monitoring the end use of funds raised through public offers and related matters

Vigil Mechanism

Company has also established vigil mechanism for directors and employees to report their genuine concern or grievance and the audit committee shall oversee the vigil mechanism. The Vigil mechanism will provide adequate safeguards against victimization of employees and directors who avail of the vigil mechanism

Whistle Blower Policy

The Audit Committee has approved framing of a Whistle Blower Policy and reviews the same from time to time which provides a formal mechanism for all employees of the Company to approach the Ethics Counselor/Chairman of the Audit Committee of the Company and make protective disclosures about the unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The Whistle Blower Policy is an extension of the exiting Code of Conduct of the company, which requires every employee to promptly report to the Management any actual or possible violation of the Code or an event he becomes aware of that could affect the business or reputation of the Company. The disclosures reported are addressed in the manner and within the time frames prescribed in the Policy. Under the Policy, each employee of the Company has an assured access to the Ethics Counselor/Chairman of the Audit Committee.

(II) MEETINGS AND ATTENDANCE DURING THE YEAR:

Four Meetings of Audit Committee were held during financial year 2015-2016, and all members were present at the meetings.

4. NOMINATION AND REMUNERATION COMMITTEE

Pursuant to provision of section 178 of the Companies Act, 2013, and Regulation 19 of SEBI (LODR) Regulations, 2015 Company has constituted Nomination and Remuneration Committee. The Committee decides about remuneration policy of the Company. It also reviews from time to time the overall Compensation structure and related policies with a view to attract, motivate and retain employees

(I) COMPOSITION OF COMMITTEE:

The Committee comprises the following Directors as members

1. Shri Issac Thomas C. Kavunkal - Chairman
2. Smt. Aarti C. Sodha- Member
2. Rameshkumar Durlabhjibhai Virani – Member

(II) BRIEF DESCRIPTION OF THE TERMS OF REFERENCE

The Broad terms of reference of Remuneration Committee are as follows:-

- (a) Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and remove and shall carry out evaluation of every director's performance.
- (b) Formulate the criteria for determining qualifications, positive attributes and independence of director and recommended to the Board a policy relating to the remuneration for the directors, Key Managerial personnel (KMP) and other employees.
- (c) To approve, in the event of loss or inadequate profits in any year, minimum remuneration payable to the Whole-Time Directors/Managing Directors within the limits and to the parameters prescribed in Schedule V to Companies Act, 2013.

Details of remuneration paid:

1. Shri Shreyas R. Virani, Whole-Time Director was paid Rs.10,55,964 as Managerial remuneration during the year 2015-16.
2. Shri Rameshbhai D. Virani, Managing Director was paid Rs.11,61,552 as Managerial remuneration during the year 2015-16.

One meeting of the Remuneration Committee was held during the financial year and all the members were present

5. STAKEHOLDERS RELATIONSHIP COMMITTEE:

Pursuant to provision of Section 178 of the Companies Act, 2013, and Regulation 20 of SEBI (LODR) Regulations, 2015. Your Company had constituted Stakeholders Relationship Committee.

(I) COMPOSITION OF COMMITTEE:

The Committee comprises the following Directors as members

1. Shri Issac Thomas C. Kavunkal - Chairman
2. Shri Shreyas R. Virani - Member
3. Shri Ramesh D. Virani - Member

During the year 2015-16, one (1) Committee meeting was held and all members have attended the meeting.

(II). BRIEF DESCRIPTION OF THE TERMS OF REFERENCE

The terms of reference of the committee are to look in to redressal of shareholders/Investors' grievances relating to various matters such as non-receipt of notices, share certificate, annual reports, dividends, transfer of shares dematerialization of shares and other grievances.

(III). NAME AND DESIGNATION OF THE COMPLIANCE OFFICER

Mr. Ronak M. Khanvani

Company Secretary & Compliance Officer of the Company

6. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

In accordance with the provisions of section 135 of the Companies Act, 2013 your company have already constituted Corporate Social Responsibility (CSR) Committee to perform social duty through welfare of the society at large (Section 135 of the Companies Act, is not applicable to the Company, A Committee was framed voluntary.)

I. COMPOSITION OF THE COMMITTEE

The Committee comprises the following Directors as members

1. Shri Ramesh D. Virani –Chairman of the Committee
2. Shri Shreyas R. Virani – Member of the Committee
3. Shri Issac Thomas C. Kavunkal - Member of the Committee

II. BRIEF DESCRIPTION OF THE TERMS OF REFERENCE

- (a) Formulate and recommend to the board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII.
- (b) Recommend the amount of expenditure to be incurred on the activities referred to in Clause (a) and
- (c) Monitor the Corporate Social Responsibility policy of the Company from time to time. - During the year 2015-16 the Committee met one time and all the members have attended the meeting.

7. RISK MANAGEMENT COMMITTEE

I. COMPOSITION OF THE COMMITTEE

Company has voluntarily framed the Risk Management Committee, which comprised of the following members:

- 1. Shri Shreyas R. Virani - Chairman
- 2. Shri Ramesh D. Virani – Member
- 3. Shri IssacThomas C. Kavunkal - Member of the Committee

(II). BRIEF DESCRIPTION OF THE TERMS OF REFERENCE

The committee mainly aims at identification of Risk at Various activities of Business and to manage the Risk and evaluation of Risk Management System

During the year 2015-16 the Committee met one time and all the members have attended the meeting.

8. GENERAL BODY MEETING:

(I) DETAILS OF THE LAST THREE ANNUAL GENERAL MEETINGS:

Financial Year	Location	Date	Day	Time
2012-2013	50 E, Bhaktinagar Industrial Estate, Rajkot – 360 002	30 th September, 2013	Monday	11.00 A.M.
2013-2014	50 E, Bhaktinagar Industrial Estate, Rajkot – 360 002	30 th September, 2014	Tuesday	11.00 A.M.
2014-2015	50 E, Bhaktinagar Industrial Estate, Rajkot – 360 002	29 th September, 2015	Tuesday	11.00 A. M.

Whether Special Resolution: Yes- One Special Resolution was passed in the year 2013-14 for alteration of Articles of Association

(a) Were put through postal ballot last year : No

(b) Are proposed to be conducted through postal ballot this year : No

9. SEPARATE MEETING OF INDEPENDENT DIRECTORS

As per SEBI (LODR) Regulations, 2015/Clause 49 of Listing Agreement, One meeting of the Independent Directors was held during the year. All the Independent Directors attended the meeting.

10. DISCLOSURES:

- (I) No transaction of material nature has been entered into by the Company with its promoters, directors, relatives or management of the Company that may have potential conflict with the interests of Company.
- (II) The Company has complied with the requirement of statutory/ regulatory authorities on capital market and no penalties/strictures have been imposed on the Company by SEBI or Stock Exchanges during the last three financial year.
- (III) The Company has adopted a Whistle Blower Policy and has established the necessary mechanism pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges and Regulation 22 of SEBI (LODR) regulations, 2015 for employees to report concerns about unethical behaviour. No personnel have been denied access to the Ethics Counsellor/Chairman of the Audit Committee.
- (IV) The Company also has laid down the Code of Conduct to maintain highest standard of ethics and values for the Directors, senior management and all the employees. The said code is placed on the website of the company.
- (V) The Company has also laid down Code of conduct to be dealt with Insider Trading under SEBI (Prohibition of Insider Trading) Regulations, 2015. The said code is placed on the website of the company.
- (VI) The Company has policy on Determination of Materiality of events under Regulation 30 of SEBI (LODR) Regulations, 2015.
- (VII) The Company has adopted policy on preservation of documents with Archival Policy under Regulation 9 & 30 of SEBI (LODR) Regulations, 2015; said policy is also available at the website of the company.
- (VIII) The Company has placed on the website policy on Familiarisation Programme for Independent Directors
- (IX) The Company follows Accounting Standards issued by the Institute of Chartered Accountants of India and in the preparation of Financial Statements, the Company has not adopted a treatment different from that prescribed in any Accounting Standard.

11. MEANS OF COMMUNICATIONS

- (i) In compliance with the requirements of the Listing Agreement/ Listing Regulations the Company is regularly intimates Un-audited/Audited financial Results to the Stock Exchange/s immediately after they are taken on record by the Board of Directors. These Financial Results are normally published in 'Economic Times' in Gujarati and in English. Which is also be posted on the website of the company.
- (ii) During the year ended on 31st March, 2016 no presentation was made to Institutional Investors or analyst or any other enterprise.
- (iii) Management Discussion and Analysis forms part of this Annual Report

10. GENERAL SHAREHOLDERS INFORMATION:

I. ANNUAL GENERAL MEETING:

Date : 29th September, 2016

Time : 11.00 A. M.

Day : Thursday

Venue : 50/ E, Bhaktinagar Industrial Estate,
Rajkot - 360 002.

II. FINANCIAL CALENDAR:

Results for Quarter: (Tentative)

1st Quarter Results : by 15th August, 2016.

Half-yearly Results : by 15th November, 2016.

3rd Quarter Results : by 15th February, 2017

Audited yearly Results : by 30th May, 2017.

III. DATE OF BOOK CLOSURE : 23rd September, 2016 to 29th September, 2016 (Both Days Inclusive)

IV. LISTING ON STOCK EXCHANGES:

1. Bombay Stock Exchange Security Code: 538992 Phiroze Jeejibhoy Tower Dalal Street, Mumbai-400001	2. Ahmedabad Stock Exchange Ltd. Code: 51865 Kamdhenu Complex, Opp: Sahjanand College, Panjarapole Ahmedabad- 380 015
--	--

V. DEMAT INTERNATIONAL SECURITIES IDENTIFICATION NUMBER (ISIN) IN NSDL AND CDSL FOR EQUITY SHARES: INE002E01010

VI. DEMATERIALISATION OF SECURITIES:

Total 46,34,240 shares i.e. 97.26 % of the Company's Equity Share Capital are dematerialised as on 31st March, 2016, by the members of the Company through CDSL and NSDL.

VII. SHARE TRANSFER SYSTEM:

Trading in equity share of the Company is permitted in physical and dematerialized form. Share transfer in physical form received by the Registrar and Transfer agent are registered and returned within the prescribed time period from the date of receipt of the documents, provided all documents are valid and complete in all respects. As per SEBI Guidelines upon completion of

the transfers the Registrar and Transfer Agent send an offer letter to the transferee with an option to receive credit of transferred shares in electronic form under the transfer cum demat facility. In case option is not exercised or if offer is not submitted within stipulated time the share certificates are sent to the transferee.

REGISTRAR & TRANSFER AGENT:

Link Intime India Private Limited
303, Shoppers Plaza V,
Opp. Municipal Market,
Off: C.G. Road
Ahmedabad - 380 009.
Phone /Fax No.: 079 - 26465179.
Email : ahmedabad@linktime.co.in

VIII. ADDRESS FOR COMMUNICATION:

Sar Auto Products Ltd.
50E Bhaktinagar Industrial Estate,
Rajkot - 360 002.

IX. PLANT LOCATIONS:

Sar Auto Products Ltd.
50E Bhaktinagar Industrial Estate,
Rajkot - 360 002

X. Distribution of Shareholding as on 31st March, 2016:

No. of Equity Shares held	No. of Shareholders	% of Share holders	No. of Shares held	% of share holding
Upto 500	569	92.67%	25120	0.52
501 to 1000	18	2.93%	15828	0.33
1001 to 2000	7	1.14%	10626	0.22
2001 to 3000	3	0.48%	7244	0.15
3001 to 10000	2	0.32%	13535	0.27
10001 to *****	12	2.44%	4692387	98.48
Grand Total	611	100.00	4764740	100.00

XI. SHAREHOLDING PATTERN AS ON 31ST MARCH, 2016.

SR. NO.	CATEGORY	NO. OF SHARES HELD	PERCENTAGE OF SHAREHOLDING
1	Indian Public	838340	17.59
2	NRIs/ OCBs	-	-
3	Mutual Funds and UTI	-	-
4	Bank, Financial Institutions, Insurance Companies, (Central/ Institutions)	220417	4.63
5.	Private Corporate Bodies	238193	5.00
6.	Indian Promoters	3467790	72.78
	TOTAL	4764740	100.00

XII. STOCK PRICE DATA

Bombay stock Exchange Limited				
Month	High (Rs.)	Low (Rs.)	Close (Rs.)	Volume (Shares)
Apr- 15	68.50	37.05	68.50	1851
May-15	93.45	71.90	88.40	3205
June-15	99.00	88.35	99.00	7046
July-15	122.00	97.10	118.50	7850
August-15	185.00	119.50	183.50	121970
September-15	221.00	177.00	219.00	213021
October-15	244.00	170.60	190.40	68578
November-15	246.00	195.00	198.10	20776
December-15	188.20	140.80	140.80	2131
January-16	159.10	152.90	152.90	2052
February-16	155.90	144.10	144.10	33
March-16	154.10	154.00	154.00	176

As required by Clause 49 of the listing agreement and Regulation 17(8) of SEBI (LODR) Regulations, 2015, with the stock exchange/s, CEO/CFO Certification and the Auditors Certificate is given as Annexures to this report.

DECLARATION BY CEO UNDER CLAUSE 49 OF THE LISTING AGREEMENT/ SCHEDULE V OF SEBI (LODR) REGULATIONS, 2015 REGARDING ADHERENCE TO THE CODE OF CONDUCT:

In accordance with Clause 49 Sub-Clause 1(D) of the Listing Agreement with the Stock Exchange, and Schedule V of SEBI (LODR) Regulations, 2015 I hereby confirm that, all Board Members i.e. Directors and the Senior Management Personnel of the Company have affirmed compliance to their respective Codes of Conduct, as applicable to them for the financial year ended on 31st March, 2016.

Place: Rajkot

Date: 12TH August, 2016

For and on Behalf of

Sar Auto Products Ltd

Rameshkumar D. Virani
Chairman and Managing Director
DIN: 00313236

CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER OF THE COMPANY:

(Pursuant to Regulation 17(8) of SEBI (LODR) Regulation, 2015)

We, Shri Rameshbhai Virani, Managing Director and Chief Executive Officer and Shri Shreyas Rameshbhai Virani, Chief Financial Officer, of Sar Auto Products Limited (the Company), hereby certify to the Board that:

- (a) We have reviewed the financial statements and the cash Flow Statement for the year and that to the best of our knowledge and belief:
 - (i) These statement do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
 - (ii) These statement together present a true and fair view of the Company 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 violate of the Company's Code of Conduct.
- (c) We are responsible for establishing and maintaining internal controls for financial reporting in the Company and we have evaluated the effectiveness of the internal control system of the Company pertaining to financial reporting. 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 steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the audit Committee:
 - (i) Significant changes in internal controls over financial reporting during the year;
 - (ii) Significant changes in accounting polices during the year and the same have been disclosed in the notes to the financial statements and;
 - (iii) Instance 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 internal control system;
- (e) We affirm that we have not denied any personal access to the Audit committee of the Company (in respect of matters involving alleged misconduct, if any);
- (f) We further declare that all Board Members and Senior Management have affirmed compliance with the Code of Conduct for the current year.

Place: Rajkot

Date: 12th August, 2016

For and on Behalf of

Sar Auto Products Ltd

Rameshkumar D. Virani
Chairman and Managing Director
DIN: 00313236

**AUDITORS' CERTIFICATE ON CLAUSE 49
COMPLIANCE – CORPORATE GOVERNANCE**

To,
The Members of
SAR AUTO PRODUCTS LIMITED
Rajkot.

We have reviewed the records concerning the Company's compliance of condition of corporate governance as stipulated in Clause 49 of the Listing Agreement entered into by the Company/ Chapter IV of the SEBI (Listing obligations and disclosure Requirements) Regulations, 2015, with the Stock Exchanges in India, for the financial year ended 31st March, 2016.

The Compliance of conditions of corporate governance is the responsibility of the management. Our Examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of condition of corporate governance. It is neither an audit nor an expression of an opinion on the financial statement of the company.

We have conducted our review on the basis of the relevant records and documents maintained by the Company and furnished to us for the review, and the information and explanation given to us by the Company.

Based on such review, and to the best of our information and explanation given to us, in our opinion, the company has complied with conditions of corporate governance as stipulated in said listing agreement and Chapter IV of the SEBI (Listing obligations and disclosure Requirements) Regulations, 2015

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

PLACE: Ahmedabad
Date : 12-08-2016

For, Arun M. Kothari
Chartered Accountants

(Arun M. Kothari)
Proprietor
Membership No.: 108669

BOARD'S REPORT

To
The Members,

Your Directors have pleasure in presenting the 29th Annual Report of the company together with the Audited Financial Accounts for the year ended 31st March, 2016.

FINANCIAL HIGHLIGHTS

	(Amt Rs. in Lacs)	
Financial Results	2015-16	2014-15
Income from operations	297.23	221.23
Add : Other Income	67.29	49.76
Total Income	364.52	270.99
Less : Total Expenditure	276.88	495.98
Profit/(Loss) before Depreciation write off and Interest and taxes	87.64	(224.99)
Less: Interest	2.37	7.58
Less: Depreciation & Amortization Expense	75.87	104.35
Profit /(Loss) before tax	9.39	(336.92)
Less: Provision for tax:		
Current Tax	1.85	0
Prior Period Taxes	0	0
Deferred Tax Assets	(8.28)	17.98
MAT Credit Entitlement	(1.85)	0
Profit/(Loss) after tax	17.67	(318.94)

REVIEW OF BUSINESS OPERATION AND FUTURE PROSPECTS:

During the year the Company has made Net turnover of Rs. 297.23 Lacs in comparison to previous year of Rs. 221.23 Lacs i.e increased by 34.35% and the Company has made Profit of Rs. 17.67 Lacs/- in comparison to Loss after tax of previous year of Rs. 318.94 Lacs. Your directors are hopeful for better financial result in coming years and the future of the Company seems to be bright.

DIVIDEND

Due to plough back of Profit, your Directors do not recommend any dividend.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Your Company has not made transaction forming part of section 186 of the Companies Act, 2013.

TRANSFER TO RESERVES

Company has not transferred any amount to Reserves.

PARTICULARS RELATING TO HOLDING/SUBSIDIARY/ASSOCIATE CO.

The Company has no Holding, Subsidiary and Associate Company.

DEPOSITS

We have not accepted any deposit and as such no amount of deposit whether Principal or interest thereon was Outstanding as of the Balance Sheet.

PARTICULARS OF CONTRACT OR ARRANGEMENTS MADE WITH RELATED PARTIES

Particulars of contracts or arrangements with related parties referred to in Section 188 (1) of the Companies Act, 2013, in the prescribed Form AOC-2, is appended as Annexure 02 to the Board's report.

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENT RELATE AND THE DATE OF THE REPORT

No material changes and commitment affecting the financial position of the Company occurred between the end of financial year to which this financial statement relate and the date of this report.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

INSURANCE

The assets of the company including buildings, plant & machinery, stocks, etc. Wherever necessary and to the extent required have been adequately insured against various risk.

SEGMENT REPORTING

The Company is engaged in manufacturing of Auto Components and therefore there is only one segment, hence disclosures requirement in accordance with the Accounting standards on segment reporting AS-17 are not applicable.

INDUSTRIAL RELATIONS & HUMAN RESOURCES

The company treats its all manpower as a valuable assets and growth of the company is possible through entire workforce working in the company. The industrial relation with workmen and staff continued to be extremely cordial during the year under review. The Board wishes to take place on record its appreciation for the valuable services rendered by its entire workforce.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has always believed in providing a safe and harassment free workplace for every individual working in Sar Auto's premises through various interventions and practices. The Company has formed an Internal Complaints Committee (ICC) and during the year Internal Complaints Committee (ICC) has not received any complaints.

PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other details as required under Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Annual Report. In terms of the provisions of Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules is not applicable to the Company as the Company have no such Employees who were drawing remuneration in excess of the limits prescribed. Particulars of Employees are attached with this report as Annexure 03.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management discussion and analysis report for the year under review, as stipulated under clause 49 of the Listing Agreement/ SEBI (LODR) Regulations, 2015 is presented in separate section and forms part of the Annual Report.

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE is a system of rules, practices and processes by which a company is directed and controlled. Corporate governance essentially involves balancing the interests of the many stakeholders in a company - these include its shareholders, management, customers, suppliers, financiers, government and the community and considering the importance of Corporate Governance, your Company is committed to maintaining the highest standards of corporate governance and adheres to the corporate governance requirement set out by SEBI. All conditions of corporate governance as required under clause 49 of the listing agreements with stock exchanges/SEBI (LODR) Regulations, 2015 have been Voluntary complies with and duly audited. A certificate from the statutory auditors of the company regarding compliance of conditions of corporate governance has been obtained and is enclosed to the report of corporate governance.

CEO/ CFO CERTIFICATION

Pursuant to the provisions of clause 49 of the Listing Agreement/ Regulation 17(8) of SEBI (LODR) Regulations, 2015, the CEO/ CFO Certification for preparation of financial statements etc. is annexed in this report.

NUMBER OF MEETINGS OF THE BOARD

The Board has met Six (6) times during the financial year, the details of which are given in the Corporate Governance Report and forms part of Annual Report.

DIRECTORS

Shri Shreyas Rameshbhai Virani (DIN 00465240) retires at the ensuing Annual General Meeting pursuant to provision of section 152(6) of the Companies Act, 2013 and being eligible offer himself for re-appointment.

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/she meets with the criteria of Independence laid down in Section 149(6) of the Companies Act, 2013.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Company's Policy relating to appointment of Directors, payment of Managerial remuneration, Directors, qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 is furnished in Corporate Governance Report.

BOARD EVALUATION

As per Companies Act, 2013 Board has made annual evaluation of its own performance and also of its committees and Individual Directors. The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board.

COMMITTEES OF THE BOARD

At present the Company is having 5 Five Committees) as mentioned below:

- AUDIT COMMITTEE:

The Company has an adequately qualified Audit Committee constituted in accordance with the provisions of Section 177 of the Companies Act, 2013 and clause 49 of the listing agreement/ Regulation 18 of SEBI (LODR) Regulations, 2015, The details of composition of Committee and other relevant details is given in the Corporate Governance Report which forms part of this Annual Report.

- NOMINATION AND REMUNERATION COMMITTEE:

The Company has also constituted Nomination and Remuneration Committee Pursuant to provision of section 178 of the Companies Act, 2013 and clause 49 of the listing agreement/ Regulation 19 of SEBI (LODR) Regulations, 2015, and the details of composition of Committee and other relevant details is given in the Corporate Governance Report which forms part of this Annual Report.

- STAKEHOLDERS RELATONSHIP COMMITTEE:

To consider and resolve the Grievances of Stakeholders, the Company has framed Stakeholders Relationship Committee in accordance with the provision of section 178 of the Companies Act, 2013 and clause 49 of the listing agreement/ Regulation 20 of SEBI (LODR) Regulations, 2015, and the details of composition of Committee and other relevant details is given in the Corporate Governance Report which forms part of this Annual Report.

- CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

The Company is committed to conduct its business in a socially responsible, ethical and environmental friendly manner and to continuously work towards improving quality of life of the communities in its operational areas. The Company has a duly constituted CSR Committee, which is responsible for fulfilling the CSR objectives of the Company and the details of composition of Committee and other relevant details is given in the Corporate Governance Report which forms part of this Annual Report.

- RISK MANAGEMENT COMMITTEE

The Company has framed Risk Management Committee which mainly aims at Identification of Risk level at various stages of Business operation/ activities and to manage the Risk and evaluation of RMS i.e Risk Management System. The details of composition of Committee and other relevant details is given in the Corporate Governance Report which forms part of this Annual Report.

DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement as enumerated under:-

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed;
- (b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The directors had prepared the annual accounts on a going concern basis; and
- (e) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITORS AND AUDITORS' REPORT

STATUTORY AUDITORS

Pursuant to provision of section 139 of the Companies Act, 2013, Mr. Arun M. Kothari, Chartered Accountants (Membership No. 108669), Statutory Auditor of the Company have been appointed to hold office till the conclusion of Annual General Meeting of the Financial year 2016-17, subject to ratification by the Members at the ensuing Annual General Meeting, Mr. Arun M. Kothari, being eligible offers his services to continue to act as an Auditor of the Company.

STATUTORY AUDITORS' REPORT

The observations of Auditor in his report read with the relevant note to accounts in schedule are self-explanatory and do not require further explanation. The Audit Report does not contain any qualification, reservation or adverse remark

SECRETARIAL AUDITOR

Pursuant to Provision of section 204(1) of the Companies Act, 2013, the Board has appointed M/s. K. P. Rachchh & Co., Practicing Company Secretary, to conduct Secretarial Audit for the financial year 2015-16.

SECRETARIAL AUDITORS' REPORT

The Secretarial Audit Report for the financial year ended March 31, 2016 is annexed herewith to this Report. The qualifications put up in the Secretarial Audit Report are self-explanatory. Secretarial Auditors Report in the prescribed format i.e. MR-3 is attached in this report as Annexure 04.

CORPORATE SOCIAL RESPONSIBILITY

The Company is committed to conduct its business in a socially responsible, ethical and environmental friendly manner and to continuously work towards improving quality of life of the communities in its operational areas. The Company has a duly constituted CSR Committee, which is responsible for fulfilling the CSR objectives of the Company.

In this year company has made profit and CSR is not applicable to company under section 135 of the Companies Act, 2013 and fluctuations in the profitability of the Company no CSR activities was carried out during last year.

CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in Annexure 05 attached to this report.

EXTRACT OF ANNUAL RETURN

The extracts of Annual Return as provided under Section 134(3)(a) and sub-section (3) of section 92 read with Rule 12(1) of the Companies (Management and administration) Rules, 2014 is furnished in Annexure 06 and is attached to this Report

WHISTLE BLOWER POLICY (VIGIL MECHANISM)

The Company has in place a whistle blower policy, to support the Code of Business Ethics. This policy documents the Company's commitment to maintain an open work environment in which employees, consultants and contractors are able to report instances of unethical or undesirable conduct, actual or suspected fraud or any violation of Company's Code of Business Ethics at a significantly senior level without fear of intimidation or retaliation. The said policy is placed on the website of the company.

ACKNOWLEDGMENT:

Your Directors wish to place on record their sincere appreciation for the continued cooperation, guidance, support and assistance during the year under report by our Bankers, all the customers, suppliers of the Company including Government agencies. The Board of Directors also wishes to express its appreciation for the efforts and contribution made by the employees at all levels during the year under report.

Place: Rajkot

Date: 12th August, 2016

For and on Behalf of

Sar Auto Products Ltd

Rameshkumar D. Virani
Chairman and Managing Director
DIN: 00313236

ANNEXURE -01

BRIEF PROFILE OF THE DIRECTOR SEEKING APPOINTMENT/RE APPOINTMENT IN FORTHCOMING ANNUAL GENERAL MEETING:

Name of Director	Shri Shreyas Rameshbhai Virani
Date of Birth	09-03-1970
Date of Appointment	14-04-2007
Expertise in Specific functional area	Finance and Administration
List of public companies in which Directorship held	NIL
Chairman/Member of the committees	Chairman- 1 Member- in 4 Committees
Chairman/Member of the committees of Directors of other Companies	--

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL**2. Details of material contracts or arrangement or transactions at arm's length basis:**

Sr. No.	Name(s) of the related party	Nature of Relationship	Nature of Contracts/arrangements/transactions	Amount
1	Rameshbhai D. Virani	KMP	Directors Salary & Perks	1161552
			Loan Accepted	400000
2	Shreyasbhai R. Virani	KMP	Directors Salary & Perks	1055964
			Loan Accepted	17450000
			Loan Repaid	13000000

Note: Date of approval by the Board for aforesaid transactions is 11-05-2015

Place: Rajkot

Date: 12th August, 2016

For and on Behalf of
Sar Auto Products Ltd

Rameshkumar D. Virani
Chairman and Managing Director
DIN: 00313236

ANNEXURE -03**PARTICULARS OF EMPLOYEES/REMUNERATION**

The information required under section 197 of the act and rules made there-under, in respect of employees of the company, is follows:-

- (a) The ratio of remuneration of each director to the median remuneration of employees for the financial year; (total directors remuneration is of Rs. 22,17,516.00 and total other employees remuneration 47,82,52.00)

- (b) The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary, Manager if any, in the financial year;

There is No increase in remuneration of Director, Chief Executive Officer, Chief Financial Officer, and Company Secretary, Manager

- (c) The percentage increase in the median remuneration of employees in the financial year:

There is no increment during the year 2015-16

- (d) The number of permanent employees on the rolls of the Company:
04

- (e) The explanation in relationship between average increase in remuneration and company performance:

There is no Increase in Remuneration.

- (f) Comparison of the remuneration of Key Managerial Personnel against the performance of the Company:

Particulars	Amt (in Rs./ Lacs)
Remuneration of KMP during the financial year 2015-16 (aggregated)	22,17,516
Revenue from operation	2,97,23,070
Remuneration (as % of revenue)	7.46%
Profit Before Tax (PBT)	9,39,355

- (g) Variation in the market capitalization of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotation of the shares of the Company in comparison to the rate at which the company came out with the last public offer in case of

listed companies, and in case of unlisted companies , the variation in the net worth of the company as at the close of the financial year and previous financial year;

Particulars	Unit	As at 31-03-2016	As at 31-03-2015	Variation
Closing rate of share at BSE	Rs.	154.00	35.29	436.38%
EPS (Consolidated)	Rs.	0.37	(6.69)	(5.53%)
Market Capitalization	Rs.	73.37 CR	16.81 CR	436.38%
Price Earning Ratio	Rs	416.21	-527.50	(78.90)

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

There is no increase in the salaries of employees.

- (j) The key parameters for any variable component of remuneration availed by directors:

NIL

- (k) The ratio of the remuneration of the highest paid to the director to that of the employees who are not directors but receive remuneration in excess of highest paid during the year:

Not Applicable

- (l) Affirmation that the remuneration is as per the policy of the company:

The Company's remuneration policy is driven by the success and performance of the individual employees and the company. The Company affirms remuneration is as per the remuneration policy of the company.

Place: Rajkot

Date: 12th August, 2016

For and on Behalf of

Sar Auto Products Ltd

Rameshkumar D. Virani
Chairman and Managing Director
DIN: 00313236

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2016
[Pursuant to section 204(1) of the Companies Act, 2013 and rule
No. 9 of the Companies (Appointment and Remuneration Personnel)
Rules, 2014]

To,
The Members,
SAR AUTO PRODUCTS LIMITED
50-E, Bhaktinagar Inds Estate,
Rajkot.

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

Based on our verification of the Sar Auto Products Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Sar Auto Products Limited for the financial year ended on 31st March, 2016, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, transfer and transmission of shares.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; Not Applicable as the Company has not issued any Capital during the year under review.

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; Not Applicable as the company has not made any ESOP.

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not Applicable as the company has not issues such debt securities.

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not Applicable and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not Applicable as the company has not processed any buy back of its securities.

(vi) The Company has identified the following laws as specifically applicable to the Company:

The Environment (Protection) Act, 1986

We 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 Stock Exchange;

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

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors except the Nomination and Remuneration Committee. 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.

All decisions at Board Meetings and Committee Meetings have been carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be. There were no dissenting views on any matter.

We further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the respective Heads of Departments of the company. We are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

For: K. P. Rachchh & Co.
Company Secretaries

Place : Rajkot
Date : 12th August, 2016

Signature: _____
Kalpesh P. Rachchh
Proprietor
FCS No.5156
C P No.: 3974

CONSERVATION OF ENERGY, RESERARCH AND DEVELOPMETN, TECHNOLOGY ABSORPTION AND FOREIGN EARNING & OUTGO.

A. CONSERVATION OF ENERGY:

- (i) The steps taken or impact on conservation of energy: None.
- (ii) The steps taken by the company for utilising alternate sources of energy: None.
- (iii) The capital investment on energy conservation equipments: None.

Total Energy Consumption and Energy Consumption

A. Power & Fuel Consumption		
Particulars	2015-16	2014-15
a) Electricity		
Purchased (KWH)	139302 Units	139113 Units
Total Amount (Rs. In Lacs)	1257880.00	1019102.00
Average Rate Rs.	9.03 / Units	7.33 / Units
b) Coal		
Quantity (MT)	0.00	0.00
Total Amount (Rs. In Lacs)	0.00	0.00
Average Rate Rs.	0.00	0.00
c) Furnance Oil	0.00	0.00
Quantity (MT)	0.00	0.00
Total Amount (Rs. In Lacs)	0.00	0.00
Average Rate Rs.	0.00	0.00

B. TECHNOLOGY ABSORPTION:

- (i) The efforts made towards technology absorption: None.
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitutions: None.
- (iii) The company has not any imported technology.
- (iv) The expenditure incurred on Research and Development: None.

C. FOREIGN EXCHANGE EARNING AND OUTGO:

- (i) Total foreign Exchange Earnings during the year: Rs. 5411369.00
- (ii) Total foreign Exchange outgo during the year: Rs. 1179898.00

Form No. MGT-9

EXTRACT OF ANNUAL RETURN as on the financial year ended on 31/03/2016
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

Sr. No.	Particulars	Particulars
i)	CIN	L34100GJ1987PLC010088
ii)	Registration Date	27-10-1987
iii)	Name of the Company	SAR AUTO PRODUCTS LIMITED
iv)	Category/Sub Category of the Company	PUBLIC COMPANY LIMITED BY SHARES & INDIAN NON- GOVERNMENT COMPANY
v)	Address of the Registered office and Contact Details	50-E, BHAKTINAGAR INDS ESTATE, RAJKOT- 360002 Ph: 0281- 2374726 Fax: +912812376806 Email: sapl@sarautoproducsltd.com
vi)	Whether Listed Company: Yes/No	YES
vii)	Name, Address and Contact Details of Registrar and Transfer Agent ,if any	LINK INTIME INDIA PRIVATE LIMITED Unit No. 303, 03rd Floor Shoppers Plaza V, Opp. Municipal Market, Behind Shoppers Plaza II, Off CG Road. Ahmedabad 380009

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:-

Sr. No.	Name and Description of Main Product/Services	NIC Code of the Product/Services	% of total turnover of the Company
1	Manufacturing Of Automobiles Parts	5708 50 00	100%

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
NIL					

IV. SHAREHOLDING PATTERN

(Equity share Capital Breakup as Percentage of Total Equity)

i) Category Wise Holding

Category of	No. of Shares at the Beginning of the Year				No. of Shares at the end of the year				% change during the year
Shareholders	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
(1) Indian									
a) Individual /HUF	3563023	100	3563123	74.78	3467690	100	3467790	72.78	-2.0
b) Central Govt.	0	0	0	0.00	0	0	0	0.00	0
c) State Govt(s).	0	0	0	0.00	0	0	0	0.00	0
d) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0
e) Banks/FI	0	0	0	0.00	0	0	0	0.00	0
f) Any Other	0	0	0	0.00	0	0	0	0.00	0
Sub-Total (A)(1)	3563023	100	3563123	74.78	3467690	100	3467790	72.78	-2.0
(2) Foreign									
a) NRIs- Individuals	0	0	0	0.00	0	0	0	0.00	0
b) other Individuals	0	0	0	0.00	0	0	0	0.00	0
c) Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0
d) Banks/FI	0	0	0	0.00	0	0	0	0.00	0
e) Any Other	0	0	0	0.00	0	0	0	0.00	0

Sub-Total									
(A)(2):-	0	0	0	0.00	0	0	0	0.00	0
Total Shareholding of Promoter									
(A)= (A)(1) + (A)(2)	3563023	100	3563123	74.78	3467690	100	3467790	72.78	-2.0
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0
b) Banks/FI	228000	0	228000	4.79	220417	0	220417	4.63	0.16
c) Central Govt.	0	0	0	0.00	0	0	0	0.00	0
d) State Govt(s).	0	0	0	0.00	0	0	0	0.00	0
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0
g) FIIs	0	0	0	0.00	0	0	0	0.00	0
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0
i) Others	0	0	0	0.00	0	0	0	0.00	0
(Specify)									
Sub Total(B)(1):-	228000	0	228000	4.79	220417	0	220417	4.63	-0.16
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	0	1000	1000	0.02	237193	1000	238193	4.98	4.96
ii) Overseas	0	0	0	0.00	0	0	0	0.00	0
b) Individuals									
i) Individual Shareholders holding nominal share Capital upto Rs. 1.00 Lacs	13305	22000	35305	0.74	42826	21199	64025	1.34	0.60
ii) Individual Shareholders holding nominal share Capital in excess of Rs. 1.00 Lacs	829312	108000	937312	19.67	659843	108201	768044	16.12	-3.55

c) Others	0	0	0	0.00	6271	0	6271	0.13	0.13
(Specify)									
Sub Total (B)(2):-	842617	130000	973617	20.43	946133	130400	1076533	22.59	2.16
Total Public Shareholding									
(B)=(B)(1)+	1070617	131000	1201617	25.22	1166550	130400	1296950	27.22	2.00
(B)(2)									
C. Shares Held by Custodian for GDRs & ADRs	0	0	0	0.00	0	0	0	0.00	0
Grand Total	4633640	131100	4764740	100.00	4634240	130500	4764740	100	-
(A+B+C)									

ii) Shareholding of Promoters

Sr. No.	Shareholders Name	Shareholding at the beginning of the year			No. of shares at the end of the year			% Change in Shareholding 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	RAJSHREE R. VIRANI	872510	18.31	0	872510	18.31	0	0.00
2	RAMESHBHAI D. VIRANI	986480	20.70	0	986480	20.70	0	0.00
3	URVI S. VIRANI	824100	17.30	0	824100	17.30	0	0.00
4	SHREYAS VIRANI	879933	18.47	0	784600	16.47	0	- 2.00
5	V.R. RUPANI	100	0.00	0	100	0.00	0	0.00

iii) Change in Promoters' Shareholding

Sr. No.	Name of Promoter Shareholder	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	SHREYAS VIRANI				
	At the Beginning of the year	879933	18.47	879933	18.47
	Less: Sale of shares on 28-08-2015	53500	1.12	826433	17.34
	Less: Sale of shares on 04-09-2015	53433	1.12	773000	16.22
	Less: Sale of shares on 11-09-2015	15000	0.32	758000	15.90
	Less: Sale of shares on 18-09-2015	70503	1.48	687497	14.42
	Less: Sale of shares on 25-09-2015	28497	0.59	659000	13.83
	Less: Sale of shares on 30-10-2015	8210	0.17	650790	13.66
	Less: Sale of shares on 06-11-2015	7790	0.17	643000	13.49
	Add: Purchase of shares on 18-03-2016	141600	2.97	784600	16.46
	At the End of the Year			784600	16.46

iv) Shareholding Pattern of Top Ten Shareholders

(Other than Directors, Promoters & Holders of GDRs & ADRs)

Sr. No.	Name of Promoter Shareholder	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	Tejas Hapani				
	At the Beginning of the year	230000	4.83	230000	4.83
	Less: Sale of Shares on 14-08-2015	699	0.02	229301	4.81
	Less: Sale of Shares on 21-08-2015	2800	0.06	226501	4.75
	Less: Sale of Shares on 28-08-2015	7250	0.15	219251	4.60
	Less: Sale of Shares on 04-09-2015	2900	0.06	216351	4.54
	Less: Sale of Shares on 11-09-2015	200	0.01	216151	4.53
	Less: Sale of Shares on 18-09-2015	3249	0.07	212902	4.46
	Less: Sale of Shares on 25-09-2015	1100	0.02	211802	4.44
	Less: Sale of Shares on 30-09-2015	3304	0.07	208498	4.37
	Less: Sale of Shares on 09-10-2015	2567	0.05	205931	4.32
	Less: Sale of Shares on 16-10-2015	2500	0.06	203431	4.26
	Less: Sale of Shares on 23-10-2015	1300	0.02	202131	4.24
	At the end of the year			202131	4.24

2	Gujarat State Financial Institution				
	At the Beginning of the year	228000	4.78	228000	4.79
	Less: Sale of Shares on 23-10-2015	7320	0.15	220680	4.64
	Less: Sale of Shares on 06-11-2015	215	0.02	220465	4.62
	Less: Sale of Shares on 13-11-2015	48	0.00	220417	4.62
	At the end of the year			220417	4.62
3	Pramod Hapani				
	At the Beginning of the year	226480	4.75	226480	4.75
	Change during the year	0	0.00	226480	4.75
	At the end of the year			226480	4.75
4	Matalia Stock Broking Pvt Ltd.				
	At the Beginning of the year	0	0	0	0
	Add: Purchase of share on 28-08-2015	53000	1.11	53000	1.11
	Add: Purchase of share on 04-09-2015	53300	1.12	106300	2.23
	Add: Purchase of share on 11-09-2015	15000	0.31	15000	2.54
	Add: Purchase of share on 18-09-2015	70450	1.48	191750	4.02
	Add: Purchase of share on 25-09-2015	26275	0.55	218025	4.57
	Add: Purchase of share on 30-10-2015	9895	0.21	227920	4.78
	Add: Purchase of Shares on 06-11-2015	8440	0.18	236360	4.96
	Add: Purchase of Shares on 13-11-2015	77	0.00	236437	4.96
	At the end of the year			236437	4.96
5	Harsha Hapani				
	At the Beginning of the year	113920	2.39	113920	2.39
	Change during the year	0	0.00	113920	2.39
	At the end of the year			113920	2.39
6	Skaria Chacko Kolaserril				
	At the Beginning of the year	58751	1.23	58751	1.23
	Changes during the year	0	0	58751	1.23
	At the end of the year			58751	1.23
7	Chintan Hareshbhai Sodha				
	At the Beginning of the year	58562	1.23	58562	1.23
	Changes during the year	0	0	58562	1.23
	At the end of the year			58561	1.23

8	Charmi Sanghavi				
	At the Beginning of the year	42000	0.88	42000	0.88
	Change during the year	0	0.00	42000	0.88
	At the end of the year			42000	0.88
9	Rameshbhai B. Sanghavi				
	At the Beginning of the year	42000	0.88	42000	0.88
	Change during the year	0	0.00	42000	0.88
	At the end of the year			42000	0.88
10	Rameshbhai Sanghavi				
	At the Beginning of the year	24000	0.50	24000	0.50
	Change during the year	0	0.00	24000	0.50
	At the end of the year			24000	0.50
11	Achana Nilesh Mehta				
	At the Beginning of the year	141600	2.97	141600	2.97
	Less: Sale of share on 18-03-2016	141600	2.97	0	0
	At the end of the year			0	0

v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	Name of Promoter Shareholder	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	RAMESHBHAI D. VIRANI				
	At the Beginning of the year	986480	20.70	986480	20.70
	Change during the year	0	0	0	0
	At the end of the year			986480	20.70
2	SHREYAS VIRANI				
	At the Beginning of the year	879933	18.47	879933	18.47
	Less: Sale of shares on 28-08-2015	53500	1.12	826433	17.34
	Less: Sale of shares on 04-09-2015	53433	1.12	773000	16.22
	Less: Sale of shares on 11-09-2015	15000	0.32	758000	15.90
	Less: Sale of shares on 18-09-2015	70503	1.48	687497	14.42
	Less: Sale of shares on 25-09-2015	28497	0.59	659000	13.83
	Less: Sale of shares on 30-10-2015	8210	0.17	650790	13.66
	Less: Sale of shares on 06-11-2015	7790	0.17	643000	13.49

	Add: Purchase of shares on 18-03-2016	141600	2.97	784600	16.46
	At the end of the year			784600	16.46

V. **INDEBTEDNESS**

Indebtedness of the Company including Interest outstanding/accrued
but not due for

	Secured Loan excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the Financial year				
i) Principal Amount		1450750.00		
ii) Interest due but not paid				
iii) Interest accrued but not due		96788.00		
Total (i+ii+iii)		1547538.00		
Change in Indebtedness during the financial year				
Addition		13000000.00		
Reduction		17450000.00		
Net Change		4450000.00		
Indebtedness at the end of the financial year				
i) Principal Amount		5900750.00		
ii) Interest due but not paid				
iii) Interest accrued but not due		96788.00		

Total (i+ii+iii)		5997538.00		

VI. REMUNERATION OF DIRECTORS AND KEY MANGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-Time Director and/ or Manager

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total
		RameshKumar D. Virani Managing Director (1)	Shreyas R. Virani Whole - Time Director (2)	
1	Gross Salary	1161552.00	1055964.00	2217516.00
	(a) Salary as per Provisions contained in Section 17(1) of the of the Income Tax Act, 1961			
	(b) Value of Perquisites u/s 17(2) of the Income Tax Act, 1961	0.00	0.00	0.00
	(c) Profits in lieu of Salary under section 17(3) of the Income Tax Act, 1961	0.00	0.00	0.00
2	Stock option	0.00	0.00	0.00
3	Sweat Equity	0.00	0.00	0.00
4	Commission	0.00	0.00	0.00
	- As % of Profit - Others, Specify			
5	Others,	0.00	0.00	0.00
	Please Specify			
	Total (A)	1161552.00	1055964.00	2217516.00
	Ceiling as per ACT			

B. Remuneration to Other Directors

Sr. No.	Particulars of Remuneration	Name of Director		Total Amount
		Issacthomas C. Kavunkal (1)	Aarti C. Sodha (2)	
1	Independent Directors	0.00	0.00	0.00
	Fees for attending Board Committee Meetings	0.00	0.00	0.00
	Commission	0.00	0.00	0.00
	Others, Please Specify	0.00	0.00	0.00
	Total (1)	0.00	0.00	0.00
2	Others for Non-Executive Directors	0.00	0.00	0.00
	Fees for attending Board Committee Meetings	0.00	0.00	0.00
	Commission	0.00	0.00	0.00
	Others, Please Specify	0.00	0.00	0.00
	Total (2)	0.00	0.00	0.00
	Total (B)=(1) +(2)	0.00	0.00	0.00
	Total Managerial Remuneration	0.00	0.00	0.00
	Overall Ceiling as per the Act			

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTB

Sr. No.	Particulars of Remuneration		Key Managerial Personnel		Total
			Rameshkumar D. Virani CEO	Shreyas R. Virani CFO	
1	Gross Salary		0.00	0.00	0.00
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		0.00	0.00	0.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		0.00	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		0.00	0.00	0.00
2	Stock Option		0.00	0.00	0.00
3	Sweat Equity		0.00	0.00	0.00
4	Commission		0.00	0.00	0.00
	- As % of Profit - Others, Specify				
5	Others, Please Specify		0.00	0.00	0.00
	Total		0.00	0.00	0.00

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties/punishment/compounding of offences for the year ending March 31, 2016

4, Jay Gujarat Society, Opp. Police Commissioner's Office, Shahibaug, Ahmedabad – 380 004. (Gujarat)
Tel. No. : 079- 26402110 . Mobile : 9824021386. E-mail : arunmkothari@gmail.com

INDEPENDENT AUDITOR'S REPORT

To,
The Members,
SAR AUTO PRODUCTS LIMITED
Report on the Financial Statements

I have audited the accompanying financial statements of **SAR AUTO PRODUCTS LIMITED** ("the Company"), which comprises the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility 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 accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit.

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the financial statements.

INDEPENDENT AUDITORS' REPORT

Opinion

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2016;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, I give in the "Annexure A" the statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, I further report that:
 - A. I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit.
 - B. In my opinion, proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books.
 - C. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of accounts;
 - D. In my opinion, the aforesaid financial statements comply with the Accounting Standards referred to in Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - E. On the basis of written representations received from the directors as on 31st March, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016, from being appointed as a director under sub-section (2) of Section 164 of the Act.
 - F. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"

4, Jay Gujarat Society, Opp. Police Commissioner's Office, Shahibaug, Ahmedabad – 380 004. (Gujarat)
Tel. No. : 079- 26402110 . Mobile : 9824021386. E-mail : arunmkothari@gmail.com

- 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 my opinion and to the best of my information and according to the explanations given to me:
- I. The Company does not have any pending litigations which would impact its financial position.
 - II. The Company did not have any long-term contracts including derivative contracts for which there requires commenting on any material foreseeable losses.
 - III. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Arun M. Kothari,
Chartered Accountant

Arun M. Kothari
Proprietor
(Membership No.108669)

Ahmedabad, 31st May, 2016

Annexure A To The Independent Auditors' Report

(Referred to in paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements" of our report of even date)

On the basis of the records produced to me for verification/perusal, such checks as I considered appropriate, and in terms of information and explanations given to me on my enquiries, I state that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of two years which, in my opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
- (c) The company does not have any Immovable Property. Accordingly, the provisions of clause 3 (i) of the Order are not applicable to the Company and hence not commented upon.
- (ii) (a) According to the information and explanations given to me, the inventory has been physically verified during the year by the management. In my opinion, the frequency of verification is reasonable.
- (b) In my opinion and according to the information & explanations given to me, there are no discrepancies noticed on physical verification of the inventory as compared to book records which are material.
- (iii) According to the information and explanations given to me, during the period covered under report, the Company has not granted any secured or unsecured loan to parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- (iv) In my opinion and according to the information and explanations given to me, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- (v) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act, 2013 in respect of goods manufactured by the Company. According to the information and explanations given to me, The Companies (Cost Records & Audit) amendment Rules, 2014 is not applicable to the company.
- (vii) In respect of statutory dues;
 - (a) According to the information and explanations given to me, the Company is regular in depositing with appropriate authorities undisputed statutory dues including Employee Provident Fund, ESIC, Income Tax, Sales Tax, Value Added Tax, Service Tax, Excise Duty, Cess and other material statutory dues apart from few cases of delay in payment of tax deducted at source.

- (b) According to the information and explanations given to me, there are no dues in respect of Provident Fund, ESIC, Income Tax, Wealth Tax, Sales Tax, Value Added Tax, Service Tax, Customs Duty, Excise Duty and cess that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) In my opinion and according to the information and explanations given to me, the Company has not taken any loan either from banks, financial institutions or from the government and has not issued any debentures. Accordingly, the provisions of clause 3 (viii) of the Order are not applicable to the Company and hence not commented upon.
- (ix) In my opinion and according to the information and explanations given to me, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- (x) In my opinion and according to the information and explanations given to me, I report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- (xi) In my opinion and according to the information and explanations given to me, managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In my opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order is not applicable to the Company.
- (xiii) In my opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) In my opinion and according to the information and explanations given to me, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provision of clause 3 (xiv) of the Order is not applicable to the Company and hence not commented upon.
- (xv) In my opinion and according to the information and explanations given to me, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provision of clause 3 (xv) of the Order is not applicable to the Company and hence not commented upon.
- (xvi) In my opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provision of clause 3 (xvi) of the Order is not applicable to the Company and hence not commented upon.

For Arun M. Kothari,
Chartered Accountant

Arun M. Kothari
Proprietor
(Membership No.108669)

Ahmedabad, 31st May, 2016

"Annexure B" to the Independent Auditor's Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

I have audited the internal financial controls over financial reporting of **SAR AUTO PRODUCTS LIMITED** ("the Company") as of March 31, 2016 in conjunction with my audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

My responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on my audit. I have conducted my 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, issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that I 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.

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For Arun M. Kothari,
Chartered Accountant

Arun M. Kothari
Proprietor
Membership No.: 108669

Ahmedabad, dated 31st May, 2016

SAR AUTO PRODUCTS LIMITED
CIN: L34100GJ1987PLC010088
BALANCE SHEET AS AT 31ST MARCH, 2016

[Amount in Rs.]

Particulars	Note No.	As at 31st March, 2016	As at 31st March, 2015
EQUITY AND LIABILITIES			
Shareholders' Funds:			
Share capital	2	47,647,400	47,647,400
Reserves and Surplus	3	76,028,893	74,261,303
		123,676,293	121,908,703
Non-current Liabilities			
Long-term Borrowings	4	1,429,750	1,429,750
Deferred Tax Liabilities (Net)	5	-	107,760
Long-term Provision	6	298,628	224,069
		1,728,378	1,761,579
Current Liabilities			
Short-term Borrowings	7	8,003,660	21,000
Trade Payables	8	5,352,022	1,145,167
Other Current Liabilities	9	1,930,109	3,757,855
Short-Term Provisions	10	425,939	368,828
		15,711,730	5,292,850
		141,116,400	128,963,132
ASSETS			
Non-current Assets			
Fixed Assets			
Tangible Assets	11	31,958,786	31,340,824
Non-current Investments	12	8,405	8,405
Long-term Loans and Advances	13	1,059,367	864,367
Deferred Tax Asset (Net)	14	720,474	-
		33,747,032	32,213,596
Current Assets			
Current Investments	15	404,535	444,424
Inventories	16	19,487,518	9,156,140
Trade Receivables	17	13,306,130	14,019,148
Cash & Cash Equivalents	18	14,959,474	11,337,840
Short-term Loans and Advances	19	59,129,645	61,766,628
Other Current Assets	20	82,067	25,356
		107,369,368	96,749,536
		141,116,400	128,963,132

See accompanying Statement on Significant accounting policies & Notes to accounts

As per our Report of even date

For, ARUN M. KOTHARI
Chartered Accountant

For & on behalf of Board of Directors,

Arun M. Kothari
Proprietor
Membership No. 108669

Ramesh D. Virani
Managing Director
DIN: 00313236

Issachthomas C. Kavunkal
Director
DIN: 02995332

Ronak M. Khanvani
Secretary

Ahmedabad, dated 31st May, 2016

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Rajkot, dated 31st May, 2016

SAR AUTO PRODUCTS LIMITED
CIN: L34100GJ1987PLC010088
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2016

[Amount in Rs.]

Particulars	Note No.	Year ended 31st March, 2016	Year ended 31st March, 2015
INCOME			
Revenue from Operations (Gross)	21	32,801,278	24,433,459
Less: Excise Duty collected on sales		(3,078,208)	(2,309,827)
Revenue from Operations (Net)		29,723,070	22,123,632
Other Income	22	6,729,854	4,975,611
		36,452,924	27,099,242
Expenses			
Cost of Materials consumed	23	10,576,507	7,547,151
Cost of Development and Construction		7,476,463	-
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	24	(2,704,467)	(1,430,361)
Changes in inventories of Constructed Properties		(7,476,463)	-
Employee benefits expenses	25	3,159,857	3,300,103
Finance costs	26	237,942	758,471
Depreciation and amortization expense	11	7,587,212	10,435,387
Other expenses	27	16,656,518	40,180,664
		35,513,569	60,791,416
PROFIT / (LOSS) BEFORE TAX		939,355	(33,692,174)
TAX EXPENSE			
Current tax		185,000	-
Prior Period Taxes		-	-
Deferred tax		(828,235)	(1,798,091)
MAT Credit Entitlement		(185,000)	-
PROFIT / (LOSS) AFTER TAX		1,767,590	(31,894,082)
EARNINGS / (LOSS) PER SHARE	28		
Basic & Diluted		0.37	(6.69)
Face Value Per Share		10.00	10.00

See accompanying Statement on Significant accounting policies & Notes to accounts

As per our Report of even date

For, ARUN M. KOTHARI
Chartered Accountant

For & on behalf of Board of Directors,

Arun M. Kothari
Proprietor
Membership No. 108669

Ramesh D. Virani
Managing Director
DIN: 00313236

Issachthomas C. Kavunkal
Director
DIN: 02995332

Ronak M. Khanvani
Secretary

Ahmedabad, dated 31st May, 2016

Rajkot, dated 31st May, 2016

SAR AUTO PRODUCTS LIMITED
CIN: L34100GJ1987PLC010088
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

[Amount in Rs.]

Particulars	Year ended 31st March, 2016	Year ended 31st March, 2015
A. Cash Flow From Operating Activities		
Profit / (Loss) Before Tax	939,355	(33,692,174)
Depreciation and Amortization	7,587,212	10,435,387
Finance Costs	237,942	758,471
Interest Income	(6,039,357)	(4,718,357)
Provision for Diminution in Current Investment	32,644	-
Profit on Sale of Investment	(195,630)	-
Profit or Loss on Sale of Assets	-	(7,461)
Operating Profit/ (Loss) before Working Capital Changes	2,562,166	(27,224,133)
Changes In:		
Movement in Trade & Other Receivables	713,018	21,863,545
Movement in Loans and Advances	3,013,956	14,341,403
Movement in Inventory	(10,331,378)	(699,365)
Movement in Trade & Other Payable	2,603,690	1,927,913
Movement in Provision	131,670	34,900
Cash Generated From Operations	(1,306,878)	10,244,262
Direct Taxes Paid (Net of Refunds)	(571,973)	-
Net Cash flow from Operating Activities [A]	(1,878,851)	10,244,262
B. Cash Flow from Investing Activities		
Movement in Current Investments	-	273,301
Realization from Sale of Current Investment	202,873	-
Purchase of Fixed Assets	(13,517,809)	(6,023,655)
Sale of Fixed Assets	5,312,635	150,000
Movement in Other Current Asset	(56,711)	23,517
Movement in Payable for Assets	(127,793)	127,793
Movement in Fixed Deposits	(5,623,222)	1,402,230
Net Cash flow from Investing Activities [B]	(13,810,027)	(4,046,814)
C. Cash Flow from Financing Activities		
Movement in Short Term Borrowings	7,982,663	(1,940,000)
Finance Costs Paid	(334,730)	(758,471)
Interest Received	6,039,357	4,718,357
Net Cash flow from Financing Activities [C]	13,687,290	2,019,886
Net Increase/ (Decrease) in Cash and Cash Equivalents [A+B+C]	(2,001,589)	8,217,334
Opening Balance of Cash and Cash Equivalents	9,679,320	1,461,986
Closing Balance of Cash and Cash Equivalents	7,677,732	9,679,320

Note: The above Cash Flow Statement has been prepared under the 'Indirect Method' as mentioned in Accounting Standard 3 - Cash Flow Statement issued by the ICAI.

As per our Report of even date

For, ARUN M. KOTHARI
Chartered Accountant

For & on behalf of Board of Directors,

Arun M. Kothari
Proprietor
Membership No. 108669

Ramesh D. Virani
Managing Director
DIN: 00313236

Issacthomas C. Kavunkal
Director
DIN: 02995332

Ronak M. Khanvani
Secretary

SAR AUTO PRODUCTS LIMITED

CORPORATE INFORMATION

Sar Auto Products Limited is a company limited by shares with domicile in India. It is incorporated under the provisions of the Companies Act, 1956. The Company's main object is to manufacture gears, gear boxes and other transmission components.

During the year under review, the company started the business of real estate development. However, the company has not recognised any revenue from the same due to non-fulfillment of the criteria given by the Guidance Note on "Accounting for Real Estate Transactions (Revised 2012)".

Director's Information

Sr. No.	Name	Director Identification Number
1	Rameshkumar Durlabhjibhai Virani	00313236
2	Shreyas Rameshbhai Virani	00465240
3	Issacthomas Charianthomas Kavunkal	02995332
4	Aarti Chintan Sodha	06978954

1. SIGNIFICANT ACCOUNTING POLICIES

A. Basis for Preparation of financial statement:

The financial statements have been prepared under the historical cost convention in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standard specified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 as applicable.

B. Use of Estimates:

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known / materialize.

C. Tangible Fixed Assets:

Fixed Assets are stated at cost net of CENVAT/ Value Added Tax, Rebates, discounts, less accumulated depreciation and impairment loss, if any.

The cost of fixed assets comprises its purchase price, including import duties and other non-refundable taxes or levies, where ever applicable, and any directly attributable cost of bringing the assets to its working condition for its intended use. Borrowing cost incurred for qualifying assets is capitalized up to the date the asset is ready for intended use, based on borrowings incurred specifically for financing the asset or the weighted average rate of all other borrowings, if no specific borrowings have been incurred for the asset.

D. Depreciation/Amortization:

Depreciation has been provided on Written down Value Method as per the Schedule II to the Companies Act, 2013. As regards addition, depreciation has been provided on pro-rata basis from the date the assets are put to use during the financial year. In respect of asset sold or disposed off during the year, depreciation is provided till the date of sale/disposal of the assets.

SAR AUTO PRODUCTS LIMITED

SIGNIFICANT ACCOUNTING POLICIES- contd..

E. Impairment of Assets:

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Statement of Profit & Loss in the year in which an asset is identified as impaired.

F. Investments:

Current investments are carried at lower of cost and quoted/fair value, computed category wise.

Long Term Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary.

G. Inventories:

Manufacturing Activity

Inventories are valued at cost or net realizable value whichever is lower. Inventories comprise of all cost of purchase, conversion and other cost incurred for bringing the inventory to its present location and condition.

Construction Activity

Constructed properties includes cost of land (including development rights), external development charges, construction costs, allocated overheads, development / construction materials and other expenditure is valued at cost.

H. Revenue Recognition:

Sales of Goods are recognized on dispatch to customers, when materially all significant risk and reward of ownership are transferred to the customers and no effective ownership is retained. Sales are recorded net of Central sales tax/Value added tax.

Revenue from Constructed Properties is recognized in accordance with the Revised Guidance Note issued by ICAI on "Accounting for Real Estate Transactions (Revised 2012)".

As per the Guidance Note, the revenue is recognized on percentage of completion method and on the percentage of actual project costs incurred thereon to total estimated project cost. Provided, all of the following conditions are met at the reporting date:

1. Required critical approvals for commencement of the project have been obtained;
2. Atleast 25% of estimated construction and development costs (excluding land cost) has been incurred;
3. Atleast 25% of saleable project are is secured by the agreements to sell/ application forms (containing salient terms of the agreement to sell); and
4. Atleast 10% of the total revenue as per agreement to sell are realised in respect of these agreements.

Gain on the transaction of Shares & Securities is recognized at the point of sale of the Shares and Securities.

Dividend is recognized when right to receive is established.

Profit or loss on sale of assets is recognized on sale of assets.

Interest on deployment of surplus funds is recognized using the time proportion method based on the interest rates implicit in the transaction.

Claims are recognized on receipt basis.

SAR AUTO PRODUCTS LIMITED

SIGNIFICANT ACCOUNTING POLICIES- contd..

I. **Borrowing Cost:**

Borrowing costs are recognized in the Statement of Profit & Loss except borrowing costs that are attributable to the construction of qualifying assets which are capitalized to the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.

J. **Foreign Currency Transactions:**

All Transactions in foreign currency are recorded at the exchange rates prevailing on the dates when relevant transactions take place.

Monetary Items in the forms of Assets or Liabilities, outstanding at the close of the year, are restated in Indian Currency at the appropriate rates of exchange prevailing on the date of Balance Sheet.

Exchange differences arising on settlement of transactions and translation of monetary items are recognized in The Statement of Profit & Loss as Gain or Loss in the year in which they arise.

K. **Income Tax:**

Current Tax: Provision is made for income tax on yearly basis, under the tax-payable method, based on tax liability, as computed after taking credit for allowances and exemptions as per Income Tax Act, 1961.

Deferred Tax: Deferred tax liability or asset is recognized on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized only to the extent that there is virtual certainty that sufficient taxable income will be available to realize these assets. All other deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realize these assets.

L. **Employee Benefits:**

Short Term Employee Benefits

Short-term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

Defined Contribution Plan

Company's contributions to employee's benefits fund are charged to statement of Profit & Loss for the year in which contribution for the same becomes due.

Gratuity

Incremental expenditure on Gratuity for each year is arrived at as per actuarial valuation and is recognized and charged to The Statement of Profit and Loss in the year in which employee has rendered service.

M. **Provisions**

Provisions involve substantial degree of estimation in measurement and are recognized where there is a present obligation as a result of past events and it is probable that there will be an outflow of resources embodying economic benefits. These are reviewed at each balance sheet date to reflect the current best estimate.

SAR AUTO PRODUCTS LIMITED

SIGNIFICANT ACCOUNTING POLICIES- contd..

N. Contingent Liability and Contingent Assets

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future event beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources embodying future economic benefits will be required to settle the obligation. The company does not recognize a contingent liability but discloses its existence in the financial statement.

Contingent assets are neither recognized nor disclosed in the financial statements following the principle of conservatism.

O. Cash Flow Statements

Cash flow statement is reported using indirect method, whereby Profit / (Loss) before tax is adjusted for the effects of transaction of non-cash in nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from operating, Investing and financing activities of the company are segregated based on available information. Cash and cash equivalents for the purpose of cash flow statement comprise cash at bank and in hand and short-term investment with original maturity of three months or less.

SAR AUTO PRODUCTS LIMITED
CIN: L34100GJ1987PLC010088
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

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

[Figures in Rs.

2. Share Capital

2.1 Details relating to Authorized, Subscribed, Issued & Paid up Share Capital

Particulars	As at 31.03.2016	As at 31.03.2015
Authorized Share Capital: 1,00,00,000 Equity Shares of ` 10/- each	100,000,000	100,000,000
Issued, Subscribed & Paid-up Capital: 47,64,740 Equity Shares of ` 10/- each fully paid up	47,647,400	47,647,400

2.2 Reconciliation of the Share Capital

Particulars	As at 31.03.2016 & 31.03.2015	
	Number of Shares	`
Shares outstanding as at the beginning of the year	4,764,740	47,647,400
Shares issued during the year	-	-
Shares bought-back during the year	-	-
Shares outstanding as at the end of the year	4,764,740	47,647,400

2.3 The Company has only one class of equity shares of face value of ` 10 each carrying one voting right for each equity share held.

In the event of the Liquidation of the company, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amounts. The distribution will be in the proportion to the number of the equity shares held by the shareholders.

2.4 Details of shareholders holding more than 5% ordinary equity shares as on Balance Sheet

Name of Shareholder	As at 31.03.2016	
	Number	%
Rameshbhai D. Virani	986,480	20.70%
Rajshreeben R. Virani	872,510	18.31%
Shreyasbhai Virani	784,600	16.47%
Urviben S. Virani	824,100	17.30%
Total no. of shares held by such shareholders	3,467,690	72.78%
Total no. of shares of the company	4,764,740	100.00%

Name of Shareholder	As at 31.03.2015	
	Number	%
Rameshbhai D. Virani	986,480	20.70%
Rajshreeben R. Virani	872,510	18.31%
Shreyasbhai Virani	879,950	18.47%
Urviben S. Virani	824,100	17.30%
Total no. of shares held by such shareholders	3,563,040	74.78%
Total no. of shares of the company	4,764,740	100.00%

3. Reserves and Surplus

Particulars	As at 31.03.2016	As at 31.03.2015
Securities Premium Account As per Last Balance Sheet	14,996,000	14,996,000
General Reserve As per Last Balance Sheet	732,787	732,787
Surplus in Statement of Profit & Loss Opening Balance	58,532,516	90,817,421
Adjustment on adoption of Schedule II of Companies Act, 2013	-	(390,823)
Net Profit/(Loss) for the Current Year	1,767,590	(31,894,082)
Closing Balance	60,300,106	58,532,516
	76,028,893	74,261,303

SAR AUTO PRODUCTS LIMITED
CIN: L34100GJ1987PLC010088
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

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

[Figures in Rs.

4. Long-term Borrowings

Particulars	As at 31.03.2016	As at 31.03.2015
Secured		
From Others		
Loan From LIC of India (Secured against Keyman Insurance Policy of Key Management Personnel) Terms of Repayment: Total amount repayable in the year 2026 Rate of Interest is 9% Per Annum	1,429,750	1,429,750
	1,429,750	1,429,750

5. Deferred Tax Liabilities (Net)

Particulars	As at 31.03.2016	As at 31.03.2015
Opening Balance	-	1,905,852
Tax effect of items constituting deferred tax liability Related to fixed asset	-	2,305
	-	2,305
Tax effect of items constituting deferred tax asset Related to fixed asset	-	(1,800,397)
	-	(1,800,397)
Net Deffered Tax	-	(1,798,091)
Net Deferred Tax Liability	-	107,760

6 Long Term Provision

Particulars	As at 31.03.2016	As at 31.03.2015
Provision For Employees Benefits		
Provision for Defined Benefit Obligation - Gratuity	298,628	224,069
	298,628	224,069

7. Short-term Borrowings

Particulars	As at 31.03.2016	As at 31.03.2015
Secured		
From Bank	3,532,660	-
Unsecured		
Loans & Advances from Related Parties From Directors	4,471,000	21,000
	8,003,660	21,000

SAR AUTO PRODUCTS LIMITED
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS

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

[Figures in Rs.

8. Trade Payables

Particulars	As at 31.03.2016	As at 31.03.2015
Other than Acceptances*	5,352,022	1,145,167
	5,352,022	1,145,167

* The company has requested the suppliers to give information about their status as Micro, Small and Medium Enterprises as defined under the MSMED Act, 2006. In the absence of this information, company is unable to provide the details regarding the over dues to such Enterprises.

9. Other Current Liabilities

Particulars	As at 31.03.2016	As at 31.03.2015
Interest Accrued but not Due on borrowing	96,788	96,788
Other payables		
Advance from Customers	855,296	2,264,215
Payables on purchase of fixed assets	-	127,793
Statutory Liabilities	978,025	1,269,059
	1,930,109	3,757,855

10. Short-Term Provisions

Particulars	As at 31.03.2016	As at 31.03.2015
Provision for employee benefits		
Provision for Defined Benefit Obligation - Gratuity	418,439	361,228
Others		
Provision for Audit Fees	7,500	7,600
	425,939	368,828

SAR AUTO PRODUCTS LIMITED
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NOTES FORMING PART OF THE FINANCIAL STATEMENTS

11. Fixed Assets

[Figures in Rs]

Particulars	Gross Block				Accumulated Depreciation				Net Block	
	Opening Balance as at 01.04.2015	Additions	Disposals	Closing Balance as at 31.03.2016	Opening Balance as at 01.04.2015	Depreciation charge for the year	Adjustment	Closing Balance as at 31.03.2016	Closing Balance as at 31.03.2016	Closing Balance as at 31.03.2015
Tangible Assets:										
Land	4,660,180	652,455	5,312,635	-	-	-	-	-	-	4,660,180
Factory Building	4,135,496	-	-	4,135,496	3,120,538	121,754	-	3,242,291	893,205	1,014,958
Plant & Machinery	64,884,443	12,858,397	-	77,742,840	46,189,452	5,275,457	11,948	51,476,857	26,265,983	18,694,991
Machinery R&D	10,377,000	-	-	10,377,000	7,062,459	894,830	-	7,957,289	2,419,711	3,314,541
Jigs & Fixtures R&D	79,500	-	-	79,500	54,576	6,893	-	61,469	18,031	24,924
Furniture & Fixtures	740,340	-	-	740,340	708,397	17,413	-	725,811	14,529	31,943
Office Equipments	759,799	6,957	-	766,756	745,715	29,146	(11,948)	762,912	3,844	14,084
Computer & Software	715,875	-	-	715,875	699,431	6,900	-	706,331	9,544	16,444
Electrical Installation	678,884	-	-	678,884	560,611	50,134	-	610,745	68,139	118,273
Vehicles	7,725,572	-	-	7,725,572	4,275,088	1,184,684	-	5,459,772	2,265,800	3,450,484
Total	94,757,089	13,517,809	5,312,635	102,962,263	63,416,265	7,587,212	-	71,003,477	31,958,786	31,340,824

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NOTES FORMING PART OF THE FINANCIAL STATEMENTS

11. Fixed Assets

[Figures in Rs]

Particulars	Gross Block				Accumulated Depreciation					Net Block	
	Opening Balance as at 01.04.2014	Additions	Disposals	Closing Balance as at 31.03.2015	Opening Balance as at 01.04.2014	Depreciation charge for the year	Adjustment to Reserves	On disposals	Closing Balance as at 31.03.2015	Closing Balance as at 31.03.2015	Closing Balance as at 31.03.2014
Tangible Assets:											
Land	-	4,660,180	-	4,660,180	-	-	-	-	-	4,660,180	-
Factory Building	4,135,496	-	-	4,135,496	2,982,140	138,398	-	-	3,120,538	1,014,958	1,153,356
Plant & Machinery	64,402,657	481,786	-	64,884,443	38,898,715	7,083,762	206,975	-	46,189,452	18,694,991	25,503,942
Machinery R&D	10,377,000	-	-	10,377,000	5,835,464	1,226,995	-	-	7,062,459	3,314,541	4,541,536
Jigs & Fixtures R&D	79,500	-	-	79,500	45,040	9,536	-	-	54,576	24,924	34,460
Furniture & Fixtures	740,340	-	-	740,340	667,279	41,118	-	-	708,397	31,943	73,061
Office Equipments	759,799	-	-	759,799	477,988	109,677	158,050	-	745,715	14,084	281,811
Computer & Software	702,075	13,800	-	715,875	650,092	23,540	25,799	-	699,431	16,444	51,983
Electrical Installation	678,884	-	-	678,884	464,506	96,105	-	-	560,611	118,273	214,378
Vehicles	7,648,812	867,889	791,129	7,725,572	3,217,422	1,706,256	-	648,590	4,275,088	3,450,484	4,431,390
Total	89,524,563	6,023,655	791,129	94,757,089	53,238,644	10,435,387	390,824	648,590	63,416,265	31,340,824	36,285,919

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

[Figures in Rs.

12. Non-current Investments

Particulars	As at 31.03.2016	As at 31.03.2015
(At Cost)		
Other Investments		
Investment in Equity Instrument of other entities		
Unquoted		
Rajkot Nagrik Sahkari Bank	3,050	3,050
Consortex Karl Deolic Ltd.	5,355	5,355
	8,405	8,405
Aggregate Amount of Unquoted Investments	8,405	8,405

13. Long-term Loans and Advances

Particulars	As at 31.03.2016	As at 31.03.2015
Security Deposits		
Electric Deposit	84,529	74,529
G.E.B. Deposit	3,020	3,020
G.I.D.C. Deposit	5,000	5,000
L.P.G. Gas Connection Deposit	19,700	19,700
Rent Deposit	500,000	500,000
Rajkot Nagrik Sahakari Bank Deposit	11,102	11,102
Telephone Deposit	11,000	11,000
MAT Credit Entitlement	400,016	215,016
Other Loans & Advances		
Loans to others	25,000	25,000
	1,059,367	864,367

14. Deferred Tax Asset (Net)

Particulars	As at 31.03.2016	As at 31.03.2015
Opening Balance	(107,760)	-
Tax effect of items constituting deferred tax liability Related to fixed asset	-	-
	-	-
Tax effect of items constituting deferred tax asset Related to fixed asset	828,235	-
	828,235	-
Net Deferred Tax	828,235	-
Net Deferred Tax Asset	720,474	-

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15. Current Investments

Other current investments (At lower of cost and fair value)

Investment in Fully Paid-up Equity Shares

Quoted

Face value Per share (In Rs.)	Description	As at 31.03.2016		As at 31.03.2015	
		`	In Nos	`	In Nos
1	JMD Telefilms Ind. Ltd.	43	11	40	11
1	Aadhaar Ventures India Ltd.	20,477	170,640	25,598	170,640
10	Aadi Ind. Ltd.	2,878	1,062	3,706	1,062
1	ACIL Cotton Industries Ltd.	5,600	40,000	2,800	40,000
1	Cistro Telelink Ltd.	-	37,097	2,597	37,097
10	Clarus Finance & Securities Ltd.	30	2	63	2
10	Cura Technologies Ltd.	26	6	61	6
10	Emporis Projects Ltd.	-	82,908	-	82,908
1	KGN Ind. Ltd.	62	40	-	40
1	Mercator Lines - (WXBSARPR)	176	8	106	8
10	Nivayah Infrastrucure & Telecom Services Ltd.	-	9,229	151	9,229
10	Prabhav Industries Ltd.	212,338	131,073	111,412	131,073
10	RCL Foods Ltd.	16	1	15	1
10	Sancia Global Infraprojects Ltd. (532836)	72	100	16	100
10	Scope Industries (India) Ltd.	-	5	73	5
10	Sky Industries Ltd.	115	7	56	7
1	Sterling International Enterprises Ltd.	161,270	81,040	289,527	81,040
-	Sanraa Media Ltd.	-	100,000	-	100,000
-	Shreyas Shipping Logistics Ltd.	-	-	7,243	377
1	JMDE Packaging and Realities Ltd.	1,432	2,000	960	2,000
Total		404,535		444,424	
Aggregate amount of quoted investments		404,535		443,464	

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15. Current Investments

Other current investments (At lower of cost and fair value)

Investment in Fully Paid-up Equity Shares

Quoted

Face value Per share (In Rs.)	Description	As at 31.03.2016		As at 31.03.2015	
			In Nos		In Nos
Aggregate market value of listed and quoted investments		403,127		724,227	

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

[Figures in Rs.

16. Inventories

Particulars	As at 31.03.2016	As at 31.03.2015
Raw Materials	5,355	5,355
Work-in-progress	9,968,399	6,794,729
Work-in-progress - Business Park	7,476,463	-
Scrap	-	469,203
Others		
Machinery Oil	44,726	41,311
Consumables & tools	925,217	893,090
Packing Material	163,774	150,112
Cutters	903,584	802,340
	19,487,518	9,156,140

17. Trade Receivables

Particulars	As at 31.03.2016	As at 31.03.2015
Unsecured, considered good		
Outstanding for a period exceeding six months from the date they are due for payment	2,797,737	4,309,925
Other trade receivables	10,508,393	9,709,223
	13,306,130	14,019,148

18. Cash and Bank Balances

Particulars	As at 31.03.2016	As at 31.03.2015
Cash & Cash Equivalents		
Balances with Banks		
In Current Accounts	7,591,006	9,571,294
Cash on hand	86,726	108,027
	7,677,732	9,679,320
Other Bank Balances		
Fixed Deposits	7,281,742	1,658,520
	14,959,474	11,337,840

19. Short-term Loans and Advances

Particulars	As at 31.03.2016	As at 31.03.2015
Balance with Government Authorities		
Excise Duty	1,182,435	1,070,942
Service Tax and Cess	142,592	46,571
VAT Receivable	494,496	90,886
Income Tax Refund Due	626,386	772,114
TDS Receivable (A.Y. 2016-17)	386,973	-
Others		
Bills Receivable	3,646,292	-
Prepaid Expenses	677,172	702,802
Advance to Supplier	100,000	-
Other short term advances	51,873,299	59,083,314
	59,129,645	61,766,628

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

[Figures in Rs.

20. Other Current Assets

Particulars	As at 31.03.2016	As at 31.03.2015
Accruals		
Interest on Deposits	82,067	25,356
	82,067	25,356

21. Revenue from Operations

Particulars	For the year ended 31.03.2016	For the year ended 31.03.2015
Revenue from sale of products	32,172,845	24,179,974
Other Operating revenues	628,433	253,485
	32,801,278	24,433,459
Less: Excise duty collected on sales	(3,078,208)	(2,309,827)
	29,723,070	22,123,632

21.1 Sale of Product Comprises:

Particulars	For the year ended 31.03.2016	For the year ended 31.03.2015
Auto parts sales	29,094,637	21,750,177
Forging sales	-	39,780
Round Bar Sales	-	80,190
Sale of Products :	29,094,637	21,870,147

21.2 Other Operating Revenues comprise:

Particulars	For the year ended 31.03.2016	For the year ended 31.03.2015
Scrap Sales	525,360	-
Duty drawback	103,073	59,085
Job Work	-	194,400
	628,433	253,485

22. Other Income

Particulars	For the year ended 31.03.2016	For the year ended 31.03.2015
Interest income on Bank Deposits	564,860	213,323
Loans & Advances	5,457,015	4,505,034
I.T.Refund	17,482	-
Dividend income on Non Current Investments	2	493
Net Foreign Exchange Gain	151,293	97,426
Other Non Operating Income		
Discount earned	-	11,697
Other Misc Income	343,572	140,176
Profit on Sale of Asset	-	7,461
Profit on sale of Current Investments	195,630	-
	6,729,854	4,975,611

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

[Figures in Rs.

23. Cost of Materials Consumed

Particulars	For the year ended 31.03.2016	For the year ended 31.03.2015
Raw Material Consumed		
Opening Stock	1,742,096	2,488,121
Purchases	10,713,293	6,801,126
Closing Stock	(1,878,882)	(1,742,096)
	10,576,507	7,547,151

23.1 Material Consumed Comprises

Particulars	For the year ended 31.03.2016	For the year ended 31.03.2015
Indigenous	9,319,265	6,936,863
Imported	1,286,438	610,288

24. Changes in the inventories of Finished goods, Work-in-progress and Stock-in-trade

Particulars	For the year ended 31.03.2016	For the year ended 31.03.2015
Inventories at the end of the year		
Finished goods	-	-
Work-in-progress	9,968,399	6,794,729
Scrap	-	469,203
	9,968,399	7,263,932
Inventories at the beginning of the year		
Finished goods	-	-
Work-in-progress	6,794,729	5,673,621
Scrap	469,203	159,950
	7,263,932	5,833,571
Net (increase) / decrease	(2,704,467)	(1,430,361)

25. Employee benefit expenses

Particulars	For the year ended 31.03.2016	For the year ended 31.03.2015
Salaries & wages	2,695,768	2,880,783
Salary	388,135	541,693
Bonus	46,575	62,841
Leave Salary	43,542	58,733
Directors' Remuneration & Perks	2,217,516	2,217,516
Contribution to provident and other funds	431,511	390,314
Staff welfare expenses	32,578	29,006
	3,159,857	3,300,103

26. Finance Costs

Particulars	For the year ended 31.03.2016	For the year ended 31.03.2015
Interest Expenses		
Interest paid on Borrowings	192,127	737,017
Interest on TDS	435	3,896
Interest on Service Tax	775	386
Interest on VAT & CST	2,480	-
Other Borrowing Cost		
Bank Charges	42,125	17,172
	237,942	758,471

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[Figures in Rs.

27. Other Expenses

Particulars	For the year ended 31.03.2016	For the year ended 31.03.2015
Manufacturing Expenses:		
Labour Charges, Loading & Unloading Charges	3,000	17,390
Freight & Octroi-Inward & Goods Import Expenses	355,383	359,653
Job Work Charges	6,142,747	4,497,085
Power & Fuel Charges	1,257,880	1,001,168
Repairs & Maintenance - Machinery	525,514	572,084
Packing Material Consumed	394,855	398,988
Factory Expenses	77,352	97,271
	8,756,731	6,943,639
Administrative & Selling Expenses:		
Advertisement Expense	16,373	-
Audit Fees	7,500	7,600
Bad Debts written off	4,150,219	28,739,882
Security Expenses	167,823	122,148
Computer Maintenance & Updation Charges	3,200	5,950
Demat Expense	4,070	4,003
Discount Expense	28,894	128,562
Freight, Octroi-Outward & Cartages Expenses	213,008	192,585
Insurance	204,651	99,355
Legal & Professional Charges	945,325	1,404,525
Listing and Certification fees	194,200	639,325
NSDL/CDSL Connection Fees	31,500	21,000
Office Expenses	42,000	37,700
Postage, Telegram, Telephone & Internet Expenses	272,132	236,667
Printing & Stationery Expenses	62,041	68,799
Rates & Taxes	24,651	9,838
Rent Expenses	816,000	787,500
Sales Promotion Expense	45,690	9,134
Travelling Expenses	55,964	40,133
VAT Expenses	207,570	47,509
Vehicle Running & Maintenance	374,332	361,510
Provision for Diminution in value of current Investment	32,644	273,300
	7,899,787	33,237,025
	16,656,518	40,180,664

28. Earning per Share (EPS)

Particulars	For the year ended 31.03.2016	For the year ended 31.03.2015
Basic and Diluted Earning per Share (EPS)		
Profit available for Equity Shareholder	1,767,590	(31,894,082)
Weighted Average Number of Equity Shares outstanding at the end of respective year	4,764,740	4,764,740
Basic and Diluted Earning per Share (EPS)	0.37	(6.69)
Face value of Share	10.00	10.00

29. Related Party Disclosures

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below:

29.1 List of related parties and relationships:

Related Party	Nature of Relationship
Mr. Ramesh D. Virani Mr. Shreyas R. Virani	Key Management Personnel
Mrs. Rajashree R. Virani Mrs. Urmiben S. Virani	Relatives of Key Management Personnel

29.2 Transactions during the year with related parties and year-end balances

Particulars	As at 31.03.2016	As at 31.03.2015
Nature of Transaction		
Directors' Salary & Perks	2,217,516	2,217,516
Loans Accepted	17,450,000	17,610,000
Loans Repaid	13,000,000	19,550,000
Advances Recovered	-	32,950,000
Advance for lease Recovered	-	40,000,000
Advance for Sale of Property	-	56,600,000
Advance Repaid	-	56,600,000
Year-end balances		
Loans Accepted (Payable)	4,471,000	21,000

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

30 Disclosure Pursuant To Accounting Standard - 15 - Employee Benefits

30.1 Defined Contribution Plan

The Company has recognized `2,99,741/- & `3,00,197/- in the Statement of Profit & Loss for the year ended 31st March, 2016 & 31st March, 2015 respectively under Defined Contribution Plan.

30.2 Defined Benefit Plan

The following table summaries the component of Net Benefit Expenses recognized in the Statement of Profit & Loss and amounts recognized in the Balance Sheet as per Actuarial Valuation Report.

Particulars	As At 31st March, 2016	As At 31st March, 2015
Net Asset / (Liability) Recognized in Balance Sheet		
Present Value of Funded Defined Benefit Obligations	-	-
Fair Value of Plan Assets	-	-
Present Value of Unfunded Obligation	717,067	585,297
Unrecognized Past Service Cost	-	-
Unrecognized Actuarial Loss	-	-
Net Asset / (Liability) Recognized in the Balance Sheet	(717,067)	(585,297)
Components of Employer Expenses		
Current Service Cost	101,121	99,301
Adjustment to the Opening Fund	-	-
Interest Cost on Defined Benefit Obligation	45,068	39,614
Expected Return on Plan Assets	-	-
Net Actuarial Loss / (Gain) Recognized in year	(14,419)	(48,798)
Expense Recognized in The Statement of Profit & Loss	131,770	90,117
Change in Defined Benefit Obligations - DBO during the year ended		
Opening Defined Benefit Obligation	585,297	495,180
Current Service Cost	101,121	99,301
Interest Cost On Defined Benefit Obligation	45,068	39,614
Other Adjustment	-	-
Actuarial Loss / (Gain)	(14,419)	(48,798)
Past Service Cost	-	-
Benefits Paid	-	-
Closing Defined Benefit Obligation	717,067	585,297
Principal Actuarial Assumptions		
Discount Rate	7.70%	8.00%
Interest Rate	7.70%	9.10%
Salary Escalation	7.00%	7.00%
Retirement Age	58 Years	58 Years
Attrition - Withdrawal Rates	5% to 1%	5% to 1%
Current Liability	418,439	361,228
Non - Current Liability	298,628	224,069
Net Liability as at 31st March, 2016 & 31st March, 2015	717,067	585,297

The estimates of rate of escalation in future salary considered in Actuarial Valuation, take into account inflation, seniority, promotion and other relevant factors including supply & demand in the Employment Market. The above information is certified by The Actuary.

SAR AUTO PRODUCTS LIMITED
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Previous year's figure have been regrouped/reclassified wherever necessary to confirm with the current year's presentation.

31. Segment Reporting

Based on guiding principles in the Accounting Standard 17 - "Segment Reporting", the primary business segment of the Company is machining of auto components. Further, the surplus money available with the company continues to be deployed under the professional guidance in Fixed Deposits and Shares and securities. The company has started construction business but it is not a reportable segment as per Accounting Standard 17 - "Segment Reporting" due to non fulfillment of the given criterias. Hence as the Company operates in a single primary reportable business segment, disclosure requirements of Accounting Standard 17 - "Segment Reporting", are not applicable.

32. Contingent Liabilities not provided for

Nil

33. Foreign Exchange:

Particulars	As at 31.03.2016	As at 31.03.2015
Earning In Foreign Exchange		
FOB value of exports	5,411,369	11,056,436
Imports		
CIF Value of Imports	1,179,898	589,463
Expenditure in Foreign Exchange		
Professional Fees	-	-

34. The company has written off an amount of ` 41,50,219 being export receivable which has been outstanding since last several years and the management does not foresee receipt of the said amount. The Reserve Bank of India vide its circular RBI/2012-13/435 A.P. (DIR Series) Circular No. 88 permits write-off up to only 5% of export realization in the previous calendar year (i.e. to the extent of ` 48,00,894). Any Amount in excess of this limit will have to be referred to the region office of Reserve Bank of India before writing off such excess amount.

However, the company, having made adequate efforts has failed to realize the outstanding export receivables amounting to ` 41,50,219 and thus Company has written off total amount as bad debts without referring to the regional office of Reserve Bank of India as per the above circular.

35. Estimated amount of Contract remaining to be executed on Capital Accounts and not provided for, net of advance is - NIL (Previous year - NIL)

36. The outstanding balances as at 31.03.2016 in respect of Trade receivables, Trade payables, Loans & Advances and other payables & receivables are subjected to confirmation from respective parties and consequential reconciliation and/ or adjustments arising there from, if any. The Management, however, does not expect any material variation.

37. According to the opinion of the management of the Company the value of realization of Trade & Other Receivables and Loans & Advances given in the ordinary course of business would not be less than the amount at which they are stated in the Balance sheet.

38. The amounts received from directors before 1st April, 2014 amounting to ` 21,000 have been disclosed in Note No. 7 of Notes forming part of Financial Statements under the head Short term borrowings From

As per our Report of even date

For & on behalf of Board of Directors,

For, ARUN M. KOTHARI
Chartered Accountant

Arun M. Kothari
Proprietor
Membership No. 108669

Ramesh D. Virani
Managing Director
DIN: 00313236

Issachthomas C. Kavunkal
Director
DIN: 02995332

Ronak M. Khanvani
Secretary

Ahmedabad, dated 31st May, 2016

Rajkot, dated 31st May, 2016

SAR AUTO PRODUCTS LIMITED

(CIN: L34100GJ1987PLC010088)

50-E, BHAKTINAGAR, INDS. ESTATE, RAJKOT

Ph: 0281-2374726 Fax No.: +912812376806 Email: sapl@sarautoproducs.com

ATTENDENCE FORM

Name of Shareholder		
Number of Equity Shares held		
Folio No.		
If Demat Shares	DP ID	
	Client ID	

I hereby record my presence at the 29th Annual General Meeting of the Company held at Registered office of the Company situated at 50-E, Bhaktinagar, Inds. Estate, Rajkot-360002 at 11:00 a.m. on Thursday, September 29, 2016.

.....
(Name of Member/proxy/Authorized Representative)
(IN BLOCK LETTERS)

.....
(Signature of Member/Proxy
/Authorized Representative)

***Note : Please fill up this attendance slip and hand it over at the entrance of the meeting hall.
Members are requested to bring their copies of the Annual Report to the AGM.***

SAR AUTO PRODUCTS LIMITED

(CIN: L34100GJ1987PLC010088)

50-E, BHAKTINAGAR, INDS. ESTATE, RAJKOT

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29TH ANNUAL GENERAL MEETING -29th September, 2016**Proxy form***[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014- **Form No. MGT-11**]*

Name of the member (s) (In BLOCK LETTERS)			
Registered address (In BLOCK LETTERS)			
E-mail Id		Folio No.	
No. of Shares Held		DP ID Client ID	

I/We, _____ being the member (s) of _____ Equity shares of the above named company, hereby appoint

Name			
Address			
E-mail Id		Signature	
or failing him			
Name			
Address			
E-mail Id		Signature	
or failing him			
Name			
Address			
E-mail Id		Signature	

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 29th Annual General Meeting of the company, to be held on Thursday, September 29, 2016, at 11:00 a.m. at 50-E, Bhaktinagar, Inds. Estate, Rajkot-360002, and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number		Vote(Optional See Note 2) Please Mention No. of Shares		
Resolution		For	Against	Abstain
ORDINARY BUSINESS				
1	To receive, consider, approve and adopt the Audited Balance Sheet as on 31 st March, 2015 and the Profit & Loss Account for the year ended on that date and the reports of the Directors' and the Auditors' there on.			
2	To appoint a Director in place of Shri Rameshkumar Durlabhjibhai Virani, (DIN 00313236) who retires by rotation and being eligible, offers himself for re-appointment.			
3	To ratify the appointment of Auditors of the Company and to fix their remuneration			
SPECIAL BUSINESS				
4	To approve the appointment of Mr. Rameshbhai D. Virani- Managing Director who has attained the age of 70 years.			

Signed this _____ day of _____ 2016.

Affix
Revenue
Stamp of not
less than Rs.1

Signature of shareholder

signature across Revenue stamp

Signature of Proxy holder(s)

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. It is optional to indicate your preference. If you leave the 'for', 'against' or 'abstain' column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

For Office Use: Proxy No.

Date of Receipt _____



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SAR AUTO PRODUCTS LIMITED



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0281 236 2366

50-E, Bhaktinagar Industrial
Estate
Bhaktinagar Industrial Estate
Khokhadad, Sadhana
Society, Bhakti Nagar
Rajkot, Gujarat 360002

Auto Body Parts Supplier