



SAR AUTO PRODUCTS LIMITED

Registered Office Address : 50-E, Bhaktinagar Industrial Estate, Rajkot - 360 002. Gujarat (India)

Website : www.sarautoproductsltd.com E-mail : sapl@sarautoproductsltd.com Ph.: +91 281 2374726

CIN No.: L34100GJ1987PLC010088

To,
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai-400 001

Date: 25-08-2021

ISIN: INE002E01010
Scrip Code: 538992

Respected Sir/Madam,

SUB: Submission of 34th Annual Report for the year ended on 31st March, 2021 under regulation 34(1) of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015.

As per captioned subject, we hereby submit 34th Annual Report for the year ended on 31st March, 2021 as per Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

You are requested to take the same in your record.

Yours faithfully,
Thanking you
For, Sar Auto Products Limited

Shreyas R. Virani
Whole-Time Director
Din: 00465240



Enclosure: 34th Annual Report of the Company SAR AUTO PRODUCTS LIMITED



*G*earred Up To Win

ANNUAL REPORT 2020-21

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Rameshkumar Durlabhjibhai Virani (DIN: 00313236)	Chairman and Managing Director
Mr. Shreyas Rameshbhai Virani (DIN: 00465240)	Whole-Time Director & CFO
Mr. Issachthomas Charianthomas Kavunkal (DIN: 02995332)	Independent Director
Ms. Aarti Chintan Sodha (DIN: 06978954)	Independent Woman Director

KEY MANAGERIAL PERSONNEL

Mr. Rameshkumar Durlabhjibhai Virani (DIN: 00313236)	Chairman and Managing Director
Mr. Shreyas Rameshbhai Virani (DIN: 00465240)	Whole-Time Director & CFO
Ms. Zalak Kamlesh Upadhyay Membership No.: A44319	Company Secretary

STATUTORY AUDITORS

J. A. SHETH & ASSOCIATES
Chartered Accountants
507, Aalap -A, Limda Chowk, Subhash Road,
Rajkot-360001.

SECRETARIAL AUDITOR

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

REGISTRARS & SHARE TRANSFER AGENT

LINK INTIME INDIA PRIVATE LIMITED
5th Floor, 506-508, Amarnath Buisness
Centre-1
(ABC-1), Besides Gala Business Centre,
Near ST Xavier's College Corner, Off C G
Road, Ellisebridge
Ahmedabad – 380 006.
Email: ahmedabad@linkintime.co.in
Website: www.linkintime.co.in

STOCK EXCHANGE DETAILS

BSE
Script Code: 538992
ISIN: INE002E01010

BANKERS

INDUSTRIAL DEVELOPMENT
BANK OF INDIA (IDBI)
Amrish, Near K.K.V. Circle,
Kalawad Road,
Rajkot (Gujarat) – 360 005.

REGISTERED OFFICE

50-E, Bhaktinagar, Industrial Estate, Rajkot- 360 002.
Ph: 0281- 2374726
Email: sapl@sarautoproductsltd.com
Website: www.sarautoproductsltd.com
CIN: L34100GJ1987PLC010088

NOTICE

Notice is hereby given that the **THIRTY-FOURTH (34th) ANNUAL GENERAL MEETING OF THE MEMBERS OF SAR AUTO PRODUCTS LIMITED** (CIN: L34100GJ1987PLC010088) will be held at the Registered Office of the Company at 50-E, Bhaktinagar Inds. Estate, Rajkot-360002 on **28TH SEPTEMBER, 2021** on **TUESDAY** at **11:00 A.M.** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Standalone Audited Financial Statements as on 31st March, 2021 and the Profit & Loss Account for the year ended on that date and the Board's Report and the Auditors' Report thereon.
2. To appoint a Director in place of Mr. Rameshkumar Durlabhjibhai Virani (DIN: 00313236) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. Recommendation for approval by Members of Company for revision in Remuneration of Mr. Shreyas R. Virani (Din: 00465240), Whole-Time Director of the Company;
AND IN THIS REGARD, TO CONSIDER AND IF THOUGHT FIT, TO PASS, WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION:

“RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and Schedule V to the Companies Act, 2013 ("the Act") read with Companies (Appointment and Remuneration to Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and Rules made there under to the extent applicable, on the recommendation of Nomination and Remuneration Committee and approval of the Board of directors and such other approvals as required, approval of Members of the Company be and is hereby accorded for following revision made by the Board of Directors of the Company in payment of remuneration to Mr. Shreyas R. Virani (DIN: 00465240), Whole-Time Director of the Company:

- (i) Nil remuneration from 01st January, 2021.
- (ii) Rs. 1.00 lakh per month or Rs. 12.00 lakhs per annum (i.e. may be paid monthly or/and annually) with effect from 01st April, 2021 for a period of 3 years or for remaining duration of term whichever is earlier.

and rest all other terms and conditions and perquisites will remain same as it were decided at the time of appointment of Mr. Shreyas R. Virani (DIN: 00465240), as Whole-Time Director.”

“RESOLVED FURTHER THAT in terms of Section 190 of the Companies Act, 2013, no formal contract of service with Mr. Shreyas R. Virani (DIN: 00465240) will be executed and this resolution along with its explanatory statement be considered as Memorandum setting out terms and conditions of remuneration of Mr. Shreyas R. Virani (DIN: 00465240) as Whole-Time Director of the Company.”

“RESOLVED FURTHER THAT the Board of Directors and the Nomination and Remuneration Committee be and is hereby authorized to vary or increase the remuneration specified above from time to time to the extent the Board of Directors may deem appropriate, provided that such variation or increase, with in specified limit as the case may be, as specified under the relevant provisions of Section 196, 197, 203 and Schedule V to the Companies Act, 2013 subject to any amendment in the provisions of the aforesaid sections.”

“RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, any Director/Company Secretary of the Company be and is hereby authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, expedient, usual and proper in the best interest of the Company and execute all such documents and writings as may be required to give effect to the aforesaid Resolution.”

4. To approve Related Party Transactions to be entered by the Company with related party AND IN THIS REGARD, TO CONSIDER AND IF THOUGHT FIT, TO PASS, WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION:

“RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 read with the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such other approvals, consents, permissions and sanctions of other authorities as may be necessary, and also pursuant to the approval of the Audit Committee and the Board of Directors vide resolutions passed/to be passed at their respective meetings, consent of the Members of the Company be and is hereby accorded to the Audit Committee and Board of Directors of the Company, to approve all the material related party transactions (including any modifications, alterations or amendments thereto) to be entered into by the Company in the ordinary course of business and on arm’s length basis with related party/ies and for the maximum amounts per annum, for the year 2021-22 as mentioned herein below:

Sr. No.	Name of Related Party	Name of Directors who are Related	Nature of Relationship	Nature of Transactions	Amount (in Rs.)
1	Virani Estate Corportion (Partnership Firm)	1) Mr. Ramesh D. Virani, Chairman & Managing Director (DIN: 00313236) 2) Mr. Shreyas R. Virani, Whole-Time Director (DIN: 00465240)	Partners of the Firm	Sales/ Purchase/ Commission	5.00 Crore

“RESOLVED FURTHER THAT the transaction may be entered into subject to the compliance of criteria mentioned under Rule 15 of the Companies (Meetings of Board and its Power) Rules, 2014 of the Companies Act, 2013.”

“RESOLVED FURTHER THAT the Board of Directors and / or Audit Committee thereof be and is hereby authorized to settle any question, difficulty or doubt that may arise with regard to giving effect to the above resolution and to do all acts, deeds, things as may in its absolute discretion deem necessary, proper, desirable and to finalize any documents and writings related thereto.”

Notes:

1. The notice of AGM along with Annual Report for 2020-21 is being sent to all the members whose name appears in the Register of Members/ list of beneficiaries received from the depositories as on 20th August, 2021. In Furtherance, as per the MCA and SEBI Circulars, the Notice of Annual General Meeting with annual report of the year 2020-21 required to sent only through electronic mode to those members whose email addresses are registered with the Company/Depositories as on 20th August, 2021. Members may note that the Notice and Annual Report of the year 2020-21 will also be available on the website of the Company at [www. https://www.sarautoproductsltd.com](https://www.sarautoproductsltd.com) and on the website of stock exchange on which the securities of the company are listed i.e. [www. www.bseindia.com](http://www.bseindia.com).
2. Shareholders who have not registered their e-mail address and in consequence the Annual Report, Notice of AGM and e-voting notice could not be serviced, may also temporarily provide their email address and mobile number to the Company's Registrar and Share Transfer Agent, Link Intime India Private Limited at ahmedabad@linkintime.co.in or nilesh.dalwadi@linkintime.co.in, for sending the same or can email to Company at sapl@sarautoproductsltd.com. In case of any Queries relating to availing soft copy can contact company at aforesaid mentioned E-mail id.
3. The relevant Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 in respect of the special business under item no.03 & 04 is annexed hereto. Brief profile of director seeking to be re-appointed is attached to this Notice and Board's Report.
4. 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.

The instrument of Proxy in order to be effective and valid, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, Trust, society etc., must be supported by an appropriate resolution/authority, as applicable.

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.

5. 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.

6. The Register of member and Share Transfer Book of the Company will remain closed from 22nd September, 2021, Wednesday to 28th September, 2021, Tuesday.(Both days inclusive) in connection with the Annual General Meeting.
7. 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.
8. The Members/Proxies are requested to produce the attendance slip duly completed and signed at the entrance of the meeting.
9. In case of joint holders attending the AGM, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
10. Shareholders are requested to bring their copies of Annual Report at the meeting.
11. 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 PRIVATE LIMITED, 5th Floor, 506-508, Amarnath Business Centre-1, (ABC-1), Besides Gala Business Centre, Near ST Xavier's College Corner, Off C G Road, Ellisebridge Ahmedabad-380006, Ph: 079-26465179, 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.

As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition and relodged transfers of securities. Further, SEBI vide its circular no. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/236 dated December 2, 2020 had fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents.

12. 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. transmission of share and transposition of shares. Shareholders are requested to furnish copy of Pan Card for all above mentioned transactions.
13. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. Members are requested to submit the said details to their depository participants ("DPs") in case the shares are held by them in electronic form and to LINK INTIME INDIA PRIVATE LIMITED in case the shares are held by them in physical form.
14. 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 or at Email id sapl@sarautoproductsltd.com to enable the Company to collect relevant information.
15. Pursuant to provision of section 139 of the Companies Act, 2013 and Companies Amendment Act, 2017 in 31st Annual General Meeting convened on 28th September, 2018, Members have appointed M/s. J.A. Sheth & Associates, (FRN: 119980W), Chartered Accountants as Statutory Auditor of the Company to hold office for a continuous period of Four years i.e. from 2018-19 till the conclusion of Annual General Meeting of the Financial year 2021-22. Accordingly, no resolution is being proposed for appointment/ re-appointment of statutory auditors at this 34th AGM.

16. The Company has listed its shares on the BSE Limited. The Listing fees till date have been paid.
17. The Route Map of Venue is printed over here at the end of the Notice (attached herewith separately).
18. 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 34th 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 24th September, 2021, Friday at 10:00 a.m. and ends on 27th September, 2021, Monday 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 21st September, 2021, 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.

- (i) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242** dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

- (ii) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, Login method for e-Voting **for Individual shareholders holding securities in Demat mode** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit

Demat mode with CDSL	<p>www.cdslindia.com and click on Login icon and select New System Myeasi.</p> <ol style="list-style-type: none"> 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL /NSDL /KARVY /LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS" "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode)	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you</p>

login through their Depository Participants	can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

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

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

(iii) Login method for e-Voting for **shareholders other than** individual shareholders holding in Demat form & physical shareholders.

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	For Shareholders holding shares in Demat Form other than individual 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> <ul style="list-style-type: none"> Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company

Details OR Date of Birth (DOB)	records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).
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- (iv) After entering these details appropriately, click on “SUBMIT” tab.
- (v) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. ***It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.***
- (vi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (vii) Click on the EVSN for the relevant <SAR AUTO PRODCUTS LIMITED> on which you choose to vote.
- (viii) 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.
- (ix) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (x) 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.
- (xi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xiii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xiv) **Facility for Non – Individual Shareholders and Custodians –Remote Voting**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

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

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to **Company's email id i.e. at sapl@sarautoproductsltd.com & RTA Email id at: nilesh.dalwadi@linkintime.co.in / ahmedabad@linkintime.co.in.**
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

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

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

19. Mr. Kalpesh P. Rachchh, proprietor 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 and Voting at the Annual General Meeting in a fair and transparent manner.
20. The Scrutinizer shall within a period of not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favor or against, if any, forthwith to the Chairman of the Company.

Annexure to Notice:

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

Mr. Shreyas R. Virani (DIN: 00465240) has been re-appointed as Whole Time Director of the Company w.e.f 30th September, 2018 for a period of five (5) years.

The Nomination & Remuneration Committee at their meeting held on 15/01/2021 recommended before the Board of Director for Nil remuneration of Whole-Time Director, Mr. Shreyas R. Virani (DIN- 00465240) and Board of Directors in its meeting held on 16.01.2021, has considered the same approved Nil Remuneration.

Thereafter, considering various aspects and financial conditions of the Company, the Nomination & Remuneration Committee at their meeting held on 10/04/2021 recommended before the Board of Director for revision in remuneration of Whole-Time Director, Mr. Shreyas R. Virani (DIN- 00465240) and recommended to Board for payment of Rs. 1.00 lakh per month or Rs. 12.00 lakhs per annum (i.e. may be paid monthly or annually) to Mr. Shreyas R. Virani (DIN- 00465240), Whole-Time Director of the Company and Board of Directors in its meeting held on 10/04/2021, has considered the matter of revision in the remuneration and recommending to the members for granting approval for revision made in payment of remuneration amounting to Rs. 1.00 lakh per month or Rs. 12.00 lakhs per annum (i.e. may be paid monthly or annually) to Mr. Shreyas R. Virani (DIN- 00465240), Whole-Time Director of the Company w.e.f 01st April, 2021 for a period of 3 years or for remaining duration of term whichever is earlier.

Further, pursuant to provision of section 196(4), section 197, Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the revision made by the Board of Directors of the Company in the remuneration of Whole Time Director requires the approval of Members and accordingly, the matter at Item No. 3 is recommended before the Members for their approval by way of passing of Ordinary Resolution.

None of the directors and /or Key Managerial Personnel of the Company and their relatives, except Mr. Shreyas R. Virani (DIN- 00465240), Whole-Time Director, are in any way concerned or interested in the revision in the remuneration of Whole-Time Director of the Company.

In terms of the requirements as per sub-clause (iv) of the proviso to Section II of Part II of Schedule V to the Act, the information is as furnished below:

I. GENERAL INFORMATION:		
1	Nature of industry	Automobile Gears Manufacturer
2	Date or expected date of commencement of commercial production	Already commence
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Already commence
4	Financial performance based on given indicators	Financial Performance of the Company for the year ended 31st March, 2021: (Amount in Rs.)
		Revenue from operations:- 6,30,26,570.00
		Other Income: 34,11,030.00
		Total Expenditure: 6,03,35,489.00
		Net Profit(Loss) Before tax: 61,02,111.00
		Profit (Loss) for the period 45,25,879.00

5	Export performance and foreign exchange earned for the financial year ended 31st March, 2021	Foreign Exchange Earning And Out Go:		
		Particular	2020-21	2019-20
		i. Total foreign exchange used (Rs.) (CIF Value of Imports)	Rs. 25,76,294	NIL
		ii. Total foreign exchange earned on F.O.B basis (Rs.)	Rs. 1,03,96,777	NIL
6.	Foreign investments or collaborations, if any.	No such investment or collaboration		

II. INFORMATION ABOUT THE WHOLE TIME DIRECTOR:

1.	Background details	<p>Name:- Mr. Shreyas R. Virani Designation:- Whole-Time Director Date of Birth: 09/03/1970 Age:- 51 years Experience:- about 29 years Qualification:- B.Com</p> <p>Mr. Shreyas R. Virani is Director of the Company w.e.f 14/04/2007. Mr. Shreyas R. Virani is not holding any other Directorship in any other Company</p>
2.	Past remuneration	Rs. 10.56 Lakhs from the date of re-appointment as Whole-Time Director and from 01/01/2021 revised to Nil Remuneration and thereafter revised to Rs. 1.00 Lakh per month or Rs. 12.00 Lakhs p.a. i.e may be paid monthly or annually w.e.f 01/04/2021, subject to approval of the Members of the Company at the ensuing Annual General Meeting.
3.	Recognition or awards	NONE
4.	Job profile and his suitability	Mr. Shreyas R. Virani is having a rich experience of around 29 years in the Business and he is associated with the Company since 15 years. He is having experience in Finance and Administration area. His wide and rich experience is very beneficial in the growth and development of the Company.

5.	Remuneration proposed	Rs. 1.00 Lakh per month or Rs. 12.00 Lakhs p.a. i.e may be paid monthly or annually w.e.f 01/04/2021 for a period of 3 years or for remaining duration of term whichever is earlier, subject to approval of the Members of the Company at the ensuing Annual General Meeting.
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Taking into consideration the size of the Company, the profile of the appointee, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid is commensurate with the remuneration packages paid to similar senior level appointee in other companies.
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial Personnel, if any. (As on cut of date for notice dispatch to members)	<p>Apart from Mr. Shreyas R. Virani is a Whole time Director of the Company, he also holds position as CFO of the Company and as Director holding 557071 Equity Shares at the Face value of Rs. 10/- each of the Company in his individual capacity i.e. 11.69%.</p> <p>Mr. Shreyas R. Virani is son of Mr. Rameshkumar D. Virani who is Chairman and Managing Director of the Company and are promoters of the Company.</p>

III. OTHER INFORMATION

1.	Reasons of loss or inadequate profits	<p>The Company has reported a Total income of Rs. 664.38 Lakhs for the year ended on 31st March, 2021 as against Rs. 711.12 Lakhs for the previous year ended on 31st March, 2020. The Company has reported a net profit after tax of Rs. 45.26 Lakhs for F.Y 2020-2021 as against net profit after tax of Rs. 29.38 Lakhs for F.Y 2019-2020.</p> <p>The proposed remuneration is less than the maximum permissible remuneration prescribed as per Schedule V of the Companies Act, 2013 in case of no profits /inadequate profits pursuant to the approval of the shareholders.</p>
2.	Steps taken or proposed to be taken for improvement	<p>The spread of Covid-19 pandemic and consequent lock down and long running effect of pandemic on various chains of business activities have impacted the profitability of the Business of the Company. However, to address these challenges, the Company has initiated several measures and continuously keeping watch on the operations of the Business and in thoughtful process of new innovations/inventions to overcome the situation.</p>
3.	Expected increase in productivity and profits in measurable terms	It is difficult to forecast the productivity and profitability in measurable terms. However, the Company expects that productivity and profitability may improve and would be comparable with the industry average.

(IV) DISCLOSURES		
1.	The Shareholders of the Company shall be informed of the remuneration package of the managerial person.	The remuneration paid to Mr. Shreyas R. Virani as stated above and Disclosures relating to remuneration is disclosed in Boards Report.

For Item No. 4

According to the provisions of section 188(1) of the Companies Act, 2013, for entering into any contract or arrangement as mentioned herein below with the related party, the Company must obtain the prior approval of Audit Committee and the Board of Directors of the Company and in furtherance prior approval of Members of the Company is required if such transaction exceed the limits as mentioned Rule 15 of the Companies (Meetings of Board and its Power) Rules, 2014 of the Companies Act, 2013:

- (a) sale, purchase or supply of any goods or materials;
- (b) selling or otherwise disposing of, or buying, property of any kind;
- (c) leasing of property of any kind;
- (d) availing or rendering of any services;
- (e) appointment of any agent for purchase or sale of goods, materials, services or property;
- (f) such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company; and
- (g) underwriting the subscription of any securities or derivatives thereof, of the company.

Accordingly, board proposed for availing prior approval of Members of the Company for the transaction as mentioned below for the financial year 2021-22, related to Sale, purchase or supply of goods or materials, availing or rendering of any services, appointment of agent for purchase or sale of goods, materials, services or any other transactions of whatever nature, at arm's length basis and in the ordinary course of business, notwithstanding that such transactions may exceed 10% of the Turnover of the Company or such other threshold limits as may be specified by the Companies Act, 2013:

Sr. No.	Name of Related Party	Name of Directors who are Related	Nature of Relationship	Nature of Transactions	Amount (in Rs.)
1	Virani Estate Corportion (Partnership Firm)	1) Mr. Ramesh D. Virani, Chairman & Managing Director (DIN: 00313236) 2) Mr. Shreyas R. Virani, Whole-Time Director (DIN: 00465240)	Partners of the Firm	Sales/ Purchase/ Commission	5.00 Crore

The Board accordingly recommends the resolution for your approval as an Ordinary Resolution as set out in Item 4 of the Notice.

Mr. Ramesh D. Virani, Chairman & Managing Director (DIN: 00313236) and Mr. Shreyas R. Virani, Whole-Time Director (DIN: 00465240) are interested director, other than this no directors, relative and KMP are interested or concerned in the resolution as set out in Item 4 of the Notice.

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ANNEXURE TO NOTICE

BRIEF PROFILE OF THE DIRECTORS SEEKING RE-APPOINTMENT IN FORTHCOMING ANNUAL GENERAL MEETING:

Name of Director	Mr. Rameshkumar D. Virani
DIN:	00313236
Date of Birth & Age	13-03-1944 & Age: 77 years
Date of Appointment	14-01-2005
Expertise in Specific functional area	Administration
Experience	39 Years
Number of Meetings of the Board attended during the year	05
List of public companies in which Directorship held (other than this company)	NIL
Chairman/Member of the committees of the Company	Chairman- 1 Member- in 4 Committees
Chairman/Member of the committees of Directors of other Companies	--
Shareholding in SAR AUTO PRODUCTS LIMITED	Holding 1094480 Equity Shares i.e. 22.97%
Relationship between director Inter -se	Father of Mr. Shreyas R. Virani, Whole-Time Director of the Company

Place: Rajkot

Date: 09th August, 2021

By order of Board of Directors

Sar Auto Products Limited

Sd/-
Rameshkumar D. Virani
Chairman and Managing Director
DIN: 00313236

BOARD'S REPORT

To
The Members,

Your Directors have pleasure in presenting the 34th Annual Report of the Company together with the Audited Financial Accounts for the year ended 31st March, 2021.

1) FINANCIAL SUMMARY AND HIGHLIGHTS:

	(Amt in Rs. in Lacs)	
Financial Results	2020-21	2019-20
Income from operations	630.27	679.81
Add : Other Income	34.11	31.31
Total Income	664.38	711.12
Less : Total Expenditure (Excluding Depreciation & Amortization Expense & Finance Cost)	489.73	552.50
Profit/(Loss) before Depreciation & Amortization Expense and Finance Cost	174.65	158.62
Less: Finance cost	6.30	6.53
Less: Depreciation & Amortization Expense	107.33	127.19
Profit /(Loss) before tax	61.02	24.90
Less: Provision for tax:		
Current Tax	0	0
Prior Period Taxes	0	0
Deferred Tax Assets	(2.38)	(4.47)
MAT Credit Entitlement	18.14	0
Profit/(Loss) after tax	45.26	29.37
Other Comprehensive Income	8.19	1.77
Total Comprehensive Income	53.45	31.14

2) REVIEW OF BUSINESS OPERATION AND FUTURE PROSPECTS:

During the year, the Company has made revenue from operation of Rs. 630.27 Lacs in comparison to previous year of Rs. 679.81 Lacs i.e reduced by 7.30% and the Company has made Profit of Rs. 45.26 Lacs and total comprehensive of Rs. 53.45 Lacs in comparison to Profit after tax of previous year of Rs. 29.37 Lacs and total comprehensive of Rs. 31.14 Lacs. Hence, inspite of reduction in revenue from operation, due to Management's Effort, Company able to maintain the profitable position and increase the profitability of the Company.

The year 2020-21 was a very challenging year due to spread of covid-19 pandemic all over the world and consequent lock down in various areas of world in different period of time and pandemic is still continuing. This pandemic situation has affected all business of world and economic condition too. Considering all this challenges and tough situation, management succeeded to minimize the effect of the same on the business of the Company. Management has continuously analyzed the situation of

covid 19 and its effect on business and decision making of the Management goes in correct way. Management is still working hard and looking forward to explore market in the gears and in the wide range of automotive parts.

Due to biggest challenge of continuation in spread of Covid-19, it is very difficult to predict the future situation but Management hopes to cop up with the situation and optimist towards the growth of the business of the Company. Economic outlook, Future Prospects and overview of the business is given in Management Discussion and Analysis Report attached with the Report.

3) STATE OF THE COMPANY'S AFFAIRS:

- The Company is working in single segment namely the manufacturing Segment includes manufacturing of gears, gear boxes and other transmission components.
- During the year 2020-21, there has been no change in the status of the Company.
- There has been no change in financial year of the Company.
- There has been no event having material impact on the Company's affairs except that due to spread of Covid-19 pandemic, Company's operations were suspended as per Government's order of Lock down from 25th March, 2020 to 17th May,2020.

4) DIVIDEND:

With a view of plough back of Profit, your Directors do not recommend any dividend.

5) CAPTIAL STRUCTURE OF THE COMPANY:

There is no change in capital structure of your company for the year under Review. Your Company does not have Debt securities.

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

During the year 2020-21, your Company has not given any loan, guarantee and Investments made by the company are within the limit prescribed under section 186 of the Companies Act, 2013.

7) TRANSFER TO RESERVES:

The Board of Directors of your company has decided not to transfer any amount to the Reserves for the year under review.

8) PARTICULARS RELATING TO HOLDING/SUBSIDIARY/ASSOCIATE COMPANY:

The Company has no Holding, Subsidiary and Associate Company and as such all disclosure pertaining to Consolidation of Accounts and AOC-I is not applicable for the Company.

9) DEPOSITS:

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

10) PARTICULARS OF CONTRACT OR ARRANGEMENTS MADE WITH RELATED PARTIES:

Particulars of contracts or arrangements with related parties is carried out at arm's length basis and the details of the same is given in Form AOC-2, appended as **Annexure 03** to the Board's report.

11) MAJOR EVENTS & CHANGE IN NATURE OF BUSINESS OF THE COMPANY

There has been no major event occurred during the year except the spread of Covid-19 pandemic across the world and which has disturbed the smooth flow of business running cycle. There has been no change in the nature of Business.

12) 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 RELATES 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.

13) INTERNAL FINANCIAL CONTROLS:

"Internal financial controls" means the policies and procedures adopted by the company 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. The Company has in place adequate internal financial controls with reference to financial statements. During the year no reportable material weakness in the design or operation was observed.

14) 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.

15) SEGMENT REPORTING:

The Company is working in single segment namely the manufacturing Segment includes manufacturing of gears, gear boxes and other transmission components and hence segment reporting is not applicable.

16) 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. During the year there was no instance of Strike, Lock out or another issues related to Human Resources. However as per Government's order of Lock Down due to outbreak of covid19, the Company's operations were closed w.e.f. 25th March, 2020 and restarted its operations w.e.f. 18th May, 2020 in accordance with the guidelines provided by the government and in accordance with requisite approvals of appropriate authorities and with precautions.

17) OVERVIEW OF THE INDUSTRY AND OUTLOOK:

The aforesaid details are given in the Management Discussion and Analysis Report attached herewith the report.

18) MATERIAL ORDERS OF JUDICIAL BODIES /REGULATORS:

There are no significant or material orders passed by the Regulators/Courts/Tribunals that could impact the going concern status of the company and its future operations. However, Company has received Notice from BSE for non compliance of Regulation 6(1) of the SEBI (Listing of Obligations and Disclosure Requirement) Regulations, 2015 and levied fine of Rs. 74,340 for December 2019 Quarter and March 2020 Quarter and the same has been paid by the Company.

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

The Company is not having any women employee and as such Company is not required to frame a policy on prevention of Sexual Harassment policy of Women at workplace and accordingly not required to frame committee as per the aforesaid Act. However, 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.

20) PARTICULARS OF EMPLOYEES:

Disclosures pertaining to remuneration and other details as required under section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is given in as **Annexure 04** to Board's report.

21) MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

Management discussion and Analysis report for the year under review, as stipulated under Regulation 34(2) of SEBI (LODR) Regulations, 2015 is given in as **Annexure 02** to Board's Report.

22) NON APPLICABILITY OF CORPORATE GOVERNANCE & SOME REGULATIONS OF SEBI(LODR),2015 AND OTHER PROVISIONS:

Company is having paid up equity share capital of Rs. 4,76,47,400 which is not exceeding Rs.10 crore and Net worth is Rs. 14.01 Crore which is not exceeding Rs.25 crore, as on the last day of the financial year 2020-2021. Hence the provisions of Regulations 17,17A, 18, 19, 20, 21,22, 23, 24, 24A, 25, 26, 27 and clauses (b) to (i) and (t) of sub-regulation (2) of regulation 46 and para C , D and E of Schedule V shall not apply of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, are not applicable to the Company.

Hence, Corporate Governance Report and other details required to be given as per aforesaid Regulations are not presented. However, Company will work by considering the base of Corporate Governance.

In Furtherance, Company was neither required to transfer any shares nor any amount to Investor Education and Protection Fund (IEPF).

23) DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Mr. Rameshbhai D. Virani (DIN: 00313236), retires at the ensuing Annual General Meeting of the Company pursuant to provision of section 152(6) of the Companies Act, 2013 and being eligible offer himself for re-appointment.

Brief profile of Director seeking to be re-appointed is attached to this Board's report as **Annexure 01**.

During the year under review, there has been no change in the composition of Board of Directors of the Company.

Changes in KMP:

During the year under review, there has been no change in the key Managerial Personnel of the Company.

Independent Directors:

Ms. Aarti Chintan Sodha (DIN: 06978954) and Mr. Issacthomas Charianthomas Kavunkal (DIN: 02995332) are the Independent Directors

In terms of the Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, all Independent Directors of the Company have enrolled themselves on the Independent Directors Databank and will undergo the online proficiency self-assessment test within the specified timeline unless exempted under the aforesaid Rules.

24) DECLARATION BY INDEPENDENT DIRECTORS:

Pursuant to the provisions of Section 149 of the Act, the independent directors have submitted declarations that each of them meets the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and as per Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") at the first meeting of the Board of financial year. In Furtherance, Company has also received confirmation that that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence and that they are independent of the management. There has been no change in the circumstances affecting their status as independent directors of the Company.

During the year under review, the non-executive director and Independent Directors of the Company had no pecuniary relationship or transactions with the Company.

None of the Directors are disqualified to be continued to act as Director of the Company

25) NUMBER OF MEETINGS OF THE BOARD AND ANNUAL GENERAL MEETING AND ATTENDANCE AND OTHER RELATED DETAILS:

The Board has met 5 (Five) times during the financial year 2020 -21 on (1) 25-06-2020, (2)17-08-2020, (3) 07-11-2020, (4) 16-01-2021, and (5) 12-02-2021.

Details pertaining to Presence of Board Meetings are presented below:

Sr. No.	Name of Directors Designation as on 31-03-2021	Mr. Rameshkumar D Virani Managing Director	*Mr. Shreyas R. Virani Whole-Time Director	Mr. Issacthomas C. Kavunkal Independent Director	Ms. Aarti C. Sodha Independent Woman Director
	Date of Board Meeting				
1	25-06-2020	Present	Absent	Present	Present
2	17-08-2020	Present	Absent	Present	Present
3	07-11-2020	Present	Present	Present	Present
4	16-01-2021	Present	Present	Present	Present
5	12-02-2021	Present	Absent	Present	Present

*Mr. Shreyas R. Virani, was out of India for some of period of months during the year 2020-21 and due to covid-19 Pandemic, not able to come to India and hence some of the Board Meetings were not attended by him.

Separate Meeting of Independent Director:

One meeting of the Independent Director of the Company was held on 17th August, 2020 for review of performance of non-Independent directors and the Board of Directors as a whole, review the performance of Chairman taking into account view of executive directors and non-executive directors and to assess the quality, quantity and timeliness of flow of information between the management of the listed entity and the board of directors that is necessary for the board of directors to effectively and reasonably perform their duties.

Details of Previous Annual General Meeting Presence, Last Three years Annual General Meeting, Directorship, Chairmanship and Membership in other Companies are presented hereunder:

Sr. No.	Name of Director	Category	Attendance at Last AGM held on 30-09-2020
1	Mr. Rameshkumar D Virani	NI- E	YES
2.	Mr.Shreyas R. Virani	NI-E	NO
3	Mr. Issacthomas C. Kavunkal	IND-NE	YES
4.	Ms. Aarti C. Sodha	IND-NE	YES

NI- Non Independent, NE- Non Executive, IND- Independent, E- Executive

NO. OF OTHER COMPANIES OR COMMITTEES IN WHICH DIRECTOR IS DIRECTOR/CHAIRMAN/MEMBER:

No.	Name of Director	No. of other Directorship	Membership in the Committee of other Company	Chairmanship At the Committee of other Company
1	Mr. Rameshkumar D Virani	Nil	Nil	Nil
2	Mr. Shreyas R. Virani	Nil	Nil	Nil
3	Mr. Issacthomas C. Kavunkal	Nil	Nil	Nil
4	Ms. Aarti C. Sodha	Nil	Nil	Nil

GENERAL BODY MEETING:

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

Financial Year	Location	Date	Day	Time
2019-2020	50 E, Bhaktinagar Industrial Estate, Rajkot – 360 002	30 th September, 2020	Wednesday	10.00 A.M.
2018-2019	50 E, Bhaktinagar Industrial Estate, Rajkot – 360 002	04 th September, 2019	Wednesday	11.00 A. M.
2017-2018	50 E, Bhaktinagar Industrial Estate, Rajkot – 360 002	28 th September, 2018	Friday	11.00 A. M.

Whether Special Resolution Passed in the Last Three (3) Annual General Meeting: Yes- as mentioned below:

- Special Resolution were passed in the 32nd Annual General Meeting convened on 04th September, 2019 for Re- appointment of Independent Directors: Mr. Issacthomas C. Kavunkal (DIN: 02995332) and Ms. Aarti C. Sodha (DIN: 06978954) to hold office for a second term of five years commencing with effect from September, 04, 2019 till September 03, 2024 and who were not liable to retire by rotation. Company has provided E-voting facility for the 32nd Annual General Meeting convened on 04th September, 2019.

- (a) Were put through postal ballot last year : No
- (b) Are proposed to be conducted through postal ballot this year : No

26) 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 Nomination & Remuneration policy and disclosed in the website of the Company at <https://www.sarautoproductsltd.com>

27) 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 and Nomination and remuneration committee. In Furtherance Independent Directors have also met once during a year without Non-Independent directors for review of performance of non-Independent directors and the Board of Directors as a whole, review the performance of Chairman taking into account view of executive directors and non-executive directors. Evaluation made on various criteria's such as analyzing skill of Directors related to Leadership, Strategy Formulation and execution, Financial planning / performance, skill related to maintenance of relationship including both i.e. internal and external relationship, participation in the decision making, presence of board meeting, knowledge and competency, assessment of risk factors etc.

Observations of board evaluation carried out for the year	:	NIL
Previous year's observations and actions taken	:	NIL
Proposed actions based on current year observations	:	NOT REQUIRED

28) COMMITTEES OF THE BOARD:

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

1. 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

Mr. Issachthomas C. Kavunkal	- Chairman	- Non Executive Independent Director
Ms. Aarti C. Sodha	- Member	- Non Executive Independent Director
Mr. Shreyas R. Virani	- Member	- Executive Director

(II) BRIEF TERMS OF REFERENCE:

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

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.

- 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 & approval of Payment to Statutory Auditors for any other services rendered by the Statutory Auditors.
- Reviewing with the management the financial statements and auditor's report thereon before submission to the Board, focusing primarily on
 1. Matters to be included in the Directors Responsibility Statement to be included in the Board's report in terms of Clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013.
 2. Changes to any accounting policies and practices.
 3. Major accounting entries based on the exercise of judgement by Management.
 4. Significant adjustments if any, arising out of audit findings.
 5. Compliance with respect to accounting standards, listing agreements and legal.
 6. requirements concerning financial statements.
 7. Disclosure of any related party transactions.
 8. Modified opinion (s) in the draft audit report.
- Examination and review of quarterly, half yearly financial statement including Limited Review Report/ 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 undertaking or assets of the Company, whenever it necessary.
- Review of the adequacy of internal audit function and discuss with Internal Auditors of any significant findings and follow up thereon.
- Evaluation of internal financial controls and risk management system.
- to review the functioning of the whistle blower mechanism
- Other matters as may be prescribed from time to time to be deal with or handled by the Audit Committee pursuant to provisions of the Companies Act, 2013 the Rules there under, SEBI (LODR) Regulations, 2015 and any other functions as may be assigned to the committee by the Board from time to time.

(III) MEETINGS AND ATTENDANCE DURING THE YEAR:

Four (4) Meetings of Audit Committee were held during financial year 2020-21 on 25-06-2020, 17-08-2020, 07-11-2020 and 12-02-2021 and Mr. Shreyas R. Virani, was able to attend only 1 meeting of Audit committee which was held on 07-11-2020 and rest both the members were present in all the meeting.

Ms. Zalak Upadhyay, Company secretary of the Company has acted as Secretary for the meeting and attended all the meetings.

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

2. 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. Mr. Issacthomas C. Kavunkal | - Chairman - Non Executive Independent Director |
| 2. Ms. Aarti C. Sodha | - Member - Non Executive Independent Director |
| 3. Mr. Rameshkumar D. Virani | - Member - Executive Director |

(II) BRIEF DESCRIPTION OF THE TERMS OF REFERENCE:

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

- Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommends to the Board their appointment and remove and shall carry out evaluation of every director's performance.
- 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.
- 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.
- Whether to extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- Devising a policy on diversity of Board of Directors.
- Other matters as may be prescribed from time to time to be deal with or handled by the Audit Committee pursuant to provisions of the Companies Act, 2013 the Rules there under, SEBI (LODR) Regulations, 2015 and any other functions as may be assigned to the committee by the Board from time to time.

Details of remuneration paid:

1. Mr. Shreyas R. Virani, Whole-Time Director was paid Rs. 6,88,236 as Managerial remuneration during the year 2020-21.
2. Mr. Rameshbhai D. Virani, Managing Director was paid Rs. 10,47,468 as Managerial remuneration during the year 2020-21.

No sitting fees and no other payments were made to any Non Executive and Independent Directors of the Company.

(III) MEETINGS AND ATTENDANCE DURING THE YEAR:

Two (2) meetings of the Nomination and Remuneration Committee were held during the financial year 2020-21 on 17-08-2020 and 15-01-2021 and all the members were present.

Ms. Zalak Upadhyay, Company secretary of the Company has acted as Secretary for the meeting and attended all the meetings.

3. STAKEHOLDERS RELATONSHIP 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. Mr. Issacthomas C. Kavunkal - Chairman - Non Executive Independent Director
2. Mr. Shreyas R. Virani - Member - Executive Director
3. Mr. Ramesh D. Virani - Member - Executive Director

(II). BRIEF DESCRIPTION OF THE TERMS OF REFERENCE:

The terms of reference of the committee are to look into 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) MEETINGS AND ATTENDANCE DURING THE YEAR:

During the year 2020-21, Two (2) Committee meeting was held on 07-11-2020 and 16-01-2021 and all the members were present.

Ms. Zalak Upadhyay, Company secretary of the Company has acted as Secretary for the meeting and attended all the meetings.

4. CORPORATE SOCIAL RESOPONSIBILIY 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 is framed voluntary.)**

I. COMPOSITION OF THE COMMITTEE:

The Committee comprises the following Directors as members

1. Mr. Ramesh D. Virani - Chairman - Executive Director
2. Mr. Shreyas R. Virani - Member - Executive Director
3. Mr. IssacThomas C. Kavunkal - Member Non Executive Independent Director

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) as and when applicable and

(c) Monitor the Corporate Social Responsibility policy of the Company from time to time.

(III) MEETINGS AND ATTENDANCE DURING THE YEAR:

During the year 2020-21 the Committee met one (1) time on 07-11-2020 and all the members have attended the meeting. Ms. Zalak Upadhyay, Company secretary of the Company has acted as Secretary for the meeting and attended the meeting.

5. RISK MANAGEMENT COMMITTEE

I. COMPOSITION OF THE COMMITTEE:

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

- | | |
|--------------------------------|---|
| 1. Mr. Shreyas R. Virani | - Chairman- Executive Director |
| 2. Mr. Ramesh D. Virani | - Member - Executive Director |
| 3. Mr. IssacThomas C. Kavunkal | - Member - Non Executive Independent Director |

(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.

(III) MEETINGS AND ATTENDANCE DURING THE YEAR:

During the year 2020-21 the Committee met one(1) time on 07-11-2020 and all the members have attended the meeting. Ms. Zalak Upadhyay, Company secretary of the Company has acted as Secretary for the meeting and attended the meeting.

29) DIRECTORS RESPONSIBILITY STATEMENT:

In accordance with the provisions of Section 134(3)(C) and 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 Indian accounting standards had been followed along with proper explanation relating to material departures;
- b. The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d. The directors had prepared the annual accounts on a going concern basis; and
- e. The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- f. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

30) STATEMENT FOR COMPLIANCE OF APPLICABLE SECRETARIAL STANDARDS:

We the Directors of the Company hereby states the Company has complied all applicable Secretarial Standards to the extend its applicable.

31) AUDITORS AND AUDITORS' REPORT:

STATUTORY AUDITORS

Pursuant to provision of section 139 of the Companies Act, 2013, in 31st Annual General Meeting convened on 28th September, 2018, Members have appointed M/s. J.A. Sheth & Associates, (FRN: 119980W), Chartered Accountants as Statutory Auditor of the Company to hold office for a continuous period of Four years i.e. from 2018-19 till the conclusion of Annual General Meeting of the Financial year 2021-22 and M/s. J.A. Sheth & Associates has confirmed that he is eligible to continue to act as Statutory auditor of the Company till the Conclusion of Annual General Meeting of the Financial year 2021-22.

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. No fraud has been reported by the Auditors under section 143(12) of the Companies Act, 2013 requiring disclosure in the Board's Report.

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 2020-21.

SECRETARIAL AUDITORS' REPORT:

The Secretarial Audit Report for the financial year ended March 31, 2021 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. FM MR-3 is attached in this report as **Annexure 05**.

COST AUDIT/RECORD:

The Company is not falling under the ambit of section 148 of the Companies Act, 2013 and the Companies (Cost Records & Audit) amendment Rules, 2014 is not applicable to the Company. Hence company has not maintained Cost Records and Cost audit is not applicable.

32) 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.

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

33) 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 06** and attached to this report.

34) ANNUAL RETURN:

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2021 is available on the Company's website on [www.https://www.sarautoproductsltd.com](http://www.sarautoproductsltd.com)

35) RISK MANAGEMENT:

The Company has identified the key risks area which may affect the business goals and periodically revisits the relevance of the identified risks and progress of the mitigation plans undertaken. The Risk Management Committee and the Audit Committee is responsible for monitoring and reviewing the risk management plan and ensuring its effectiveness. The Audit committee has additional oversight in area of financial risks and controls.

36) WHISTLE BLOWER POLICY (VIGIL MECHANISM):

Whistle Blower (vigil mechanism) is a mechanism which provides a format for all stakeholders, employees and directors of the Company to approach the Chairman of the Audit Committee of the Company and make protective disclosures about the unethical behavior towards stakeholder/employee of the company, leak of UPSI, actual or suspected fraud or violation of the Company's Code of Conduct and the Company has a Whistle Blower Policy (Vigil Mechanism) and has established the necessary mechanism pursuant to Section 177(9) of the Companies Act, 2013 and Regulation 22 of the SEBI (LODR) Regulations, 2015, Regulation 9A(6) of SEBI (Prohibition of Insider Trading) Regulation, 2015 for all the Stakeholder, Employee and Director of the Company 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. 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.

ACKNOWLEDGMENT:

Your Directors wish to place on record their sincere appreciation for the continued cooperation, guidance, support and assistance received 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: 09th August, 2021

For and on Behalf of

Sar Auto Products Limited

Sd/-

Rameshkumar D. Virani

Chairman and Managing Director

DIN: 00313236

ANNEXURE -01

BRIEF PROFILE OF THE DIRECTORS SEEKING RE-APPOINTMENT IN FORTHCOMING ANNUAL GENERAL MEETING:

Name of Director	Mr. Rameshkumar D. Virani
DIN:	00313236
Date of Birth & Age	13-03-1944 & Age: 77 years
Date of Appointment	14-01-2005
Expertise in Specific functional area	Administration
Experience	39 Years
Number of Meetings of the Board attended during the year	05
List of public companies in which Directorship held (other than this company)	NIL
Chairman/Member of the committees of the Company	Chairman- 1 Member- in 4 Committees
Chairman/Member of the committees of Directors of other Companies	--
Shareholding in SAR AUTO PRODUCTS LIMITED	Holding 1094480 Equity Shares i.e. 22.97%
Relationship between director Inter -se	Father of Mr. Shreyas R. Virani, Whole-Time Director of the Company

Place: Rajkot

Date: 09th August, 2021

For and on Behalf of

Sar Auto Products Limited

Sd/-

Rameshkumar D. Virani

Chairman and Managing Director

DIN: 00313236

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Pursuant to Regulation 34(2)(e) of SEBI LODR Regulations 2015, a Management Discussion and Analysis report is given below:-

OVERALL REVIEW OF PERFORMANCE OF COMPANY:

Sar Auto Products Limited manufactures auto components comprising of automobile parts, Synchronizer Rings, Cones, Sleeves and Hubs 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. Company have battery of CNC & VMC machines and we can manufacture machined parts upto 480mm dia.

All parts are manufactured and tested as per the German Specification (DIN standard) and majority of the parts are self-certified by our OEM customers and are directly used at their assembly line.

We are certified to ISO/TS 16949:2009 in quality system for the products ranges: Automobile Components Like Synchronizer Ring, Synchronizer Cone, Sliding Sleeve, Hub and Transmission Components from LMS Certification limited, which is Accredited with IAS i.e. International Accreditation Service.

OUR PRODUCTS – VARIOUS TYPES OF PARTS



During the year 2020-21, the company has achieved the net turnover of Rs. 6,30,26,570/-. The overall Review highlighted below:

Particulars	Year: 2020-2021 (In Rs.)	Year: 2019-2020 (In Rs.)
Export Sales	1,06,04,538	28,78,920
Domestic Sales	5,24,22,032	6,31,02,350
Total Sales	6,28,18,809	6,59,81,270
Other Income	34,11,030	31,31,049
Earnings Per Share	0.95	0.62

During the year 2020-21, there is reduction in the total turnover of the Company due to world wide spread of Covid-19 pandemic and consequent lockdown in various countries at different period of time and this has result into volatile market condition of the Automobile industry rather in every segments of industry. However due to Management efforts and hard work and continuous analyzing of Covid-19 effect on the business activity of the Company, Company was able to maintain and increase the profitability of the Company.

INDUSTRY STRUCTURE, OUTLOOK AND DEVELOPMENTS:

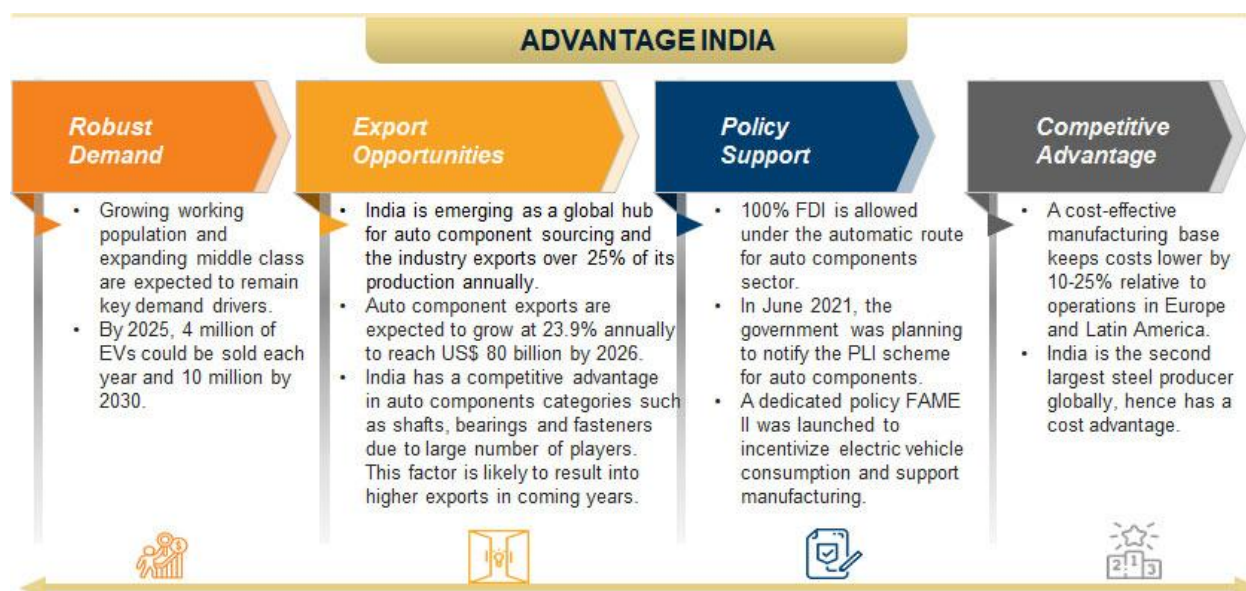
AUTO COMPONENTS INDUSTRY IN INDIA IN THE YEAR 2020-21

The Indian auto-components industry has experienced healthy growth over the last few years. The auto-components industry expanded by a CAGR of 6% over FY16 to FY20 to reach US\$ 49.3 billion in FY20. The industry is expected to reach US\$ 200 billion by FY26.

Due to high development prospects in all segments of the vehicle industry, the auto component sector is expected to rise by double digits in FY22.

Auto-components industry account for 2.3% of India's Gross Domestic Product (GDP) and employs as many as 1.5 million people directly and indirectly. A stable government framework, increased purchasing power, large domestic market, and an ever-increasing development in infrastructure have made India a favourable destination for investment.

FOLLOWING ARE THE ADVANTAGE OF INDUSTRY IN INDIA



Market Size

The industry can be broadly classified into organised and unorganised sectors. The organised sector caters to original equipment manufacturers (OEMs) and consist of high-value precision instruments while the unorganised sector comprises low-valued products and caters mostly to the aftermarket category.

Automobile component industry's revenue stood at US\$ 49.3 billion in FY20, up from US\$ 39.05 billion in FY16 and is expected to reach US\$ 200 billion by FY26. Export of auto components grew at a CAGR of 7.6% to reach Rs. 102,623 crore (US\$ 14.5 billion) during the same time. As per Automobile Component Manufacturers Association (ACMA), automobile components export from India is expected to reach US\$ 80 billion by 2026. The Indian auto components industry is expected to reach US\$ 200 billion in revenue by 2026.

The Government of India's Automotive Mission Plan (AMP) 2006-2016 has come a long way in ensuring growth for the sector. Indian Automobile industry is expected to achieve a turnover of US\$ 300 billion by 2026 and will grow at a CAGR of 15% from its current revenue of US\$ 74 billion. In November 2020, the Union Cabinet approved PLI scheme in automobile and auto components with an approved financial outlay over a five-year period of Rs. 57,042 crore (US\$ 8.1 billion) Government has come out with Automotive Mission Plan (AMP) 2016-26 which will help the automotive industry to grow and will benefit Indian economy in the following ways: -

- Contribution of auto industry in the country's GDP will rise to over 12%.
- Around 65 million incremental number of direct and indirect jobs will be created.
- End of life Policy will be implemented for old vehicles.

(Source:IBEF.org)

INDIAN ECONOMY

India's Economic Performance in 2020-21

- India's real GDP to record a 11.0% growth in FY2021-22 and nominal GDP to grow by 15.4%.
- India expected to have a Current Account Surplus of 2% of GDP in FY21, a historic high after 17 years.
- India remained a preferred investment destination in FY 2020-21 with FDI pouring in amidst global asset shifts towards equities and prospects of quicker recovery in emerging economies:
- Net FPI inflows recorded an all-time monthly high of US\$ 9.8 billion in November 2020, as investors' risk appetite returned.
- India was the only country among emerging markets to receive equity FII inflows in 2020.
- V-shaped recovery is underway, as demonstrated by a sustained resurgence in high frequency indicators such as power demand, e-way bills, GST collection, steel consumption, etc.
- India became the fastest country to roll-out 10 lakh vaccines in 6 days and also emerged as a leading supplier of the vaccine to neighbouring countries and Brazil.
- India adopted a four-pillar strategy of containment, fiscal, financial, and long-term structural reforms:
 - Calibrated fiscal and monetary support was provided, cushioning the vulnerable in the lockdown and boosting consumption and investment while unlocking.
 - A favourable monetary policy ensured abundant liquidity and immediate relief to debtors while unclogging monetary policy transmission.

- Innovation
 - India entered the top-50 innovating countries for the first time in 2020 since the inception of the Global Innovation Index in 2007, ranking first in Central and South Asia, and third amongst lower middle-income group economies.

Performance of key sectors i.e. of Industry and Infrastructure in Indian Economy:

Industry and Infrastructure

- A strong V-shaped recovery of economic activity further confirmed by IIP data.
- The IIP & eight-core index further inched up to pre-COVID levels.
- The broad-based recovery in the IIP resulted in a growth of (-) 1.9% in Nov-2020 as compared to a growth of 2.1% in Nov-2019 and a nadir of (-) 57.3% in Apr-2020.
- Further improvement and firming up in industrial activities are foreseen with the Government enhancing capital expenditure, the vaccination drive, and the resolute push forward on long pending reform measures.
- Aatmanirbhar Bharat Abhiyan with a stimulus package worth 15% of India's GDP announced.
- India's rank in the Ease of Doing Business (EoDB) Index for 2019 has moved upwards to the 63rd position in 2020 from 77th in 2018 as per the Doing Business Report (DBR):
- India has improved its position in 7 out of 10 indicators.
- Acknowledges India as one of the top 10 improvers, the third time in a row, with an improvement of 67 ranks in three years.
- It is also the highest jump by any large country since 2011.
- FDI equity inflows were US\$ 49.98 billion in FY20 as compared to US\$ 44.37 billion in FY19:
- It is US\$ 30.0 billion for FY21 (up to September-2020).
- The bulk of FDI equity flow is in the non-manufacturing sector.
- Within the manufacturing sector, industries like automobile, telecommunication, metallurgical, non-conventional energy, chemical (other than fertilizers), food processing, petroleum & natural gas got the bulk of FDI.
- Government has announced a Production-Linked Incentive (PLI) Scheme in the 10 key sectors under the aegis of Aatmanirbhar Bharat for enhancing India's manufacturing capabilities and exports:
- To be implemented by the concerned ministries with an overall expenditure estimated at Rs. 1.46 lakh crore (US\$ 20.01 billion) and with sector specific financial limits.

GLOBAL ECONOMY

The global economy is projected to grow 6.0 percent in 2021 and 4.9 percent in 2022. The 2021 global forecast is unchanged from the April 2021 WEO, but with offsetting revisions. Prospects for emerging market and developing economies have been marked down for 2021, especially for Emerging Asia. By contrast, the forecast for advanced economies is revised up. These revisions reflect pandemic developments and changes in policy support. The 0.5 percentage-point upgrade for 2022 derives largely from the forecast upgrade for advanced economies, particularly the United States, reflecting the anticipated legislation of additional fiscal support in the second half of 2021 and improved health metrics more broadly across the group. (Source: www.imf.org)

ROAD AHEAD

The rapidly globalising world is opening newer opportunities for the transportation industry, especially while it makes a shift towards electric, electronic and hybrid cars, which are deemed more efficient, safe, and reliable mode of transportation. Over the next decade, this will lead to newer verticals and opportunities for auto-component manufacturers, who would need to adapt change via systematic R&D.

As per ACMA forecasts, automobile component export from India is expected to reach US\$ 80 billion by 2026. With shift in global supply chains, the Indian global automotive component trade is likely to expand at ~4-5% by 2026.

The Indian auto-components industry is set to become the third largest in the world by 2025. Indian auto-component makers are well positioned to benefit from the globalisation of the sector as export potential could be increased by up to US\$ 30 billion by 2021E.

References: International Organization of Motor Vehicle Manufacturers, Media Reports, Press Releases, Department for Promotion of Industry and Internal Trade (DPIIT), Automotive Component Manufacturers Association of India (ACMA), Society of Indian Automobile Manufacturers (SIAM) <https://www.ibef.org/industry/autocomponents-india.aspx>

Company is focusing on the Industry structure prevalent in Indian Economy and Global Economy and Company is planning its road map of business activity accordingly.

SEGMENT WISE PERFORMANCE

The Company is working in single segment namely the manufacturing Segment includes manufacturing of gears, gear boxes and other transmission components. Hence report for segment wise performance is not applicable.

OPPORTUNITIES, THREATS, RISK AND CONCERN:

OPPORTUNITIES

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, in furtherance due to spread of Covid-19 pandemic, people feeling safe for using personal vehicles instead of public transport and this factor also boost up the demand and the future of the Company seems bright. Due to outbreak of Covid-19, we expect to increase in demand of private vehicles and we consider this as one of the opportunity which will help to improve the performance of the Company. Government of India is also taking various initiative steps for the development of Auto Industry. The Theme of "ATMANIRBHAR" of Indian Government will also be one of the path of Opportunity for the Company.

THREATS,RISK AND CONCERN

Your Company regularly monitors the various risks associated with its business. The Company is identifying, minimizing and mitigating the risks and the same are reviewed periodically. There are various Risk factors such as Changes in Government Policies and Regulations, Tense situations amongst the Country, Fluctuation in Foreign Exchange

Rates, Prices of Raw materials, Competition, Volatile in Automobile Industry, Manpower. The Company is trying to overcome/minimize it by taking certain steps, which are in hand of company.

The Company's risk management is done in close co-ordination with the board of directors and focuses on actively securing the Company's short, medium and long-term cash flows by minimizing the exposure to volatile financial markets. Long-term financial investments are managed to generate lasting returns. The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options.

Besides this, Companies Internal Risk, Credit Risk, Liquidity Risk, Maturities of Financial Liabilities, Interest rate risk and the details of the same has been given in Notes Forming Part of Financial Statements. One of the Major risk in present situation is unstable market position and deflation in export due to outbreak of Covid-19.

Company is watching and analyzing the trend of market situation and accordingly will take various steps to mitigate the risks of the business.

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. These controls ensure 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.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE :

The Company has achieved the Net turnover of Rs. 6,30,26,570/- in the Financial year 2020-21. In this year, company has earned Profit of Rs 53.45 lacs as compared to last year's profit of Rs. 31.14 lacs. In the very tough situation caused due to spread of Covid 19 Pandemic, company has tried to maintain and Increase the profitability situation. Details of the performance are disclosed in the financial statement.

HUMAN RESOURCE AND DEVELOPMENT:

There has been no material development on the Human Resource/ Industrial Relations Front during the year. The Company always has adopted positive approach towards human relation development. Industrial relations remained cordial throughout the year and there was no incidence of strike, lock-out, etc. There were no Complaints from any of the employees of the Company. However, due to outbreak of covid 19 and consequence of LOCK DOWN as per Government Order, the Company's office and operation of the Company is suspended from March 25, 2020 and the Company has restarted its operations since May 18, 2020, by adhering to the safety norms prescribed by Government of India. The Company is also taking precautions measures that are required to be followed for Covid-19 and express their condolence towards the people of world who have lost their lives under covid-19 pandemic.

DETAILS OF SIGNIFICANT CHANGES (I.E. CHANGE OF 25% OR MORE AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR) IN KEY FINANCIAL RATIOS, ALONG WITH DETAILED EXPLANATIONS:

There are no significant changes i.e. change of 25% or more as compared to the immediately previous financial year in key financial ratios except Operating Profit Margin due to control over expenditure of business. In comparison to previous year Expenses of business is controlled and reduced.

DETAILS OF ANY CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE IMMEDIATELY PREVIOUS FINANCIAL YEAR ALONG WITH A DETAILED EXPLANATION THEREOF:

The Networth of the Company as on 31st March, 2021 is Rs. 14,00,93,011 in comparison to previous year of Rs. 13,47,47,913 The change in Net Worth is due to Increase in other Comprehensive Income of the Company.

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.

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

Place: Rajkot

Date: 09th August, 2021

For and on Behalf of

Sar Auto Products Limited

Sd/-

Rameshkumar D. Virani

Chairman and Managing Director

DIN: 00313236

ANNEXURE -03

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:

Name(s) of the related party and nature of relationship:	Nature of contracts/ arrangements / transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board	Amount paid as advances, if any
Virani Estate Corporation Enterprise in which KMP are able to exercise significant influence	Commission On Sales	Approved yearly omnibus	2,23,000	25-06-2020	NIL
	Sales Of Automobiles Parts	Approved yearly omnibus	60,72,105	25-06-2020	NIL
	Purchase	Approved yearly omnibus	5,29,585	25-06-2020	NIL
Sanchit S. Virani Relatives of Director	Salary	Approved yearly	3,69,588	17-08-2020	NIL

Place: Rajkot

Date: 09th August, 2021

For and on Behalf of

Sar Auto Products Limited

Sd/-

Rameshkumar D. Virani

Chairman and Managing Director

DIN: 00313236

ANNEXURE -04**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. 17,35,704.00 and total other employees remuneration Rs. 7,99,349.00

Managing Director: Mr. Rameshkumar D. Virani: ratio is 2.83 times

Whole Time Director: Mr Shreyas R. Virani : ratio is 1.86 times

- (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 Managing Director, Whole-Time Director, Chief Financial Officer, and Company Secretary.

- (c) The percentage increase in the median remuneration of employees in the financial year:
There is no increase in the median remuneration of employee.
- (d) The number of permanent employees on the rolls of the Company: 05
- (e) 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 remuneration of employees as well as in the Managerial Remuneration and such this point is not applicable.
- (f) The key parameters for any variable component of remuneration availed by directors:
NIL
- (j) 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.

Information as per Rule 5(2) of Chapter XIII, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 r.w Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016

S r. N o.	Employee Name	Designa- tion	Educ- ion Qualific- ation	Age	Exper- ience (In Years)	Date of joining	Gross Remunerat ion Paid (For the year 20-21)	Previous employe ment	Relative of any director/ Manager (yes/no) if yes then name of such director and Manager
1	Rameshkumar D. Virani	Chairman & Managing Director	Diploma Holder In Business Studies	77	39	14/01/2005	1047468.00	Mahindra SAR Transmissio n Pvt. Ltd.	Father Of Shreyas Virani
2	Shreyas Virani	Whole Time Director	B.Com	51	29	14/04/2007	688236.00	Mahindra SAR Transmissio n Pvt. Ltd.	Son Of Ramesh Virani
3	Skaria Chacko	DGM – Sales	B.Com	46	19	01/06/2016	307693.00	Mahindra SAR Transmissio n Pvt. Ltd.	--
4	Rameshbhai Virsodiya	DGM – Administr ation	B.Com	56	24	01/09/2013	122068.00	Mahindra SAR Transmissio n Pvt. Ltd.	--

5	Sanchit S. Virani	DGM-Export	Under Grad BBA (George Washington University)	23	10 mths	01/10/2020	369588.00	Nil	Son Of Shreyas Virani - WTD
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Except directors, other remaining 3 employees do not hold more than 2% of the Equity shares of the company

Place: Rajkot

Date: 09th August, 2021

For and on Behalf of

Sar Auto Products Limited

Sd/-

Rameshkumar D. Virani

Chairman and Managing Director

DIN: 00313236

ANNEXURE -05

Form No. MR-3 SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2021
[Pursuant to section 204(1) of the Companies Act, 2013 and rule
No. 9 of the Companies (Appointment and Remuneration Personnel)
Rules, 2014]

To,
The Members,
SAR AUTO PRODUCTS LIMITED
(CIN: L34100GJ1987PLC010088)
50-E, BhaktinagarInds 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 our 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, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Sar Auto Products Limited for the financial year ended on 31st March, 2021, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder and further amendments thereto and as per applicability to the company;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA'), Securities Contracts (Regulation) Amendment Act, 2007 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 and amendments thereto;

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendments thereto;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **Not Applicable during the Audit Period** 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 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; **Not Applicable during the Audit Period** 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 during the Audit Period** as the company has not issued any 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; **Not applicable during the Audit Period** as the Company is not registered as a Registrar to an issue and Share Transfer Agent.

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable during the Audit Period** and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable during the Audit Period** 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 as per SEBI (Listing of Obligations and Disclosure Requirement) Regulations, 2015 entered into by the Company with Stock Exchange to the extent its applicable to the Company and Compliances to be made as per SEBI (Listing of Obligations and Disclosure Requirement) Regulations, 2015 were complied within the time prescribed under the SEBI (Listing of Obligations and Disclosure Requirement) Regulations, 2015 and within the time line extended due to Covid-19 Pandemic by the SEBI.

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 Composition of Nomination and Remuneration Committee. In furtherance, Company has received Notice from BSE for non compliance of Regulation 6(1) of the SEBI (Listing of Obligations and Disclosure Requirement) Regulations, 2015 and levied fine of Rs. 74,340 for December 2019 Quarter and March 2020 Quarter and the same has been paid by the Company.***

In Furtherance, some of the forms that are required to be filed during the year 2020-21, were filed with normal fees under CFSS Scheme 2020 given by Ministry of Corporate Affairs due to spread of Covid-19 pandemic.

Adequate notice was 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. Meetings conducted during the year 2020-21 were in compliance with the Companies Act, 2013 and as per the guidelines/special measures/exemptions/ relaxations prescribed due to outbreak of Covid-19 pandemic by the Ministry of Corporate Affairs and SEBI (Listing of Obligations and Disclosure Requirement) Regulations, 2015.

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 : 09th August, 2021
UDIN: F005156C000759228

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

ANNEXURE TO SECRETARIAL AUDIT REPORT

To,
The Members,
SAR AUTO PRODUCTS LIMITED
(CIN: L34100GJ1987PLC010088)
50-E, BhaktinagarInds Estate,
Rajkot.

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express as opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records.

We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, Rules, Regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

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

Place : Rajkot
Date : 09th August, 2021
UDIN:F005156C000759228

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

**CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, 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	2020-21	2019-20
a) Electricity		
Purchased (KWH)	272719	202959
Total Amount	1960349.81	1603555.52
Average Rate Rs.	7.19 / Units	7.90 / 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. 103.97 Lakhs
(ii) Total foreign Exchange outgo during the year: Rs. 25.76 Lacs

Place: Rajkot
Date: 09th August, 2021

For and on Behalf of
Sar Auto Products Limited

Sd/-
Rameshkumar D. Virani
Chairman and Managing Director
DIN: 00313236

INDEPENDENT AUDITOR'S REPORT

To
the Members of
SAR AUTO PRODUCTS LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS**OPINION**

We have audited the financial statements of **Sar Auto Products Limited** ("the Company"), which comprise the balance sheet as at 31st March 2021, and the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in equity, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information for the year ended on that date (hereinafter referred to as "financial statements").

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

BASIS FOR OPINION

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

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We have determined that there are no key audit matters to communicate in our report.

OTHER INFORMATION

Management is responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

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, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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

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

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

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

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

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

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e) On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

3. With Respect to the other matters to be included in Auditors' Report in accordance with the requirements of Section 197(16) of the Act, as amended:

In our opinion and according to the information and explanation given to us, the remuneration paid during the current year by the Company to its directors is in accordance with the provisions of Section 197 of the Act.

For J. A. Sheth & Associates,
Chartered Accountants
(Firm Registration Number - 119980W)

Sd/-
Jingal A. Sheth
Proprietor
(Membership No.107067)
UDIN : 21107067AAAAABW3828

Rajkot, Dated 4th June, 2021

"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 us for verification/perusal, such checks as we considered appropriate, and in terms of information and explanations given to us on our enquiries, we state that:

- (i) (a) In our opinion and according to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) In our opinion and according to the information and explanations given to us, 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 our 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 title deeds of immovable properties which are freehold are held in the name of the company.
- (ii) According to the information and explanation given to us, the inventory has been physically verified during the year by the management at reasonable intervals and no material discrepancies were noticed on such physical verification.
- (iii) According to the information and explanations given to us, 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. Accordingly, the provision of clause 3 (iii) of the Order is not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Section 186 of the Companies Act, 2013 in respect of investment made. The company has not given any loan, guarantee, security under section 185 and 186 of the Act.
- (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 us, 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 us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Employee Provident Fund, ESIC, Income Tax, Goods and Service Tax, Cess and other material statutory dues apart from few cases of delay in payment of tax deducted at source. There are no undisputed statutory dues outstanding as at 31st March 2021, for the period of more than six month from the date they become payable.
- (b) According to the information and explanations given to us, there are no dues in respect of Income Tax , Goods and Service Tax , cess and any other material dues that have not been deposited with the appropriate authorities on account of any dispute.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of any loan either to banks, financial institutions or from the government and has not issued any debentures. The Company is enjoying Bill Discounting facilities from the Bank which is being timely honored by the company.
- (ix) In our opinion and according to the information and explanations given to us, 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) During the course of our examination of the books of account and records of the company, carried out in accordance with generally accepted auditing principles in India and according to the information and explanation given to us, we have neither come across any incidence of fraud by the Company or any fraud on the Company by its officers or employees noticed or reported during the year, nor have we been informed of any such case by the management.
- (xi) In our opinion and according to the information and explanations given to us, 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 our opinion, the Company is not a Nidhi Company. Accordingly, the provisions of clause 3 (xii) of the Order is not applicable to the Company.
- (xiii) In our 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 our opinion and according to the information and explanations given to us, 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 our opinion and according to the information and explanations given to us, 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 our 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 J. A. Sheth & Associates,
Chartered Accountants
(Firm Registration Number - 119980W)

Sd/-
Jingal A. Sheth
Proprietor
(Membership No.107067)
UDIN : 21107067AAAAABW3828

Rajkot, Dated 4th June, 2021

"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")**

We have audited the internal financial controls over financial reporting of **SAR AUTO PRODUCTS LIMITED** ("the Company") as of 31st March, 2021 in conjunction with our audit of the 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

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

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

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

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 our opinion and to the best of our information and according to explanations given to us, 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 31st March, 2021, based on internal financial 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.

For J. A. Sheth & Associates,
Chartered Accountants
(Firm Registration Number - 119980W)

Sd/-
Jingal A. Sheth
Proprietor
(Membership No.107067)
UDIN : 21107067AAAAABW3828

Rajkot, Dated 4th June, 2021

[Amount in ₹]

* Refer Note No. 20 of Notes forming part of financial statements

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SAR AUTO PRODUCTS LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDING ON 31ST MARCH, 2021

[Amount in ₹]

Particulars	Note No.	Year ended 31.03.2021	Year ended 31.03.2020
INCOME			
Revenue from operations	25	63,026,570	67,981,270
Other income	26	3,411,030	3,131,049
Total Income		66,437,600	71,112,319
EXPENSES			
Cost of material consumed	27	24,497,189	26,878,235
Changes in inventories of finished goods, Stock-in-Trade and work-in progress	28	434,000	463,900
Changes in inventories of Constructed Properties		-	2,030,706
Employee benefits expense	29	2,963,804	3,156,518
Finance costs	30	629,593	652,809
Depreciation and amortization expense	3	10,733,326	12,719,008
Other expenses	31	21,077,577	22,721,110
Total Expenses		60,335,489	68,622,286
Profit/(loss) before tax		6,102,111	2,490,033
Tax expenses			
Deferred tax		(237,582)	(447,582)
MAT Credit Adjustment		1,813,814	-
Profit/(loss) for the period		4,525,879	2,937,615
Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Equity instruments through other comprehensive income		525,355	141,203
Remeasurement of Defined benefit Plans		293,864	36,136
Total other comprehensive income		819,219	177,339
Total comprehensive income		5,345,098	3,114,954
Earning per share (for continuing operations)			
Basic		0.95	0.62
Diluted		0.95	0.62

See accompanying Statement on Significant accounting policies & Notes to Accounts

As per our Report of even date

For & on behalf of the Board of Directors,

For J. A. Sheth & Associates,
Chartered Accountants
(Firm Registration No. 119980W)

Sd/-

Jingal A. Sheth
Proprietor
(Membership No.107067)
UDIN : 21107067AAAABW3828

Sd/-
Ramesh D. Virani
Managing Director
(DIN: 00313236)

Sd/-
Shreyas R. Virani
Whole Time Director &
CFO
(DIN: 00465240)

Sd/-
Zalak K. Upadhyay
Company Secretary
Membership No.: A44319
Rajkot, Dated 4th June, 2021

Rajkot, Dated 4th June, 2021

SAR AUTO PRODUCTS LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2021

[Amount in ₹]

Particulars		Year ended 31.03.2021	Year ended 31.03.2020
A. Cash Flow From Operating Activities			
Profit / (Loss) Before Tax		6,102,111	2,490,033
Adjustments for:			
Depreciation and Amortization Expenses		10,733,326	12,719,008
Finance Costs		629,593	652,809
Interest Income		(2,592,541)	(2,944,265)
Dividend Income		(22,986)	(8)
Remeasurement of Defined benefit Plans		293,864	36,136
Profit or Loss on Sale of Assets		(311,035)	-
Operating Profit/ (Loss) before Working Capital Changes		14,832,332	12,953,713
Changes In:			
Movement in Trade Receivables		(1,973,512)	(1,034,174)
Movement in Inventories		457,936	2,619,094
Movement in Other Current Asset and Other Financial Asset		(5,484,585)	(2,454,756)
Movement in Trade Payable		3,717,076	(4,836,503)
Movement in Other Current Liability		98,663	(39,672)
Movement in Provision		(130,230)	135,502
Cash Generated From Operations		11,517,680	7,343,205
Direct Taxes Paid (Net of Refunds)		(232,746)	(536,751)
Net Cash flow from Operating Activities [A]		11,284,934	6,806,454
B. Cash Flow from Investing Activities			
Movement in Current Investments		(1,504,173)	-
Purchase of Fixed Assets		(8,566,188)	(2,534,141)
Dividend Income		22,986	8
Movement in Fixed Deposits		808,757	(5,534,435)
Net Cash flow from Investing Activities [B]		(9,238,618)	(8,068,568)
C. Cash Flow from Financing Activities			
Movement in Short Term Borrowings		9,297,440	446,212
Finance Costs Paid		(629,593)	(652,809)
Interest Received		2,592,541	2,944,265
Net Cash flow from Financing Activities [C]		11,260,388	2,737,668
Net Increase/ (Decrease) in Cash and Cash Equivalents [A+B+C]		13,306,705	1,475,554
Opening Balance of Cash and Cash Equivalents		43,944,321	42,468,767
Closing Balance of Cash and Cash Equivalents		57,251,026	43,944,321

Note: The above Cash Flow Statement has been prepared under the 'Indirect Method' as set it out in Indian Accounting Standard 7 - "Statement of Cash Flow".

As per our Report of even date

For & on behalf of the Board of Directors,

For J. A. Sheth & Associates,
Chartered Accountants
(Firm Registration No. 119980W)

Sd/-
Jingal A. Sheth
Proprietor
(Membership No.107067)
UDIN : 21107067AAAABW3828

Sd/-
Ramesh D. Virani
Managing Director
(DIN: 00313236)

Sd/-
Shreyas R. Virani
Whole-Time Director
& CFO
(DIN: 00465240)

Sd/-
Zalak K. Upadhyay
Company Secretary
Membership No.: A44319
Raikot, Dated 4th June, 2021

Raikot, Dated 4th June, 2021

SAR AUTO PRODUCTS LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31ST MARCH, 2021

[Amount in ₹]

A EQUITY SHARE CAPITAL

Particulars	In No.	In Rs.
Balances as at 31st March, 2019	4,764,740	47,647,400
Changes in equity share capital during 2019-20	-	-
Balances as at 31st March, 2020	4,764,740	47,647,400
Changes in equity share capital during 2020-21	-	-
Balances as at 31st March, 2021	4,764,740	47,647,400

B OTHER EQUITY

Particulars	Reserves and surplus			Other Comprehensive Income		Total
	Securities Premium	General Reserve	Retained earnings	Remeasurement of Defined benefit Plans	Equity Instruments through OCI	
Balances as at 31st March, 2019	14,996,000	732,787	68,207,291	205,753	(156,273)	83,985,558
Profit for the year	-	-	2,937,615	-	-	2,937,615
Other Comprehensive Income for the year, net of Income Tax				36,136	141,203	177,339
Balances as at 31st March, 2020	14,996,000	732,787	71,144,907	241,889	(15,070)	87,100,513
Profit for the year	-	-	4,525,879	293,864	525,355	5,345,098
Other Comprehensive Income for the year, net of Income Tax				-	-	-
Balances as at 31st March, 2021	14,996,000	732,787	75,670,786	535,753	510,285	92,445,611

As per our Report of even date

For J. A. Sheth & Associates,
Chartered Accountants
(Firm Registration No. 119980W)

Sd/-
Jingal A. Sheth
Proprietor
(Membership No.107067)
UDIN : 21107067AAAABW3828

For & on behalf of the Board of Directors,

Sd/-
Ramesh D. Virani
Managing Director
(DIN: 00313236)

Sd/-
Shreyas R. Virani
Whole-Time Director & CFO
(DIN: 00465240)

Sd/-
Zalak K. Upadhyay
Company Secretary
Membership No.: A44319
Rajkot, Dated 4th June, 2020

Rajkot, Dated 4th June, 2021

SAR AUTO PRODUCTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE: 1

1.1 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. It is also engaged in business of Real Estate Development.

The Financial statements of the company for the year ended 31st March, 2021 were authorised for issue in accordance with a resolution of the Board of Directors on 4th June, 2021.

1.2 BASIS OF PREPARATION

I. Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards ("Ind AS") notified under section 133 of the Companies Act, 2013 ("the Act"), Companies (Indian Accounting Standards) Rules, 2015 as amended by Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act as applicable.

II. Historical cost convention

The financial statements have been prepared on a historical cost basis, except following:

- (i) Certain financial assets and liabilities that are measured at fair value;
- (ii) Defined benefit plans - plan assets measured at fair value.

III. Functional and presentation currency

The functional and presentation currency of the Company is Indian Rupee ("₹") which is the currency of the primary economic environment in which the Company operates.

1.3 SIGNIFICANT ACCOUNTING POLICIES

A. Property, Plant and Equipment:

I. Recognition and measurement

Property, Plant and Equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use.

SAR AUTO PRODUCTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. Property, Plant and Equipment which are significant to the total cost of that item of Property, Plant and Equipment and having different useful life are accounted separately.

Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are disclosed under Capital Work - in - Progress.

Gains or losses arising from de-recognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

II. Depreciation

Depreciation is recognised so as to write off the cost of the assets (other than freehold land and Capital work in progress) less their residual values over their useful lives, using the written down value method as per the useful life prescribed in schedule II to the Companies Act, 2013. The Estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in the estimated accounted for on a prospective basis.

B. Financial Instruments

1. Financial Assets

a) Initial Recognition and Measurement

All Financial Assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of Financial Assets, which are not at Fair Value through Profit or Loss, are adjusted to the fair value on initial recognition. Purchase and sale of Financial Assets are recognised using trade date accounting.

b) Subsequent measurement

➤ Financial Assets measured at Amortised Cost

A Financial Asset is measured at Amortised Cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

➤ Financial Assets measured at Fair Value Through Other Comprehensive Income (FVTOCI)

A Financial Asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling Financial Assets and the contractual terms of the Financial Asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

SAR AUTO PRODUCTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

➤ Financial Assets measured at Fair Value Through Profit or Loss (FVTPL)

A Financial Asset which is not classified in any of the above categories are measured at FVTPL.

c) Other Equity Investments

All other equity investments are measured at fair value, with value changes recognised in Statement of Profit and Loss, except for those equity investments for which the Company has elected to present the value changes in 'Other Comprehensive Income'.

d) Loans to Employees

Loans given to employees are repayable to the company on demand and hence are carried at cost in the financial statements.

e) Cash & Cash Equivalents

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and highly liquid investments with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

f) Impairment of Financial Assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of Financial Assets other than those measured at Fair Value Through Profit and Loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For Trade Receivables the Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables.

At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

SAR AUTO PRODUCTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

2. Financial Liabilities & Equity Instruments

a) Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

b) Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received.

c) Financial Liabilities: Initial Recognition and Measurement

All Financial Liabilities are recognized at fair value and in case of borrowings, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

d) Financial Liabilities: Subsequent Measurement

Financial Liabilities are carried at amortized cost using the effective interest rate (EIR) method.

For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

3. De-recognition of Financial Instruments

The Company derecognizes a Financial Asset when the contractual rights to the cash flows from the Financial Asset expire or it transfers the Financial Asset and the transfer qualifies for de-recognition under Ind AS 109. A Financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

4. Offsetting

Financial Assets and Financial Liabilities are offset and the net amount is presented in the balance sheet when, and only when, the Company has a legally enforceable right to set off the amount and it intends, either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

C. Inventories:

Inventories are measured at the lower of Cost and Net Realizable Value. Cost of inventories is based on the first-in first-out formula, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location condition. In the case of manufactured inventories and work in progress, includes an appropriate share of fixed production overheads based on normal operating capacity.

SAR AUTO PRODUCTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The Net realisable value of work in progress is determined with reference to the selling prices of related finished products.

Raw materials, components and other supplies held for use in the production of finished products are not written down value below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

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

The comparison of cost and net realisable value is made on an item-by-basis.

D. Cash and Cash Equivalents:

Cash and cash equivalents in the balance sheet comprise cash at banks and on hand and highly liquid investments with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

E. Foreign Currency Translation:

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Indian Rupee (INR) is the functional and presentation currency of the Company.

Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing exchange rate. Exchange differences that arise on settlement of monetary items or on reporting at each balance sheet date of the Company's monetary items at the closing rate are recognized as income and expenses in the Statement of Profit and Loss, in the period in which they arise.

F. Revenue recognition:

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration which the Company expects to receive in exchange for those products or services.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Dividend income is recorded when the right to receive payment is established. Interest income is recognised using the effective interest method.

SAR AUTO PRODUCTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Construction Project Income:

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. At least 25% of estimated construction and development costs (excluding land cost) has been incurred;
3. At least 25% of saleable project area is secured by the agreements to sell/ application forms (containing salient terms of the agreement to sell); and
4. At least 10% of the total revenue as per agreement to sell are realised in respect of these agreements.

G. Employee benefits:

Short-term obligations:

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Provident Fund:

Contribution towards provident fund for employees is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions made on a monthly basis.

Gratuity

Incremental expenditure on gratuity for each year is arrived at as per actuarial valuation and is recognised and charged to the statement of profit and loss in the year in which employee has rendered services.

H. Borrowing costs:

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are expensed in the period in which they are incurred.

SAR AUTO PRODUCTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

I. Income tax:

Tax expenses comprise of current and deferred tax.

1. Current Tax:

Current tax is measured at the amount expected to be paid on the basis of reliefs and deductions available in accordance with the provisions of the Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current tax items are recognised in co-relation to the underlying transaction either in statement of profit and loss, OCI or directly in Equity.

2. Deferred Tax:

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognised for all taxable temporary differences.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. Deferred tax assets and liabilities are measured at the tax rates [and tax laws] that have been enacted or substantively enacted at the reporting date and are expected to apply in the year when the asset is realised or the liability is settled. Deferred tax items are recognised in co-relation to the underlying transaction either in OCI or directly in equity. Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities.

J. Impairment of Non-Financial Assets

The Company assesses at each reporting date as to whether there is any indication that any Property, Plant and Equipment and Intangible Assets or group of Assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists, the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any.

When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.

An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets

SAR AUTO PRODUCTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

K. Provisions, Contingent Liabilities & Contingent Assets

(i) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Long-term provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money. Short term provisions are carried at their redemption value and are not offset against receivables from reimbursements.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Contingent Assets are neither recognized nor disclosed in the Notes forming part of the Financial Statements

L. Earnings per Share:

Basic Earnings Per Share are calculated by dividing the net profit or loss [excluding other comprehensive income] for the period attributable to Equity Shareholders by the Weighted Average Number of Equity Shares outstanding during the period. Earnings considered in ascertaining the Company's Earnings per Share are the Net Profit after Tax for the Year. The Weighted Average Numbers of Equity Shares outstanding during the period are adjusted for events of Bonus Issue and Sub-division of Shares.

For the purpose of calculating diluted earnings per share, the net profit or loss [excluding other comprehensive income] for the year attributable to equity share holders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

M. Exceptional items:

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

SAR AUTO PRODUCTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE: 2

USE OF JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

While preparing financial statements in conformity with Ind AS, the management has made certain estimates and assumptions that require subjective and complex judgments. These judgments affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the statement of financial position date and the reported amount of income and expenses for the reporting period. Financial reporting results rely on the management estimate of the effect of certain matters that are inherently uncertain. Future events rarely develop exactly as forecasted and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Judgment, estimates and assumptions are required in particular for:

a) Recognition and measurement of defined benefit obligations

The obligation arising from defined benefit plan is determined on the basis of actuarial assumptions. Key actuarial assumptions include discount rate, trends in salary escalation, actuarial rates and life expectancy. The discount rate is determined by reference to market yields at the end of the reporting period on government bonds. The period to maturity of the underlying bonds correspond to the probable maturity of the post-employment benefit obligations. Due to complexities involved in the valuation and its long term nature, defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting period.

b) Recognition of deferred tax liabilities

Deferred tax assets and liabilities are recognized for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilized business loss and depreciation carry-forwards and tax credits. Deferred tax assets are recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

c) Discounting of financial assets / liabilities

All financial assets / liabilities are required to be measured at fair value on initial recognition. In case of financial assets / liabilities which are required to be subsequently measured at amortized cost, interest is accrued using the effective interest method.

SAR AUTO PRODUCTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

d) Provisions

Significant estimates are involved in the determination of provisions. The Company records a provision for onerous sales contracts when current estimates of total contract costs exceed expected contract revenue. The provision for expenses is based on the best estimate required to settle the present obligation at the end of the reporting period.

Legal proceedings often involve complex legal issues and are subject to substantial uncertainties. Accordingly, considerable judgment is part of determining whether it is probable that there is a present obligation as a result of a past event at the end of the reporting period, whether it is probable that such a Legal Proceeding will result in an outflow of resources and whether the amount of the obligation can reliably estimated. Internal and external counsels are generally part of the determination process.

SAR AUTO PRODUCTS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

3 Property, Plant & Equipment

[Amount in ₹]

Particulars	Factory Building	Plant & Machinery	Machinery R&D	Jigs & Fixtures R&D	Furniture & Fixtures	Computers	Electrical Installation	Vehicles	Total Tangible Asset
Gross carrying amount:									
As at 31.03.2019	893,205	88,456,071	2,419,711	132,086	1,188,215	112,834	136,347	5,313,036	98,651,505
Additions	-	2,500,000	-	-	-	-	34,141	-	2,534,141
Disposals	-	-	-	-	-	-	-	-	-
As at 31.03.2020	893,205	90,956,071	2,419,711	132,086	1,188,215	112,834	170,488	5,313,036	101,185,646
Additions	-	8,300,000	-	-	-	-	266,188	-	8,566,188
Disposals	-	-	-	-	-	-	-	-	-
As at 31.03.2021	893,205	99,256,071	2,419,711	132,086	1,188,215	112,834	436,676	5,313,036	109,751,834
Accumulated depreciation:									
As at 31.03.2019	284,270	32,576,894	1,476,744	16,179	466,828	79,200	81,914	2,099,789	37,081,818
Depreciation for the year	72,956	11,150,260	253,824	1,888	186,596	15,370	28,650	1,009,464	12,719,008
Depreciation on disposals	-	-	-	-	-	-	-	-	-
As at 31.03.2020	357,226	43,727,154	1,730,568	18,067	653,424	94,570	110,564	3,109,253	49,800,826
Depreciation for the year	64,192	9,593,574	185,362	1,364	140,136	3,812	47,622	697,264	10,733,326
Depreciation on disposals	-	-	-	-	-	-	-	-	-
As at 31.03.2021	421,418	53,320,728	1,915,930	19,431	793,560	98,382	158,186	3,806,517	60,534,152
Net Carrying amount									
As at 31.03.2021	471,787	45,935,343	503,781	112,655	394,655	14,452	278,490	1,506,519	49,217,682
As at 31.03.2020	535,979	47,228,917	689,143	114,019	534,791	18,264	59,924	2,203,783	51,384,820

SAR AUTO PRODUCTS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

[Amount in ₹]

4 Non Current Investments

Particulars	As at 31.03.2021	As at 31.03.2020
Investments at fair value through other comprehensive income		
Investments in Equity Instruments Unquoted Rajkot Nagrik Sahkari bank	3,050	3,050
Total Non-current investment	3,050	3,050
Aggregate amount of quoted investments	-	-
Market Value of quoted investments	-	-
Aggregate amount of unquoted investments	3,050	3,050
Aggregate provision for diminution in value of Investments	-	-

5 Other Non Current Financial Assets

Particulars	As at 31.03.2021	As at 31.03.2020
(Unsecured, considered good unless otherwise stated)		
Banks Term Deposits with original maturity period more than 12 months	2,625,249	2,370,806
Security Deposits	3,903,933	2,654,176
Total	6,529,182	5,024,982

6 Deferred Tax Asset

Particulars	As at 31.03.2021	As at 31.03.2020
MAT Credit Entitlement	-	1,813,814
Deferred Tax Asset	2,101,605	1,864,023
Total	2,101,605	3,677,837

7 Inventories

Particulars	As at 31.03.2021	As at 31.03.2020
Work-in-progress - Machining Component	1,108,500	1,542,500
Stores & Spares	2,364,536	2,456,599
Packing Material	341,221	273,094
Total	3,814,257	4,272,193

SAR AUTO PRODUCTS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

8 Current Investments

Particulars	As at 31.03.2021		As at 31.03.2020	
	No. of Shares	₹	No. of Shares	₹
Investments at fair value through other comprehensive income				
Investments in Equity Instruments (Quoted)				
Cura Technologies Limited	6	10	6	10
Sanraa Media Ltd	100,000	5,000	100,000	5,000
Clarus Finance Securities Ltd	2	32	2	32
Prabhav Industries Ltd	131,073	64,226	131,073	64,226
Scope Industries India Limited	5	8	5	8
Cistro Telelink Ltd	37,097	12,242	37,097	7,419
Jmd Telefilms Industries Ltd	2	9	2	9
Sky Industries Ltd	7	452	7	115
Emporis Projects Limited	82,908	112,754	82,908	112,754
Kgn Industries Ltd	40	64	40	64
Nivvah Infrastructur & Telecom	9,229	15,689	9,229	15,689
Rcl Foods Limited	1	14	1	14
Aadi Industries Ltd	1,062	1,093	1,062	1,093
Sancia Global Infraprojects Ltd	100	30	100	30
Acil Cotton Industries Ltd	40,000	7,200	40,000	7,200
Aadhaar Ventures India Limited	17,064	8,361	17,064	8,361
Mercator Lines	8	4	8	4
Bharat Geras	2,600	190,190		
HSIL Ltd.	1,200	184,320		
Shreyas Shipping & Logistics Ltd.	5,900	419,195		
Yaarii Digital Integrated Services Ltd.	12,950	1,541,698		
Total		2,562,591		222,028
Total current investment		2,562,591		222,028
Aggregate amount of quoted investments		2,052,306		237,098
Market Value of quoted investments		2,562,591		222,028
Aggregate amount of unquoted investments		-		-
Aggregate provision for diminution in value of Investments		-		-

SAR AUTO PRODUCTS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

[Amount in ₹]

9 Trade receivables

Particulars	As at 31.03.2021	As at 31.03.2020
Unsecured, considered good*	28,637,289	26,663,777
Unsecured, considered Doubtful	-	-
	28,637,289	26,663,777
Less: Allowance for doubtful debts (Expected credit loss allowance)	-	-
Total	28,637,289	26,663,777

(* For Related Party Transactions Refer Note No. 34)

10 Cash and Cash Equivalents

Particulars	As at 31.03.2021	As at 31.03.2020
Cash and cash equivalents		
Balances with banks	23,085,854	12,357,495
Cash on hand	152,100	149,534
Balances with bank in Term Deposit account	34,013,072	31,437,292
Total	57,251,026	43,944,321

11 Bank balances other than cash and cash equivalents

Particulars	As at 31.03.2021	As at 31.03.2020
Bank balances other than cash and cash equivalents		
Fixed Deposit	8,657,959	9,721,159
Total	8,657,959	9,721,159

12 Other Current Financial assets

Particulars	As at 31.03.2021	As at 31.03.2020
Other financial assets		
Bills Receivable	9,969,584	4,780,986
Total	9,969,584	4,780,986

SAR AUTO PRODUCTS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

[Amount in ₹]

13 Current tax asset

Particulars	As at 31.03.2021	As at 31.03.2020
Income Tax Refund due	467,674	444,929
Tax Deducted at Sources	210,001	-
Total	677,675	444,929

14 Other Current Assets

Particulars	As at 31.03.2021	As at 31.03.2020
(Unsecured, considered good)		
Balance With Government Authorities	-	166,160
Advance to Suppliers	1,232,320	2,174,929
Prepaid Expenses	230,000	75,000
Total	1,462,320	2,416,089

SAR AUTO PRODUCTS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

15 Equity Share capital

15.1 Details relating to Authorised, Subscribed, Issued & Paid up Share Capital

Particulars	As at 31.03.2021		As at 31.03.2020	
	No. of shares	Amount	No. of shares	Amount
Authorised Share capital				
Equity shares of ₹ 10 each	10,000,000	100,000,000	10,000,000	100,000,000
Issued, subscribed and paid up				
Equity shares of ₹ 10 each fully paid up	4,764,740	47,647,400	4,764,740	47,647,400

15.2 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.

15.3 Reconciliation of number of shares outstanding is set out below:

Particulars	As at 31.03.2021		As at 31.03.2020	
	No. of Share	Amount	No. of Share	Amount
Number of Shares at the beginning of the year	4,764,740	47,647,400	4,764,740	47,647,400
Shares Issued during the year	-	-	-	-
Issue of Bonus Shares	-	-	-	-
Number of Shares at the end of the year	4,764,740	47,647,400	4,764,740	47,647,400

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

Name of Shareholder	As at 31.03.2021		As at 31.03.2020	
	No. of shares	% of holding	No. of shares	% of holding
Rameshbhai D. Virani	1,094,480	22.97%	1,094,480	22.97%
Rajshreeben R. Virani	872,510	18.31%	872,510	18.31%
Shreyasbhai R. Virani	555,045	11.65%	555,045	11.65%
Urviben S. Virani	1,026,231	21.54%	1,026,231	21.54%
Total no. of shares held by such shareholders	3,548,266	74.47%	3,548,266	74.47%
Total no. of shares of the company	4,764,740	100.00%	4,764,740	100.00%

SAR AUTO PRODUCTS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

[Amount in ₹]

16 Other Equity

Particulars	As at 31.03.2021	As at 31.03.2020
Reserves and surplus		
Securities Premium	14,996,000	14,996,000
General Reserve	732,787	732,787
Retained Earnings	75,670,786	71,144,907
Other Comprehensive Income		
Equity Instrument through Other Comprehensive	510,285	(15,070)
Remeasurement of Defined Benefit Plans	535,753	241,889
Total	92,445,611	87,100,513

16.1 Retained earnings

Particulars	As at	As at
Opening Balance	71,144,907	68,207,291
Add: Profit for the year as per Statement of Profit & Loss	4,525,879	2,937,615
Total	75,670,786	71,144,907

16.2 Equity Instrument through Other Comprehensive Income

Particulars	As at	As at
Opening Balance	(15,070)	(156,273)
Less: Movements during the Year	525,355	141,203
Total	510,285	(15,070)

16.3 Remeasurement of Defined benefit Plans

Particulars	As at 31.03.2021	As at 31.03.2020
Opening Balance	241,889	205,753
Add: Movements during the Year	293,864	36,136
Total	535,753	241,889

SAR AUTO PRODUCTS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

[Amount in ₹]

17 Non Current Borrowings

Particulars	As at 31.03.2021	As at 31.03.2020
Secured 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
Total	1,429,750	1,429,750

18 Non Current Provisions

Particulars	As at 31.03.2021	As at 31.03.2020
Provision for Employee benefits Provision for Defined Benefit Obligation - Gratuity	423,260	541,239
Total	423,260	541,239

19 Current Borrowings

Particulars	As at 31.03.2021	As at 31.03.2020
Secured From Bank	9,918,340	4,620,900
Unsecured From Director [The loans are interest free and repayable on demand]	6,740,000	2,740,000
Total	16,658,340	7,360,900

20 Trade payables

Particulars	As at 31.03.2021	As at 31.03.2020
Trade payable - Micro and small enterprise*	*	*
Trade payable - Other than Micro and small enterprise	10,232,659	6,515,583
Total	10,232,659	6,515,583

*The company has requested the suppliers to give information about their status as Micro, Small and Medium Enterprises as defined under the MSME Act, 2006. In the absence of this information, the Company is unable to provide the details in "Trade Payables" regarding the overdues to such Enterprises.

SAR AUTO PRODUCTS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

[Amount in ₹]

21 Other financial liabilities

Particulars	As at 31.03.2021	As at 31.03.2020
Interest accrued but not due on borrowings	96,788	96,788
Total	96,788	96,788

22 Other Current liabilities

Particulars	As at 31.03.2021	As at 31.03.2020
Statutory dues	441,591	212,668
Others		
Salary Payable	587,497	647,474
Bonus Payable	208,855	244,666
Leave Salary Payable	120,796	155,268
Total	1,358,739	1,260,076

23 Current Provisions

Particulars	As at 31.03.2021	As at 31.03.2020
Provision for Employee benefits		
Provision for Defined Benefit Obligation - Gratuity	586,673	598,924
Other provisions	5,000	5,000
Total	591,673	603,924

SAR AUTO PRODUCTS LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

[Amount in ₹]

25 Revenue from operations

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Sale of product*	62,818,809	65,981,270
Other operating income	207,761	2,000,000
Total	63,026,570	67,981,270

(*For Related Party Transactions Refer Note No. 34)

26 Other Income

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Interest Income	2,592,541	2,944,265
Dividend Income	22,986	8
Other non-operating income (net of expenses)	110,709	134,248
Profit on sale of Investment	311,035	-
Net Gain on Foreign Exchange transaction	373,759	52,528
Total	3,411,030	3,131,049

27 Cost of material consumed

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Opening Stock	2,456,599	2,632,530
Add: Purchases	24,405,126	26,702,304
Less: Closing stock	(2,364,536)	(2,456,599)
Total	24,497,189	26,878,235

28 Changes in inventories of finished goods, Stock-in-Trade and work-inprogress

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Opening stock:		
Work-in-progress	1,542,500	2,006,400
	1,542,500	2,006,400
Less: Closing stock		
Work-in-progress	1,108,500	1,542,500
	1,108,500	1,542,500
Total	434,000	463,900

29 Employee benefit expenses

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Salary, wages and bonus*	2,535,052	2,693,874
Contribution to provident and other funds	428,752	462,644
Total	2,963,804	3,156,518

(*For Related Party Transactions Refer Note No. 34)

SAR AUTO PRODUCTS LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

[Amount in ₹]

30 Finance cost

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Interest Expenses		
On Borrowing	485,104	533,946
On Tax Deducted at Source	2,087	86
On Others	-	6
On Income Tax	-	3,230
Other borrowing costs		
Bank Charges	142,402	115,541
Total	629,593	652,809

31 Other Expenses

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Manufacturing Expenses		
Labour Charges, Loading & Unloading Charges	10,300	-
Factory Expenses	199,285	105,393
Freight Inward & Goods Import Expenses	483,019	455,228
Job Work Charges	9,592,719	9,605,363
Packing Material Consumed	572,897	400,738
Power & Fuel Expenses	1,960,349	1,603,556
Repairs & Maintenance of Machinery:	3,834,231	5,593,024
	16,652,800	17,763,301
Administrative and Selling Expenses		
Advertisement Expenses	16,750	24,200
Statutory & Tax Audit Fees	5,000	2,500
Computer Maintenance & Updation Charges	38,557	22,848
Demat Expenses	13,765	110
Discount Expenses	229,599	172,994
Freight Outward Expenses	545,892	482,679
Insurance Expenses	138,713	166,346
Legal and Professional charges	709,050	1,036,244
Listing and Cetification fees	300,000	300,000
Penalty	141,396	-
NSDL / CDSL Connection Fees	24,600	18,000
Office expenses	130,342	111,885
Printing & Stationery Expenses	35,619	63,958
Postage, Telegram, Telephone & Interenet Expenses	102,612	190,803
Rent Expenses	1,110,000	300,000
Sales Commission Expense*	293,223	945,424
Securities Expenses	144,396	140,385
Tender Fees	3,552	40,930
Travelling Expenses	232,849	656,296
VAT, Excise and Service Tax Expenses	13,481	26,367
Vehicle Running & Maintanance	195,381	255,840
	4,424,777	4,957,809
Total	21,077,577	22,721,110

(*For Related Party Transactions Refer Note No. 34)

SAR AUTO PRODUCTS LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

[Amount in ₹]

32 Earning per Share (EPS)

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Basic and Diluted Earning per Share (EPS)		
Profit available for Equity Shareholder	4,525,879	2,937,615
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)	0.95	0.62
Face value of Share	10.00	10.00

33. Foreign Exchange:

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Earning In Foreign Exchange		
FOB value of exports	10,396,777	-
Imports		
CIF Value of Imports	2,576,294	-

SAR AUTO PRODUCTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

34. Related Party Disclosures

As per Ind AS - 24, the disclosure of Party List, Relationship, Nature of Transactions, Transaction Amount & Outstanding Balances with Related Parties are given below:

34.1 List of related parties and relationships:

Related Party	Nature of Relationship
Mr. Ramesh D. Virani	Key Management Personnel
Mr. Shreyas R. Virani Mrs. Rajashree R. Virani Mr. Sanchit S. Virani Mrs. Urviben S. Virani	Relative of Key Management Personnel
Virani Estate Corporation	Enterprise in which Key Management Personnel are able to exercise significant influence

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

Particulars	Year ended 31.03.2021	Year ended 31.03.2020
<u>Nature of Transaction</u>		
Directors' Salary & Perks	2,105,292	2,217,516
Loans Accepted from KMP	6,000,000	7,340,000
Loans Repaid to KMP	2,000,000	8,041,000
Sales Commission Expense	223,000	290,280
Purchase of Goods	529,585	-
Revenue From Operations	6,072,105	6,191,778

Particulars	As at 31.03.2021	As at 31.03.2020
<u>Year-end balances</u>		
Loans Accepted from KMP(Payable)	6,740,000	2,740,000
Trade Receivables	8,310,685	5,644,078

SAR AUTO PRODUCTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

35 Disclosure Pursuant To Ind AS 19 - Employee Benefits

35.1 Defined Contribution Plan

The Company has recognized ₹ 1,63,634/- & ₹ 1,74,138/- in the Statement of Profit & Loss for the year ended 31st March, 2021 & 31st March, 2020 respectively under Defined Contribution Plan.

35.2 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.

	[Amount in ₹]	
Particulars	Year ended 31.03.2021	Year ended 31.03.2020
Change in Present Value of Defined Benefit Obligations:		
Present Value of Benefit Obligation at beginning of the period	1,140,163	1,002,161
Current Service Cost	86,103	105,991
Interest Cost	77,531	68,147
Actuarial (Gains)/Losses arising from change in financial assumption	(293,864)	33,237
Actuarial (Gains)/Losses arising from experience adjustments	-	(69,373)
Present Value of Benefit Obligation at the end of the period	1,009,933	1,140,163
Amount Recognized in Balance Sheet:		
Present Value of Benefit Obligation at the end of the period	1,009,933	1,140,163
Fair Value of Planed Assets at the end of the period	-	-
Net Liability/(Asset) recognized in Balance Sheet	1,009,933	1,140,163
Expenses Recognized in Profit and Loss Statement:		
Current Service Cost	86,103	105,991
Net Interest on net Defined Liability/(Asset)	77,531	68,147
Expenses recognized in Statement of Profit and Loss	163,634	174,138
Expenses Recognized in Other Comprehensive Income Remeasurements:		
Actuarial (Gains)/Losses on Liability	(293,864)	(36,136)
Total	(293,864)	(36,136)
Assumption used in accounting for Gratuity Plan:		
Discount Rate	6.80%	6.80%
Salary Escalation	7.00%	7.00%
Retirement Age	58 Years	58 Years
Attrition - Withdrawal Rates	5% to 1%	5% to 1%
Total Employee Benefit Liability		
Current Liability	586,673	598,924
Non - Current Liability	423,260	541,239
Total	1,009,933	1,140,163

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

NOTES FORMING PART OF FINANCIAL STATEMENTS

[Amount in ₹]

36 Fair Value Measurements

I. Financial instruments by category

Particulars	As at 31.03.2021			As at 31.03.2020		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
Financial Assets						
Investments						
Equity Instrument	-	2,562,591	-	-	225,078	-
Mutual Fund	-	-	-	-	-	-
Loans	-	-	-	-	-	-
Trade receivables	-	-	28,637,289	-	-	26,663,777
Cash & Cash Equivalents	-	-	57,251,026	-	-	43,944,321
Bank Balance other than Cash and Cash equivalents	-	-	8,657,959	-	-	9,721,159
Others	-	-	16,498,766	-	-	9,805,968
Total Financial Assets	-	2,562,591	111,045,040	-	225,078	90,135,225
Financial Liabilities						
Borrowings	-	-	18,088,090	-	-	8,790,650
Trade Payables	-	-	10,232,659	-	-	6,515,583
Other Financial Liabilities	-	-	96,788	-	-	96,788
Total Financial Liabilities	-	-	28,417,537	-	-	15,403,021

SAR AUTO PRODUCTS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

[Amount in ₹]

36 Fair Value Measurements

II. Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

Quoted prices in an active market (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities.

II. Fair value hierarchy (Cont.)

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This level of hierarchy includes the Company's investments in Gold Funds; prices of which have been derived from MCX.

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This level includes investment in unquoted equity shares.

[Amount in ₹]

Particulars	As at 31.03.2021			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments in Equity Shares	2,562,591	-	3,050	2,565,641
	2,562,591	-	3,050	2,565,641
Financial Liabilities	-	-	-	-
	-	-	-	-

SAR AUTO PRODUCTS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

[Amount in ₹]

36 Fair Value Measurements

Particulars	As at 31.03.2020			
	Level 1	Level 2	Level 3	Total
Financial Assets				
Investments in Equity Shares	222,028	-	3,050	225,078
	222,028	-	3,050	225,078
Financial Liabilities				
	-	-	-	-
	-	-	-	-

II. Fair value hierarchy (Cont.)

- > **Financial Assets:**
The Carrying amounts of trade receivables, loans and advances and other financial assets, cash and cash equivalents are considered to be the approximately equal to the fair values.
- > **Financial Liabilities**
Fair values of Loans from banks, other financial liabilities and trade payables are considered to be approximately equal to the carrying values.
- > Investments carried at fair value are generally based on market price quotations. The investments included in the level 3 of the fair value hierarchy have been valued using the cost approach to arrive at their fair value. Cost of unquoted equity instruments has been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.
- > Management uses its best judgment in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

SAR AUTO PRODUCTS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

37 Capital Management

The Company's capital management is intended to create value for shareholders by facilitating the achievement of long term and short term goals of the Company.

The Company determines the amount of capital required on the basis of annual business plan coupled with long term and short term strategic investment and expansion plans. The funding needs are met through equity, cash generated from operations, long term and short term bank borrowings and unsecured loans from directors.

The Company monitors the capital structure on the basis of net debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

Net debt includes borrowings less cash and cash equivalents and other bank balances (including non-current and earmarked balances).

The table below summarizes the capital, net debt and net debt to equity ratio of the Company.

[Amount in ₹]		
Particulars	As at 31.03.2021	As at 31.03.2020
Total Equity(A)	140,093,011	134,747,912
Gross Debt(B)	18,184,878	8,887,438
Gross Debt as above	18,184,878	8,887,438
Less: Cash & Cash Equivalents	(57,251,026)	(43,944,321)
Less: Other Balances with banks	(8,657,959)	(9,721,159)
Net Debt (C)	(47,724,107)	(44,778,042)
Net Debt to Equity (C/A)*	(0.34)	(0.33)

* Net Debt to Equity ratio as at March 31, 2021 and March 31, 2020 has been computed based on Equity as at year end

38 Risk Management:

The Company's activities expose it to market risk, liquidity risk and credit risk.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

The Company's risk management is done in close co-ordination with the board of directors and focuses on actively securing the Company's short, medium and long-term cash flows by minimizing the exposure to volatile financial markets. Long-term financial investments are managed to generate lasting returns. The Company does not actively engage in the trading of financial assets for speculative purposes nor does it write options.

The most significant financial risks to which the Company is exposed are described below:

SAR AUTO PRODUCTS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

a) Credit risk:

Trade Receivable: The Company trades with recognized and credit worthy parties. It is the Company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures. In addition, receivable balances are monitored on an on-going basis with the result that the Company's exposure to bad debts is not significant.

The Company is exposed to credit risk in the event of non-payment by customers. Credit risk concentration with respect to trade receivables is mitigated by the Company's large customer base. Adequate expected credit losses are recognized as per the assessments.

b) Liquidity risk:

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due. Due to the nature of the business, the Company maintains flexibility in funding by maintaining availability under committed facilities.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which it operates. In addition, the Company's liquidity management policy involves projecting cash flows and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Maturities of financial liabilities:

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non-derivative financial liabilities. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

[Amount in ₹]

Non-derivative Financial Liabilities:	As at 31.03.2021			
	< 1 year	1-2 year	>2 year	Total
Borrowings [including interest]	16,755,128	-	1,429,750	18,184,878
Trade Payable	10,232,659	-	-	10,232,659

[Amount in ₹]

Non-derivative Financial Liabilities:	As at 31.03.2020			
	< 1 year	1-2 year	>2 year	Total
Borrowings [including interest]	7,457,688	-	1,429,750	8,887,438
Trade Payable	6,515,583	-	-	11,352,086

SAR AUTO PRODUCTS LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

c) Interest Rate risk

Liabilities:

The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing. As at March 31, 2021, the Company is exposed to changes in market interest rates through bank borrowings at variable interest rates. The Company's investments in Fixed Deposits are at fixed interest rates.

Sensitivity *:

Below is the sensitivity of profit or loss(PAT) in interest rates:

Particulars	Movement in Rate	31-Mar-21	31-Mar-20
Interest Rates	+1.00%	(54,916)	(114,787)
Interest Rates	-1.00%	54,916	114,787

* Holding all other variables constant

SAR AUTO PRODUCTS LIMITED

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

- 39.** Contingent Liabilities not provided for **NIL**
- 40.** Previous year's figure have been regrouped/reclassified wherever necessary to confirm with the current year's presentation.
- 41.** Estimated amount of Contract remaining to be executed on Capital Accounts and not provided for, net of advance is - NIL (Previous year - NIL)
- 42.** The Company is working in single segment namely the manufacturing Segment includes manufacturing of gears, gear boxes and other transmission components
- 43.** The outstanding balances as at 31.03.2021 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.
- 44.** 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.

See accompanying Statement on Significant accounting policies & Notes to Accounts

As per our Report of even date

For & on behalf of the Board of Directors,

For J. A. Sheth & Associates,
Chartered Accountants
(Firm Registration No. 119980W)

sd/-

Jingal A. Sheth
Proprietor
(Membership No.107067)
UDIN : 21107067AAAABW3828

Sd/-
Ramesh D. Virani
Managing Director
(DIN: 00313236)

Sd/-
Shreyas R. Virani
Whole- Tim Director
& CFO
(DIN: 00465240)

Sd/-
Zalak K. Upadhyay
Company Secretary
Membership No.: A44319

Rajkot, Dated 4th June, 2021

Rajkot, Dated 4th June, 2021

SAR AUTO PRODUCTS LIMITED

(CIN: L34100GJ1987PLC010088)

Registered office: 50-E, BHAKTINAGAR, INDS. ESTATE, RAJKOT

Ph: 0281-2374726 Email: sapl@sarautoproducts.com

ATTENDANCE SLIP FOR 34TH ANNUAL GENERAL MEETING

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

I hereby record my presence at the 34th 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 Tuesday, September 28, 2021.

.....
(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)

Registered office: 50-E, BHAKTINAGAR, INDS. ESTATE, RAJKOT

Ph: 0281-2374726 Email: sapl@sarautoproducts.com

34TH ANNUAL GENERAL MEETING ON 28TH SEPTEMBER, 2021**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	
or failing him				

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 34th Annual General Meeting of the company, to be held on Tuesday, September -28, 2021, 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	Resolution	Vote(Optional See Note 2) Please Mention No. of Shares		
		For	Against	Abstain
ORDINARY BUSINESS				
1	To receive, consider, approve and adopt the Standalone Audited Financial Statements as on 31st March, 2021 and the Profit & Loss Account for the year ended on that date and the Board's Report and the Auditors' Report thereon			
2	To appoint a Director in place of Mr. Rameshkumar Durlabhjibhai Virani (DIN: 00313236) who retires by rotation and being eligible, offers himself for re-appointment.			
SPECIAL BUSINESS				
3	Recommendation for approval by Members of Company for revision in Remuneration of Mr. Shreyas R. Virani (Din: 00465240), Whole-Time Director of the Company.			
4	To approve Related Party Transactions to be entered by the Company with related party.			

Signed this _____ day of _____ 2021.

Signature of shareholder

Affix
Revenue
Stamp of not
less than Rs.1

signature across Revenue stamp

Signature of Proxy holder(s)

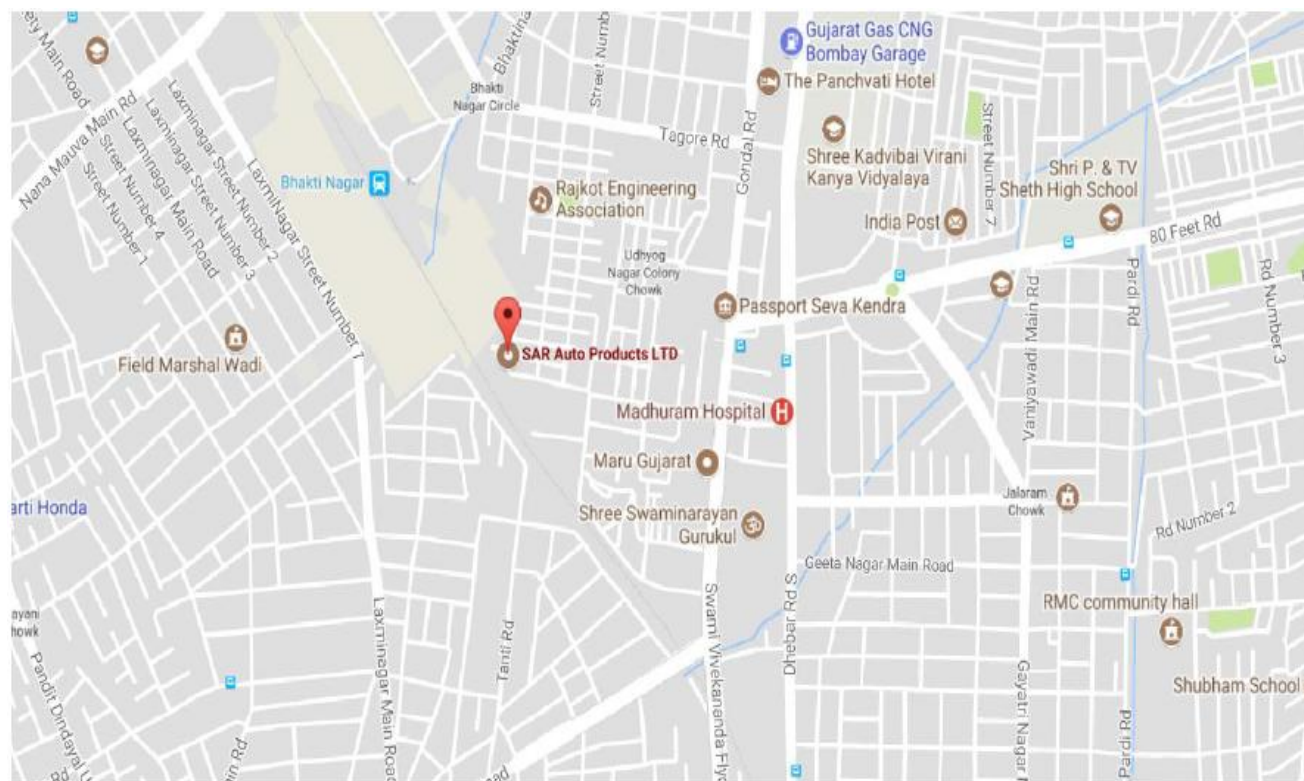
Note:

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 _____

ROUTE MAP OF SAR AUTO PRODUCTS LIMITED FOR ANNUAL GENERAL MEETING



SAR AUTO PRODUCTS LIMITED
(CIN: L34100GJ1987PLC010088)
Registered office Address:
50-E BHAKTINAGAR INDS ESTATE,
RAJKOT - 360002
Email: sapl@sarautoproduktsltd.com



Geared Up To Win