

SAR AUTO PRODUCTS LIMITED

BOARD OF DIRECTORS

Shri Rameshbhai D. Virani
Shri Shreyas Virani
Shri Amit Jayantilal Gosaliya
Shri Issacthomas Charianthomas Kavunkal (From 01-03-2010)

AUDITORS

Arun M. Kothari
Chartered Accountant
4, Jaygujarat society,
Opp. Police Commissioner Office,
Shahibaugh,
Ahmedabad-380 004

BANKERS

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

REGISTERED OFFICE

50-E, Bhaktinagar Industrial Estate,
Rajkot – 360 002.

REGISTRARS & SHARE TRANSFER AGENTS

Link Intime India Private Limited.
211, Sudarshan Complex, Nr. Mithakhali Under Bridge,
Navarangpura, Ahmedabad – 380 009.

DIRECTORS' REPORT

To,
The Members

Your Directors have pleasure in presenting their **ANNUAL REPORT** together with the Audited Statement of Accounts of your Company for the year ended **31st March, 2010**.

(Rupees in Lac)

Financial Results	2009-10	2008-09
Income from operations	293.93	263.38
Add : Other Income	207.12	1641.47
Total Income	501.05	1904.85
Less : Total Expenditure	517.34	418.89
Profit/(Loss) before Depreciation write off and Interest	(16.29)	1485.96
Less: Interest	17.82	55.14
Less: Depreciation & Miscellaneous Expenses Written Off	101.70	98.57
Profit / (Loss) before tax	(135.81)	1332.25
Less: Provision for tax:	-	-
Current Tax	-	256.00
Deferred Tax Assets	(11.81)	34.60
Fringe Benefit tax	-	0.60
Profit/(Loss) after tax	(124.00)	1041.05
Add. : Balance Brought Forward from Previous Year	1069.06	27.97
Balance of Profit & Loss Account Carried to BALANCE SHEET	945.06	1069.02

Dividend

Looking at the current position of the business, Your Directors do not recommend any dividend.

Directors

Shri Issacthomas Charianthomas Kavunkal, appointed as the director of the company w.e.f 01-03-2010. Shri, Amit Jayantilal Gosaliya Director will retire by rotation and being eligible offers himself for re-appointment. Smt. Annie Ajith Chacko has tendered his resignation from the directorship w.e.f 01-03-2010.

Review of Operations

There is increase in turnover in compare to previous year. In this year the Company has achieved the turnover of Rs. 29,392,583.

Directors' Responsibility Statement

Your directors confirm:

- (i) that in the preparation of the annual accounts, the applicable accounting standards have been followed;
- (ii) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the year ended **31st March, 2010** and of the **Profit** of the company for that year;
- (iii) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors have prepared the accounts on a going concern basis.

Corporate Governance:

A separate report on Corporate Governance along with Auditor's Certificate on its compliance is attached as a part of the Annual Report.

Audit Committee:

Pursuant to the provisions of Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement of the Stock Exchanges, the Audit Committee comprises of the following Directors:

Mr. Rameshbhai D. Virani
Mr. Amit Jayantilal Gosaliya
Smt. Annie Ajith Chacko (upto 01-03-2010)
Mr. Issac Thomas C Kavunkal (from 01-03-2010)

The Audit Committee reviews, acts and reports to the Board with respect to various auditing and accounting matters.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings And Outgo

In accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956, the required information relating to the same is annexed.

Particulars of Employees

There are no employees whose details are required to be mentioned as per Section 217(2A) of the Companies Act, 1956.

Auditors

ARUN M. KOTHARI, Chartered Accountant the Auditors of the Company will retire at the conclusion of the ensuing Annual General Meeting. They have consented to continue and act as Auditors of the Company for the current year, if re-appointed.

Acknowledgement

The Directors takes this opportunity to thank the Bank and the members for their continued confidence in the company.

For and on behalf of the Board

RAMESHBHAI D. VIRANI

Managing Director

Rajkot,

ANNEXURE TO DIRECTORS' REPORT

FORM – A

Conservation of Energy

Annexure 1 to Directors' Report – Information under Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 and Forming part of Director's Report.

	2009-2010	2008-2009
I Power & Fuel Consumption		
Electricity		
a) Purchased	Nil	Nil
Units	154914	370656
Total Amount Rs.	900625	22,96,944
Rate/Unit Rs.	5.81	6.20

FORM – B

Form for disclosure of particulars with respect to Technology Absorption

1. Expenditure on R & D	
a) Capital	Rs. NIL
b) Recurring	Rs. 349161
c) Deferred	Rs. NIL
d) Total	Rs. 349161

Foreign Exchange Earnings and Outgo

1. Earning in Foreign Exchange	Rs. 480.56 lacs
2. Expenditure in Foreign Exchange	Rs. 4.26 lacs

For and on behalf of the Board

RAMESHBHAI D. VIRANI
Managing Director

Rajkot
02nd June, 2010

K. P. Rachchh & Co.

317, Krishna Con-Arch-2, 3rd Floor, Tagor Road, Rajkot.
E-mail : rachhkalpesh@gmail.com Cell : 98242 90889,
Ph : 0281 3013899

----- Company Secretaries

CIN : L34100GJ1987PLC010088

Authorized Share Capital. Rs. 10,00,00,000/-

COMPLIANCE CERTIFICATE

To,
The members of
SAR AUTO PRODUCTS LIMITEED
50-E BHAKTINAGAR INDSUSTRIAL ESTATE
RAJKOT.

We have examined the registers, records, books and papers of SAR AUTO PRODUCTS LIMITEED as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2010. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, We certify that in respect of the aforesaid financial year :

1. The company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made thereunder and all entries have been duly recorded.
2. The company has filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies within the time prescribed under the Act and the rules made thereunder, However Company has filed one E-Form 32 with additional Fees.
3. The company being Public limited company this clause is not applicable.
4. The Board of Directors duly met 07 times on 15-04-2009, 05-06-2009, 30-07-2009, 30-10-2009, 27-11-2009, 30-01-2010 and 01-03-2010 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed the Minutes Book maintained for the purpose.
5. The company has closed its Register of Members from 03rd September, 2009 to 7th September, 2009 for the purpose of AGM.
6. The Annual General Meeting for the financial year ended on 31-03-2009 was held on 07-09-2009 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. One extra ordinary general meeting was held during the financial year.
8. The company has not Advanced any loans to its directors or persons or firms or companies referred to under section 295 of the Act
9. The company has not entered into any contract during the financial year under scrutiny which attracts the provisions of section 297 of the Act.

K. P. Rachchh & Co.

317, Krishna Con-Arch-2, 3rd Floor, Tagor Road, Rajkot.
E-mail : rachhkalpesh@gmail.com Cell : 98242 90889,
Ph : 0281 3013899

----- Company Secretaries

10. No entry is required to be made during the financial year under Scrutiny in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the company has not obtained any approvals from the Board of directors, members or Central Government.
12. The Company has not issued any duplicate share certificates during the financial year under scrutiny.
13. The company has :
 - a. Delivered all the certificates on allotment of securities and on lodgment there of for transfer/transmission or any other purpose in accordance with the provisions of the Act;
 - b. not deposited any amount in separate Bank account as no dividend was declared during the financial year.
 - c. not required to post warrants to any member of the company as no dividend was declared during the financial year.
 - d. no amount lying in the Books of Account in respect of unpaid dividend, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years.
 - e. Duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the company is duly constituted.
15. The company has not appointed managing director/whole time director/Manager under section 269 of the Act during the year.
16. No sole selling agent was appointed during the financial year under scrutiny.
17. The company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such authorities prescribed under the various provisions of the Act during the financial year.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The company has not issued any shares/debentures/other securities during the financial year.
20. The Company has not bought back any shares during the year.
21. The company has not redeemed any preference shares/debentures during the financial year.
22. There were no transactions necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The company has not invited/accepted any deposits including any unsecured loans falling within the purview of section 58A during the financial year.

K. P. Rachchh & Co.

317, Krishna Con-Arch-2, 3rd Floor, Tagor Road, Rajkot.
E-mail : rachhkalpesh@gmail.com Cell : 98242 90889,
Ph : 0281 3013899

----- Company Secretaries

24. The amount borrowed by the Company from Directors, public Financial Institution, Banks and others during the financial year ending 31st March, 2010 is within the borrowing limits of the Company.
25. The company has not made any loans or advances or given guarantees or provided Securities to other bodies corporate and consequently no entries have been made in the Registers kept for the Purpose.
26. The company has not altered the provisions of the memorandum with respect to situation of the registered office of the Company during the year under scrutiny.
27. The company has not altered the provisions of the memorandum with respect to the objects of the company during the year under scrutiny.
28. The company has not altered the provisions of the memorandum with respect to name of the company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under review.
30. The Company has not altered its Articles of Association during the year.
31. There was no prosecution initiated against or show cause notice received by the company during the financial year, for offences under the Act.
32. The Company has not received any security whatsoever from its employees during the year.
33. The company was not required to deposit both employee's and employer's contribution to Provident Fund with prescribed authorities pursuant to Section 418 of the Companies Act, 1956.

For: K. P. RACHCHH & CO.
Company Secretaries,

Signature:

Place: Rajkot
Date : 02nd June, 2010

(CS KALPESH RACHCHH)
Proprietor
C.P. No.: 3974

K. P. Rachchh & Co.

317, Krishna Con-Arch-2, 3rd Floor, Tagor Road, Rajkot.
E-mail : rachhkalpesh@gmail.com Cell : 98242 90889,
Ph : 0281 3013899

----- Company Secretaries

Annexure A

Registers as maintained by the Company

1. Register of Charges u/s 143/ Copies of instruments creating charges u/s 136
2. Register of Members u/s 150
3. Register of Transfer
4. Register of directors, managing director, manager and secretary u/s 303
5. Register of directors' shareholding u/s 307
6. Register of Contracts, companies and firms in which Directors of the Company are interested u/s 297, 299, 301 and 301(3) of the Act.
7. Minutes of the General Meeting & Board Meeting u/s 193 of the Act.

Annexure B

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending on 31st March, 2010.

Sr. no.	Forms	Purpose	Filed on
1	Form 23AC & 23ACA	Under Section 220 of the Act.	03-10-2009
2	Form 20B	Under Section 159 of the Act.	23-10-2009
3	Form 66	Under Section 383(A) of the Act	03-10-2009
4	Form 32	Under Section 303 of the Act	23-10-2009
5	Form 32	Under Section 303 of the Act	26-03-2010

The company has not filed any forms or returns with Regional Director, Central Government or other Authorities during the financial year ending on 31st March, 2010.

For: K. P. RACHCHH & CO.
Company Secretaries,

Signature:

Place: Rajkot
Date : 02nd June, 2010

(CS KALPESH RACHCHH)
Proprietor
C.P. No.: 3974

SAR AUTO PRODUCTS LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

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

INDUSTRY STRUCTURE AND DEVELOPMENTS

In this year there is decrease in Production. In this year there is Production of 23527 auto parts as compared to last year production of 48633 auto parts components. In terms of Turnover the company has achieved the turnover of Rs. 29,392,583.

OUTLOOK ON OPPORTUNITIES, THREATS, RISK AND CONCERNS

The Company has deployed its surplus funds in various Portfolio Management Schemes and fixed deposits. Now, the Company has carrying on the business of machining of auto components. In today's parlance Auto component industry has growth potential as the population is increasing, demand of vehicle in all segment is increasing. However government policy and increasing inflation ratio are the major risk to all the industries.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

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

FINANCIAL PERFORMANCE

As stated earlier, the Company has started its commercial production and achieved the turnover of Rs.29,392,583/- in the Financial year 2009-2010. The income was adversely affected by heavy cost of manufacturing expenses, administrative expenses and depreciation during the current Financial in this year, Company has incurred loss of Rs.135.82 Lacs in comparison to Profit of Previous Year Rs. 133.23 Lacs.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT.

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

CAUTIONARY STATEMENT

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

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

SAR AUTO PRODUCTS LIMITED

REPORT ON CORPORATE GOVERNANCE:

As required under clause 49 of the Listing Agreement, a Separate Report on Corporate Governance is given below for the financial year ended 31st March, 2010 along with certificate of auditors of the Company.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Corporate Governance is very important to built confidence and trust which leads to strong, stable and long term partnership with the Investors and all other Stakeholders. The detailed Report on implementation of Corporate Governance Code as incorporated in Clause 49 of the Listing Agreement with the Stock Exchange/s is set out below.

2. BOARD OF DIRECTORS:

(I) Composition of Board:

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

(II) Attendance of each Director at the Board Meetings and Annual General Meeting:-
7 (Seven) Board Meetings were held during the financial year 2009-2010.

No.	Name of Director	Category	No. Of Board Meeting Attended	Attendance at Last AGM
1	Shri Rameshbhai Virani	NI- E	7	Yes
2.	Shri Shreyas Virani	NI-E	7	Yes
3.	Shri Amit J. Gosaliya	IND-NE	7	Yes
4	*Shri IssacThomas C Kavunkal	IND-NE	1	No
5	** Smt. Annie A. Chacko	IND-NE	7	Yes

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

*Appointed as Director W.e. f. 01-03-2010

** Resigned from Directorship due to Resignation w.e.f 01-03-2010

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

No.	Name of Director	No. of other Directorship	No. of Committees in which Member
1	Shri Ramesh Virani	Nil	3
2	Shri Amit J. Gosaliya	Nil	2
3	*Smt. Annie A Chacko	Nil	1
4.	Shri Shreyash Virani	Nil	2
5	**Shri Issac Thomas C Kavunkal	Nil	2

* Upto 01-03-2010 ** From 01-03-2010

(III) Details Of Director Appointment/Reappointment in Forthcoming Annual General Meeting

Name Of Director	Shri Shreyas Virani	Shri Amit J Gosaliya
Date of Birth	01-03-1970	05-10-1979
Date of Appointment	14-04-2007	07-07-2008
Expertise is Specific functional Area	Finance and Administration	Accounts
List of Public Limited Companies in which Directorship held	Nil	Nil
Chairman/Member of the committees	1. Remuneration Committee 2.Shareholder Grievance Committee.	1. Audit Committee 2. Remuneration Committee
Chairman/Member of the committees of Directors of other companies	Nil	Nil

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

7 (Seven) Board Meetings were held during the financial year 2009-2010 on following dates:

15-04-2009, 05.06.2009, 30.07.2009, 30.10.2009, 27.11.2009, 25.01.2010 and 01.03.2010.

3. AUDIT COMMITTEE:

(I) COMPOSITION OF COMMITTEE:

As a measure of good corporate governance and to provide assistance to the Board of Directors in overseeing the Boards responsibilities your company had constituted an Audit Committee. The Committee covers matters specified as per Clause 49 of the Listing Agreements.

At present consist following members of the Committee:

1. Shri Rameshbhai D. Virani (Chairman of the Committee)
2. * Smt. Annie A Chacko (Member of the Committee)
3. Shri Amit J. Gosaliya (Member Of the Committee)
4. **Shri Issac Thomas C Kavunkal (Member Of the Committee)

* Upto 01-03-2010 ** From 01-03-2010

The terms of reference of the Audit Committee mandated by your Board of Directors which is also in line with the statutory and regulatory requirement are:

- a. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

- b. Recommending the appointment and removal of external auditors, fixation of audit fees and also approval for payment for any other services.
- c. Reviewing with management the annual financial statements before submission to the board.
- d. Reviewing with management, external and internal auditors, the adequacy of internal control systems.
- e. Reviewing the adequacy of internal audit function including structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- f. Discussion with internal auditors on any significant findings and follow-up thereon.
- g. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- h. Discussion with external auditors before the audits commences, nature and scope of audit as well as has post-audit discussions to ascertain any area of concern.
- i. Reviewing the company's financial and risk management policies.

Whistle Blower Policy

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

(II) MEETINGS AND ATTENDANCE DURING THE YEAR :

Four Meetings of Audit Committee were held during financial year 2009 - 2010, and all members were present at the meetings except Issac Thomas C Kavunkal.

4. REMUNERATION COMMITTEE:

Company has appointed remuneration committee on 18-11-2008, The Board of Directors of the Company decide 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

The Committee comprises the following Directors as members

1. Shri Ramesh D. Virani - Chairman
2. Shri Shreyas R. Virani - Director
3. Amit J. Gosaliya - Director

Details of remuneration paid:

1. Shri Shreyas R. Virani, Whole-Time Director was paid Rs. 12,66,248/- as managerial remuneration during the year 2009-10.
2. Shri Rameshbhai D. Virani Director was paid Rs.12,10,054/- as managerial remuneration during the year 2009-10.

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

5. SHAREHOLDERS/INVESTOR'S GRIEVANCE COMMITTEE:

Your Company had constituted Shareholders/Investor's Grievance Committee as required under clause 49 of the Listing Agreement.

The Committee resolves Complaints like transfer of shares, non-receipt of Annual Reports etc. as received from the Investors and provide information to the Board of Directors of the Company.

The Committee comprises the following Directors as members

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

*from 01/03/2010

6. GENERAL BODY MEETING:

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

Year	Location	Date	Day	Time	No. of Special Resolution
2006-2007	50 E, Bhaktinagar Industrial Estate, Rajkot – 360 002	14 th July,2007	Saturday	11.00 A.M.	Nil
2007-2008	50 E, Bhaktinagar Industrial Estate, Rajkot – 360 002	3 RD July, 2008	Thursday	11.00 A. M.	Nil
2008-2009	50 E, Bhaktinagar Industrial Estate, Rajkot – 360 002	7 th September, 2009	Monday	11.00 A. M.	Nil

Whether Special Resolution :

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

7. DISCLOSURES:

(I) No transaction of material nature has been enter into by the Company with its promoters, directors, relatives or management of the Company that may have potential conflict with the interests of Company.

(II) The company has complied with the requirement of statutory/ regulatory authorities on capital market and no penalties\strictures have been imposed on the Company by SEBI or Stock Exchanges during the last three financial year.

8. GENERAL SHAREHOLDERS INFORMATION:

I. ANNUAL GENERAL MEETING:

Date :30th September, 2010

Time : 11.00 A. M.

Day : Thursday

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

II. FINANCIAL CALENDAR 2010-2011 :

Results for Quarter:(Tentative)

Audited accounts for 2009-10 : Before 30th June, 2010
Ending on 30th September, 2010 : Last Week of October, 2010
Ending on 31st December, 2010 : Last Week of January, 2011
Ending on 31st March, 2011 : Before 30th June, 2011

III. DATE OF BOOK CLOSURE : 24th September, 2010 to 30th September, 2010
(Both Days Inclusive)

IV. LISTING ON STOCK EXCHANGES:

- | | |
|--|---|
| 1. Ahmedabad Stock Exchange Ltd.
Kamdhenu Complex, Opp: Sahjanand
College, Panjarapole,
Ahmedabad- 380 015. | 2. Vadodara Stock Exchange Ltd.
Fortune Tower, 3rd Floor,
Sayajigunj,
Vadodara - 390 005 |
| 3. Pune Stock Exchange Ltd.
"Shivleela Chambers"
752, Sadashiv Peth,
R. B. Kumthekar Marg,
Pune - 411 030. | 4. Saurashtra Kutch Stock Exchange Ltd.
Popatbhai Sorathia Bhavan,
Sadar Bazar, Rajkot. |

V. LISTING FEES:

The Company has paid the Annual Listing fees to each of the above Stock Exchanges for the financial year 2010-2011.

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

VII. DEMATERIALISATION OF SECURITIES:

96.97 % of the Company's Equity Share Capital is dematerialised as on 31st March, 2010, by the members of the Company through CDSL and NSDL.

VIII. SHARE TRANSFER SYSTEM:

Trading in equity share of the Company is permitted in physical and dematerialized form. Share transfer in physical form received by the Registrar and Transfer agent are registered and returned within the period of 30 days from the date of receipt of the documents, provided all documents are valid and complete in all respects. As per SEBI Guidelines upon completion of the transfers the Registrar and Transfer Agent send an offer letter to the transferee with an option to receive credit of transferred shares in electronic form under the transfer cum demat facility. In case option is not exercised or if offer is not submitted within stipulated time the share certificates are sent to the transferee.

IX. REGISTRAR & TRANSFER AGENT:

Link Intime India Private Limited
211, Sudarshan Complex,
Nr. Mithakhali Under Bridge,
Navrangpura, Ahmedabad - 380 009.
Phone /Fax No.: 079 - 26465179.
Email : ahmedabad@intimespectrum.com

X. ADDRESS FOR COMMUNICATION:

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

XI. PLANT LOCATIONS:

Plot No. 1, 31 - 34,
Galaxy Indus. Estate,
Vill : Shapar, Tal : Kotda Sangani,
Dist : Rajkot.

XII. SHAREHOLDING PATTERN AS ON 31ST MARCH, 2010.

SR. NO.	CATEGORY	NO. OF SHARES HELD	PERCENTAGE OF SHAREHOLDING
1	Indian Public	868200	18.22
2	NRIs/ OCBs	-	-
3	Mutual Funds and UTI	-	-
4	Bank, Financial Institutions, Insurance Companies, (Central/ Institutions)	-	-
5.	Private Corporate Bodies	334400	07.02
6.	Indian Promoters	3562140	74.76
	TOTAL	4764740	100.00

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

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

(a) We have reviewed the financial statements and the cash Flow Statement for the year and that to the best of our knowledge and belief :

- (i) these statement do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading:
- (ii) these statement together present a true and fair view of the Company affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate of the Company's Code of Conduct.

(c) We are responsible for establishing and maintaining internal controls for financial reporting in the Company and we have evaluated the effectiveness of the internal control system of the Company pertaining to financial reporting. We have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and steps we have taken or propose to take to rectify these deficiencies.

(d) We have indicated to the auditors and the audit Committee:

- (i) Significant changes in internal controls over financial reporting during the year.
- (ii) Significant changes in accounting polices during the year and the same have been disclosed in the notes to the financial statements and
- (iii) Instance of Significant fraud of which we have become aware and the involvement therein, if any, of the Management or an employee having a significant role in the Company internal control system.

(e) We affirm that we have not denied any personal access to the Audit committee of the Company (in respect of matters involving alleged misconduct, if any,)

(f) We further declare that all Board Members and Senior Management have affirmed compliance with the Code of Conduct for the current year.

Shri Rameshbhai Virani
Managing Director & Chief Executive Officer

Shri Shreyash R. Virani
Chief Financial Officer

Place : Rajkot

Date : **02-06-2010**

CERTIFICATE

To
The Members of
SAR AUTO PRODUCTS LIMITED
Rajkot.

We have read the Report of Directors on Corporate Governance and have examined the relevant records relating to compliance of conditions of Corporate Governance by the Sar Auto Products Limited for the year ended 31st March, 2010, as stipulated in Clause 49 of the Listing Agreement executed by Company with the Stock Exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance.

It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

We State that no investors complaints are pending for a period exceeding for 30 days against the Company as per the records maintained by the Share Transfer and Investors Grievance Committee.

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

PLACE: AHMEDABAD
DATE : **02-06-2010**

FOR ARUN M. KOTHARI
CHARTERED ACCOUNTANTS

(Arun M. Kothari)
Proprietor

Auditor's Report

To,
The Members,
SAR AUTO PRODUCTS LIMITED

We have audited the attached Balance Sheet of **SAR AUTO PRODUCTS LIMITED**, as at **31st MARCH 2010**, the Profit & Loss Account and Cash Flow Statement for the year ended on that day. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order

Further to our comments in the Annexure referred to above, we report that:

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
- (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
- (iii) The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account;
- (iv) In our opinion, the Balance Sheet and Profit & Loss Account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956
- (v) On the basis of written representations received from the directors, as on 31st March, 2010 and taken on records by the Board of Directors, we report that none of the director is disqualified as on 31st March, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at **31st March, 2010** ;
 - (b) in the case of the Profit & Loss Account, of the **Loss** for the year ended on that date.
 - (c) in the case of Cash Flow Statement, of the Cash Flows for the year ended on that date.

For ARUN M. KOTHARI,
Chartered Accountant
(Firm's Registration No.108669)

Arun M. Kothari
Proprietor

Ahmedabad, 2nd June, 2010

Statement on the Companies (Auditor's Report) Order, 2003

To,
The Members,
Sar Auto Products Limited

Referred to in paragraph 3 of our report of even date

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) According to the information and explanation given to us, the fixed assets of the Company were physically verified by the management in a phased & periodical manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) During the year, the Company has not disposed off substantial part of fixed assets and the going concern status of the Company is not affected.
- (ii) (a) According to the information and explanation given to us, the inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information & explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company has maintained proper records of inventory. As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.
- (iii) (a) The Company has not granted loans to the party covered in the Register maintained under section 301 of the Companies Act, 1956.
- (b) The Company has accepted unsecured loans from two parties covered in the Register maintained under Section 301 of the Companies Act, 1956.

Sr. No.	Name of Related Party	Maximum amount due at any time during the year Amount (Rs.)	Balance due as at the end of the financial year Amount (Rs.)
1.	Mr. Ramesh D. Virani	10,00,000	9,00,000
2.	Mr. Shreyas R. Virani	38,42,833	7,79,712

- (c) In our opinion and according to the information and explanations given to us, as the loans are interest free, the same is prima facie, not prejudicial to the interest of the Company.
- (d) There is no stipulation for repayment of the said loan.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchases of fixed assets and for sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal controls.

[[2]]

- (v) In our opinion, and according to the information and explanations given to us, there are no contracts or arrangements that need to be entered in the register in pursuance of section 301 of the Companies Act, 1956.
- (vi) The Company has not accepted any deposits from the Public.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (viii) The Central Government has prescribed the maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 in respect of goods manufactured by the Company. We have broadly reviewed the accounts and records of the Company in this connection and are of the opinion, that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (ix) In respect of statutory dues;
 - (a) According to the information and explanations given to us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income tax, wealth tax, sales tax, value added tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it except non deduction in few instances of TDS.
 - (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, wealth tax, sales tax, value added tax, service tax, customs duty, excise duty and cess were in arrears, as at 31st March, 2010 for a period of more than six months from the date they became payable.
 - (c) According to the information and explanations given to us, there are no dues in respect of provident fund, income tax, wealth tax, sales tax, value added tax, service tax, customs duty, excise duty and cess that have not been deposited with the appropriate authorities on account of any dispute:
- (x) In our opinion, the Company has no accumulated losses. The Company has not incurred cash losses during the financial year covered by our audit as well as in the immediately preceding year.
- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institutions and banks.
- (xii) In our opinion and according to the information & explanations given to us, no loans and advances have been granted on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, Clause 4 (xii) of the Order is not applicable.
- (xiii) In our opinion, the Company is not a chit fund or a *nidhi* mutual benefit fund/ society. Accordingly, Clause 4 (xiii) of the Order is not applicable
- (xiv) In our opinion, the Company has maintained proper records of transactions and contracts relating to dealing or trading in shares, securities, debentures and other investments during the year and timely entries have been made therein. The shares, securities, debentures and other investments have been held by the Company in its own name except as permissible under Section 49 of the Companies Act, 1956.

[[3]]

- (xv) In our opinion, and according to the information and explanations given to us, the Company has not given guarantees for loans taken by others from banks or financial institutions. Accordingly, clause 4(xv) of the Order is not applicable.
- (xvi) In our opinion and according to the information and explanations given to us and on an overall examination, no term loan was raised during the year under review. Thus the provision of Clause (xvi) of the order is not applicable.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that the funds amounting to Rs.2,94,01,408/- raised on short-term basis have been used for long-term investment.
- (xviii) The Company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act. Accordingly, clause 4(xviii) of the Order is not applicable.
- (xix) The Company has not issued any debentures. Accordingly, clause 4(xix) of the Order is not applicable.
- (xx) The Company has not raised any money by public issues during the year. Accordingly, clause 4(xx) of the Order is not applicable.
- (xxi) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For ARUN M. KOTHARI,
Chartered Accountant
(Firm's Registration No.108669)

Arun M. Kothari
Proprietor

Ahmedabad, 2nd June, 2010

SAR AUTO PRODUCTS LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2010

PARTICULARS	SCHEDULE	AS AT 31.03.2010	AS AT 31.03.2009
I. SOURCES OF FUNDS :			
1. Shareholder's Funds :			
a) Share Capital	1	47,647,400	47,647,400
b) Reserves & Surplus	2	110,235,452	122,631,065
2. Loan Funds :			
a) Secured Loans	3	13,617,047	-
b) Unsecured Loans	4	1,679,712	5,955,127
3. Deferred Tax Liabilities		3,000,591	4,181,963
		176,180,202	180,415,555
II. APPLICATION OF FUNDS :			
4. Fixed Assets :	5		
a) Gross Block		88,059,947	94,125,810
b) Less : Depreciation		29,148,193	20,564,465
NET BLOCK		58,911,754	73,561,345
5. Investments	6	26,827,874	5,699,680
6. Current Assets, Loans & Advances :			
a) Inventories	7	7,868,472	18,459,713
b) Sundry Debtors	8	20,951,679	1,713,134
c) Cash & Bank Balances	9	25,321,752	53,518,433
d) Loans & Advances	10	39,915,420	57,087,314
		94,057,324	130,778,595
Less : Current Liabilities & Provisions :	11	3,616,749	29,624,064
Net Current Assets		90,440,574	101,154,530
7. Miscellaneous Expenditure :			
[To the extent not written off or adjusted]	12	-	-
		176,180,202	180,415,555

NOTES TO ACCOUNTS

19

As per our report of even date
FOR ARUN M. KOTHARI,
Chartered Accountant
[Firm's Registration No.: 108669]

FOR & ON BEHALF OF THE BOARD OF DIRECTORS,

Arun M. Kothari
Proprietor

Ramesh D. Virani
Managing Director

Shreyas R. Virani
Director

Ahmedabad, 2nd June, 2010

Issacthomas Charianthomas Kavunkal
Director

SAR AUTO PRODUCTS LIMITED

PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED 31ST MARCH, 2010

PARTICULARS	SCHEDULE	AS AT 31.03.2010	AS AT 31.03.2009
I. INCOME :			
Income From Operations	12	29,392,583	26,338,423
Other Income	13	20,711,946	164,146,990
Stock Variance	14	(7,469,686)	10,511,018
		42,634,843	200,996,431
II. EXPENDITURE :			
Raw Material Consumed		2,816,389	10,728,249
Stores & Spares Consumed		3,778,753	4,778,726
Manufacturing Expenses	15	7,917,898	13,612,463
Employee's Remuneration & Benefits	16	1,679,493	2,200,349
Administrative & Other Expenses	17	28,071,402	21,080,553
Interest & Financial Charges	18	1,782,012	5,513,614
Depreciation		10,170,069	9,856,750
		56,216,016	67,770,705
Profit/(Loss) for the year before taxation		(13,581,173)	133,225,726
<i>Less : Provision for taxation :</i>			
Current Tax		-	25,600,000
Deferred Tax		(1,181,371)	3,460,307
Fringe Benefit Tax		-	60,000
Net Profit/(Loss) after taxation		(12,399,802)	104,105,419
Add. : Balance Brought Forward From Previous Year		106,902,279	2,796,860
Excess Provision of Income Tax of Previous Year		4,188	-
		106,906,467	2,796,860
Add. : Credit Balance in P&L A/c.of PPS		-	-
Less : Adjustments on account of Amalgamation of PPS with the Co.		-	-
BALANCE CARRIED FORWARD TO BALANCE SHEET		94,506,665	106,902,279

NOTES TO ACCOUNTS

19

As per our report of even date

FOR ARUN M. KOTHARI,
Chartered Accountant
[Firm's Registration No.: 108669]

FOR & ON BEHALF OF THE BOARD OF DIRECTORS,

Arun M. Kothari
Proprietor

Ramesh D. Virani
Managing Director

Shreyas R. Virani
Director

Ahmedabad, 2nd June, 2010

Issacthomas Charianthomas Kavunkal
Director

SARAJITO PRODUCTS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED

	[INR] 31.03.2010	[INR] 31.03.2009
A. Cashflow from Operating Activities		
Net Profit/(loss) before tax and extraordinary items	(13,581,848)	133,225,726
Adjustments for :		
Depreciation	10,170,069	9,856,750
Profit on sale of investment	-	159,968,390
Profit/ (Loss) on sale of assets	(1,893,428)	26,158
Interest Paid	1,782,012	5,513,614
Operating Profit before working capital changes	263,661	308,590,638
Adjustments for :		
Trade and other receivables	(27,686,893)	(12,432,142)
Trade payables	(347,314)	(5,615,120)
Increase in inventories	10,591,241	(13,320,309)
Cash generation from operations	(17,179,305)	(42,766,029)
Net Cashflow from operating activities	(17,179,305)	(42,766,029)
B. Cashflow from Investing activities		
Purchase of fixed assets	(1,083,951)	(27,914,478)
Sale of fixed assets	3,670,000	220,000
Sale / (Purchase) of investment	(21,128,194)	190,786,507
Net cash generated/used in investing activities	(18,542,145)	163,092,029
C. Cashflow from financing activities		
Proceeds from borrowings	-	-
Secured loan received	(34,850)	(25,037,990)
Income Tax/FBT adjustments	9,341,632	(52,366,340)
Repayment of loans (Secured + unsecured)	(1,782,012)	(5,513,614)
Interest & Finance Charges	-	-
Net cash generated/used in financing activities	7,524,770	(82,917,944)
Net Increase in cash and cash equivalent	(28,196,680)	37,408,056
Cash and Cash equivalent as at 31.03.2009 (Opening Balance)	53,518,432	16,110,376
Cash and Cash equivalent as at 31.03.2010 (Closing Balance)	25,321,752	53,518,432

For on behalf of the Board of Directors,

Rameshbhai D. Virani
Managing Director

AUDITOR'S REPORT

We have examined the above cash flow statement and the same is in accordance with the SEBI requirement and is based on and in agreement with the corresponding Profit & Loss Account and Balance Sheet covered by our report of even date.



FOR ARUN M. KOTHARI
Chartered Accountant
(Firm's Registration No.108669)

Arun Kothari
Arun M. Kothari
Proprietor

Ahmedabad, 2nd June, 2010

SAR AUTO PRODUCTS LIMITED
SCHEDULES ANNEXED TO AND FORMING PART OF THE ACCOUNTS FOR THE PERIOD ENDED
31st MARCH, 2010

SCHEDULE - 1

SHARE CAPITAL	AS AT 31.03.2010	AS AT 31.03.2009
AUTHORISED :		
1,00,00,000 Equity Shares of Rs.10/-each	100,000,000	100,000,000
ISSUED, SUBSCRIBED & PAID UP :		
47,64,740 Equity Shares of Rs.10/-each fully paid-up	47,647,400	47,647,400
	47,647,400	47,647,400

SCHEDULE - 2

RESERVES & SURPLUS	AS AT 31.03.2010	AS AT 31.03.2009
General Reserve	732,787	732,787
Share Premium Account	14,996,000	14,996,000
Profit & Loss Account	94,506,665	106,902,279
	110,235,452	122,631,065

SCHEDULE - 3

SECURED LOANS	AS AT 31.03.2010	AS AT 31.03.2009
Loan from LIC of India [Secured against Keyman Insurance Policy]	1,429,750	-
Loan from India Infoline Security Finance Ltd. [Secured against shares and securities]	12,187,297	-
	13,617,047	-

SCHEDULE - 4

UNSECURED LOANS	AS AT 31.03.2010	AS AT 31.03.2009
From Directors	1,679,712	4,055,127
Intercorporate Loans	-	1,900,000
	1,679,712	5,955,127

SCHEDULE - 05

FIXED ASSETS AS AT 31ST MARCH,2010

ASSETS HEAD	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	OPENING BALANCE	ADDI- TIONS	DEDUC- TIONS	TOTAL	UP TO 31.03.2009	DEPRE- CIATION ADJUST.	FOR THE PERIOD	UP TO 31.03.2010	AS ON 31.03.2010	AS ON 31.03.2009
<i>Factory Building:</i>										
Factory Shed & Building	4,037,496	-	-	4,037,496	2,220,017	-	181,748	2,401,765	1,635,731	1,817,479
	4,037,496	-	-	4,037,496	2,220,017	-	181,748	2,401,765	1,635,731	1,817,479
<i>Plant & Machinery:</i>										
Machinery	70,830,211	393,978	6,694,274	64,529,915	14,403,057	1,392,653	7,448,077	20,458,481	44,071,434	56,427,154
Air Compressor	582,469	85,193	-	667,662	91,799	-	73,135	164,934	502,728	490,670
Dog Chuck	7,444	-	-	7,444	6,204	-	172	6,376	1,068	1,240
Electric Motor	8,029	-	-	8,029	4,270	-	523	4,793	3,236	3,759
Generator	2,403	-	-	2,403	2,002	-	56	2,058	345	401
Jigs & Fixtures	741,138	52,513	-	793,651	129,397	-	89,406	218,803	574,848	611,741
Air Ventilator	-	31,500	-	31,500	-	-	2,125	2,125	29,375	-
Measuring Tools	871,331	6,266	-	877,597	297,079	-	80,362	377,441	500,156	574,252
Hand Pallet Truck (Trolley)	13,715	-	-	13,715	1,563	-	1,690	3,253	10,462	12,152
	73,056,740	569,450	6,694,274	66,931,916	14,935,371	1,392,653	7,695,546	21,238,264	45,693,652	58,121,369
Machinery R&D	10,377,000	-	-	10,377,000	769,032	-	1,336,468	2,105,500	8,271,500	9,607,968
Jigs & Fixtures R&D	79,500	-	-	79,500	6,597	-	10,141	16,738	62,762	72,903
	10,456,500	-	-	10,456,500	775,629	-	1,346,609	2,122,238	8,334,262	9,680,871
<i>Furniture & Fixtures</i>	909,350	19,530	188,540	740,340	589,327	54,142	42,671	577,856	162,484	320,023
<i>Office Equipments:</i>										
Air Conditioner	80,750	-	-	80,750	23,018	-	8,031	31,049	49,701	57,732
Canteen Goods	23,738	-	-	23,738	4,794	-	2,635	7,429	16,309	18,944
Intercom	31,367	-	-	31,367	23,314	-	1,120	24,434	6,933	8,053
Punchcard Machine	59,490	-	-	59,490	29,690	-	4,145	33,835	25,655	29,800
Refrigerator	81,750	-	-	81,750	37,878	-	6,103	43,981	37,769	43,872
Typewriter	14,037	-	-	14,037	11,700	-	325	12,025	2,012	2,337
Telephone EPABX	16,890	-	-	16,890	13,824	-	426	14,250	2,640	3,066
Water Cooler	83,559	-	-	83,559	54,691	-	4,016	58,707	24,852	28,868
Water Filter	5,940	-	-	5,940	4,605	-	186	4,791	1,149	1,335
Xerox Machine	31,300	-	-	31,300	10,235	-	2,930	13,165	18,135	21,065
CCTV Camera	126,380	-	-	126,380	13,186	-	15,745	28,931	97,449	113,194
Gruh Board Stand	5,320	-	-	5,320	256	-	704	960	4,360	5,064
Television (CCTV Camera)	34,608	-	-	34,608	3,771	-	4,289	8,060	26,548	30,837
	595,129	-	-	595,129	230,962	-	50,655	281,617	313,512	364,167
<i>Computers & Softwares</i>	637,774	6,300	-	644,074	228,781	-	165,255	394,036	250,038	408,993
<i>Electric Installation:</i>										
Electric Fittings	536,746	15,329	-	552,075	213,217	-	46,421	259,638	292,437	323,529
Electric Weigh Scale	7,313	-	-	7,313	1,483	-	811	2,294	5,019	5,830
Electric Stacker (Fork Lift)	100,847	-	-	100,847	11,492	-	12,429	23,921	76,926	89,355
Electric Charger (Fork Lift)	16,549	-	-	16,549	1,886	-	2,040	3,926	12,623	14,663
	661,455	15,329	-	676,784	228,078	-	61,701	289,779	387,005	433,377
<i>Vehicles:</i>										
Motor Car	3,771,366	473,342	267,000	3,977,708	1,356,300	139,546	625,884	1,842,638	2,135,070	2,415,066
Motor Cycle	-	-	-	-	-	-	-	-	-	-
	3,771,366	473,342	267,000	3,977,708	1,356,300	139,546	625,884	1,842,638	2,135,070	2,415,066
Total	94,125,810	1,083,951	7,149,814	88,059,947	20,564,465	1,586,341	10,170,069	29,148,193	58,911,754	73,561,345
PREVIOUS YEAR	66,483,332	27,914,478	272,000	94,125,810	10,785,873	78,158	9,856,750	20,564,465	73,561,345	14,205,791

SAR AUTO PRODUCTS LIMITED

SCHEDULE - 6

INVESTMENTS		AS AT 31.03.2010	AS AT 31.03.2009
A. LONG TERM INVESTMENTS:	No. of Shares/Bonds/Units <u>fully paid-up</u>		
<i>Trade Investments:</i>			
In Equity Shares, Unquoted, fully paid-up			
Shares of Rajkot Nagarik Sahakari Bank Ltd.		3,050	3,050
Shares of Consortex Karl Deolic Ltd.	1,700	5,355	5,355
Shares of PSL Holding Ltd.	200	-	9,700
Total Value of Long Term Investments		8,405	18,105
B. CURRENT INVESTMENTS:			
<i>Other Investments:</i>			
Goldbees (Benchmark Mutual Fund Gold)	2300 gms	3,698,929	
[3100 gms purchased, 800 gms sold during the year]			
In Equity Shares, Quoted, fully paid-up			
Gemini Communication Ltd.	10,000	248,000	-
[71,000 shares purchased, 61,000 shares sold during the year]			
Indiabulls Securities Ltd.	821,000	22,864,850	-
[32,55,678 shares purchased, 24,34,678 shares sold during the year]			
Mercator Lines Ltd.	8	445	-
[2,60,000 shares purchased, 259992 shares sold during the year]			
Shreyas Shipping & Logistics Ltd.	1,500	7,245	
[1500 shares purchased during the year]			
Network 18 Fincap Ltd.	2,120	-	144,584
[2120 Shares purchased, 1991 Shares sold during the year]			
United Breweries Ltd.	320	-	28,624
[32 Shares purchased, 8 Shares sold during the year]			
Cholamandalam DBS Finance Ltd.	2,545	-	65,788
[747 Shares purchased during the year]			
ICICI Bank Ltd.	543	-	148,494
[854 Shares purchased, 866 Shares sold during the year]			
Infrastructure Deve.Finance Co.Ltd.	2,627	-	134,108
[2627 Shares purchased, 1497 Shares sold during the year]			
IRB Infrastructure Deve.Ltd.	2,740	-	219,611
[1179 Shares purchased during the year]			
MIC Electronics Ltd.	1,614	-	28,810
[2724 Shares purchased, 1791 Shares sold during the year]			
Onmobile Global Ltd.	516	-	161,998
[436 Shares purchased during the year]			
Simplex Infrastructure Ltd.	646	-	100,776
[6 Shares sold during the year]			
Suven life Science Ltd.	8,257	-	91,240
[40 Shares sold during the year]			
HDFC Bank	74	-	59,369
[74 Shares purchased during the year]			

Punj Lloyd Ltd.	1,825	-	166,349
[2176 Shares purchased, 351 Shares sold during the year]			
Cairn India Ltd.	1,063	-	167,678
[1063 Shares purchased during the year]			
GMR Infrastructure Ltd.	20	-	915
[20 Shares purchased during the year]			
Power Grid Corp.of India Ltd.	170	-	8,973
[170 Shares purchased during the year]			
Bharti Airtel Ltd.	108	-	59,935
[441 Shares purchased, 333 Shares sold during the year]			
21st Century Management Services Ltd.	30,000	-	210,000
[30000 Shares purchased during the year]			
Ahmednagar Forgings Ltd.	2,000	-	50,380
[9000 Shares purchased, 7000 Shares sold during the year]			
Ashco Niulab Industries Ltd.	5,000	-	23,350
[5000 Shares purchased during the year]			
Bharat Gears Ltd.	1,000	-	16,200
[1000 Shares purchased during the year]			
Company Indage Vintners Ltd.	10,000	-	478,000
[20000 Shares purchased, 10000 Shares sold during the year]			
Elecon Engineering Co.Ltd.	1,000	-	31,100
[35000 Shares purchased, 34000 Shares sold during the year]			
Fairfield Atlas Ltd.	4,000	-	60,320
[4000 Shares purchased during the year]			
Gammon India Ltd.	71	-	4,118
[15000 Shares purchased, 14929 Shares sold during the year]			
Ispat Industries Ltd.	10,000	-	108,500
[30000 Shares purchased, 20000 Shares sold during the year]			
JMT Auto Ltd.	1,000	-	20,350
[1000 Shares purchased during the year]			
PSL Ltd.	3,000	-	247,260
[3000 Shares purchased during the year]			
RCVL	3,000	-	742,170
[3000 Shares purchased during the year]			
Shreyas Shipping & Logistics Ltd.	1,877	-	36,038
[1877 Shares purchased during the year]			
Kotak Floater Long Term (G)		-	2,066,537

Net Value of Current Investments in Equity Shares

	26,819,469	5,681,575
	26,827,874	5,699,680

1) Total Market value of Quoted investment Rs.2,68,19,469/-

2) Total Cost of Quoted Investment Rs.3,63,27,582/-

3) Total Cost of Unquoted Investment Rs.8,405/-

SAR AUTO PRODUCTS LIMITED

SCHEDULE - 7

INVENTORIES	AS AT 31.03.2010	AS AT 31.03.2009
<i>[As valued and certified by the Management]</i>		
Bush	5,355	196,438
Consumable & Tools	856,204	2,609,522
Cutters	1,494,689	1,277,448
Machinery Oil	19,592	69,603
Packing Materials	76,524	78,379
Raw Materials	-	1,139,544
Finished Goods	6,880	2,666,401
Work-in-Process	5,409,228	10,422,378
	7,868,472	18,459,713

SCHEDULE - 8

SUNDRY DEBTORS	AS AT 31.03.2010	AS AT 31.03.2009
<i>Sundry Debtors:[Unsecured, considered good]</i>		
Less than six months	19,473,205	1,713,134
More than six months	1,478,475	-
	20,951,679	1,713,134
	20,951,679	1,713,134

SCHEDULE - 9

CASH & BANK BALANCES	AS AT 31.03.2010	AS AT 31.03.2009
Cash on Hand	398,310	10,747
Balance with Scheduled Banks in Current Accounts	14,802,993	2,947,666
Balance with Scheduled Banks in Fixed Deposit Accounts	10,120,449	50,560,019
	25,321,752	53,518,433

SCHEDULE - 10

LOANS & ADVANCES [Unsecured, Considered Good]	AS AT 31.03.2010	AS AT 31.03.2009
Advances recoverable in cash or in kind or for value to be received	13,293,981	245,248
Deposits [Includes Security Deposit of Rs.2.00 Crore with Key Management Personnel and their relatives]	20,620,051	22,097,677
Prepaid Expenses	485,994	127,290
VAT	3,074,608	3,324,599
Excise Duty (Edu.Cess & S&H)-Capital Goods	189,010	393,590
Excise Duty (Edu.Cess & S&H)-Input	39,248	1,146,287
Excise Duty (Edu.Cess & S&H)-Receivables	33,395	532,665
Excise Duty Receivables on Export Sales	1,411,772	1,776,197
Service Tax & Cess	373,840	761,413
Special Custom Duty Receivable (SCVD)	49,243	45,760
Income Tax TDS Receivables (A.Y. 2008-09)	-	358,481
Income Tax TDS Receivables (A.Y. 2009-10)	-	700,185
Income Tax TDS Receivables (A.Y. 2010-11)	240,258	-
Income Tax Advance & FBT (A.Y. 2009-10)	-	25,025,000
Income Tax Refund Due (A.Y. 2007-08)	-	552,923
Income Tax Refund Due (A.Y. 2009-10)	104,020	-
	39,915,420	57,087,315
	39,915,420	57,087,315

SAR AUTO PRODUCTS LIMITED

SCHEDULE - 11

CURRENT LIABILITIES & PROVISIONS	AS AT 31.03.2010	AS AT 31.03.2009
<i>Current Liabilities :</i>		
Sundry Creditors for Goods & Expenses	1,620,661	2,494,089
Other Current Liabilities/TDS Payable	397,802	79,694
Advance from Customers	187,345	8,585
	2,205,809	2,582,368
<i>Provisions :</i>		
Provisions for Expenses	1,410,940	1,381,696
Provision for Fringe Benefit Tax	-	60,000
Provisions for Taxation	-	25,600,000
	3,616,749	29,624,064

SAR AUTO PRODUCTS LIMITED
SCHEDULE - 12

INCOME FROM OPERATIONS	AS AT 31.03.2010	AS AT 31.03.2009
<i>Income from Tractor Parts, Auto Parts & Job Work:</i>		
Autoparts Sales	511,017	356,399
Autoparts Sales-Exports	50,517,001	33,110,481
Machinery Parts Sales	198,153	-
Sales OGS	75,757	256,043
Scrap Sales	575,371	2,000,384
Forging Sales	-	99,406
Sample Sales	-	62,128
Gross Sales	<u>51,877,299</u>	<u>35,884,841</u>
Less : Excise Duty	3,161,520	4,162,767
Net Sales	<u>48,715,779</u>	<u>31,722,074</u>
Job Work Income	35,000	653,995
<i>Income from Shares & Securites Operations:</i>		
Loss on Sale of Shares (Net)	(19,432,197)	(6,068,946)
Profit on Redemption of Mutual Fund	74,001	31,301
	<u>29,392,583</u>	<u>26,338,423</u>

SCHEDULE - 13

OTHER INCOME	AS AT 31.03.2010	AS AT 31.03.2009
Interest Income	1,362,857	3,681,400
Dividend Income	2,405,960	127,123
Develoment Cost Income	787,052	-
Discount Income	50,237	-
Claims/EPCG Claims/Misc. Receipts	15,989,351	60,613
Exchange Rate Fluctuation	-	122,268
Profit on Sale of Long Term Investment	-	159,968,390
Profit on Sale of Assets	-	26,158
DEPB Licence Income	-	161,038
Interest on Income Tax Refund	116,490	-
	<u>20,711,946</u>	<u>164,146,990</u>

SCHEDULE - 14

STOCK VARIANCE	AS AT 31.03.2010	AS AT 31.03.2009
Closing Stock - Finished Goods,WIP and Scrap	5,416,108	13,088,779
Add: Excise duty on Opening Stock of finished goods	202,985	-
Less : Opening Stock - Finished Goods,WIP and Scrap	13,088,779	2,374,776
Less : Excise duty on Closing Stock of Finished Goods	-	202,985
	<u>(7,469,686)</u>	<u>10,511,018</u>

SAR AUTO PRODUCTS LIMITED

RAW MATERIAL CONSUMED	AS AT 31.03.2010	AS AT 31.03.2009
<i>Bush:</i>		
Opening Stock	196,438	89,242
Add. : Purchases	-	340,581
Less : Closing Stock	5,355	196,438
	<u>191,083</u>	<u>233,385</u>
<i>Round Bars:</i>		
Opening Stock	1,139,544	-
Add. : Purchases	1,483,487	11,634,408
Less : Closing Stock	-	1,139,544
	<u>2,623,031</u>	<u>10,494,864</u>
Semi Finished Tractor & Auto Parts	2,275	-
	<u>2,816,389</u>	<u>10,728,249</u>

STORES & SPARES CONSUMED	AS AT 31.03.2010	AS AT 31.03.2009
<i>Machinery Oil :</i>		
Opening Stock	69,603	49,132
Add. : Purchase	208,493	920,050
Less : Closing Stock	19,592	69,603
	<u>258,504</u>	<u>899,579</u>
<i>Consumable Stores & Tools and Packing Materials:</i>		
Opening Stock	2,687,901	2,394,152
Add. : Purchase	1,739,363	4,121,396
Less : Closing Stock	932,728	2,687,901
	<u>3,494,536</u>	<u>3,827,647</u>
<i>Cutter Consumption:</i>		
Opening Stock	1,277,448	232,102
Add. : Purchase	242,954	1,096,846
Less : Closing Stock	1,494,689	1,277,448
	<u>25,713</u>	<u>51,500</u>
	<u>3,778,753</u>	<u>4,778,726</u>

SAR AUTO PRODUCTS LIMITED

SCHEDULE - 15

MANUFACTURING EXPENSES	AS AT 31.03.2010	AS AT 31.03.2009
Job Work Charges	6,397,663	10,525,125
Machinery Repairs & Maintenance	295,286	303,347
Machinery Maintenance	-	-
Machinery Parts & replacements	-	-
Cutter Resharpening Charges	79,771	121,968
Drill Regrinding Charges	-	50,886
Calibration Expenses	8,450	91,015
Electric Expenses	1,002,835	2,350,940
Factory Expenses	29,573	24,138
Freight & Octroi-Inward	69,812	126,137
Testing Expenses	10,916	7,647
Labour Charges	23,592	11,260
	<u>7,917,898</u>	<u>13,612,463</u>

SCHEDULE - 16

EMPLOYEES' REMUNERATION & BENEFITS	AS AT 31.03.2010	AS AT 31.03.2009
<i>Salary, Wages & Other Allowances :</i>		
Salary & Wages	864,695	1,141,122
Leave Salary	99,504	128,885
Bonus	106,447	137,921
<i>Contribution to P.F. & Other Funds:</i>		
Provident Fund	401,174	372,316
ESIC	2,992	31,694
Staff Welfare Expenses	204,681	388,411
	1,679,493	2,200,349

SAR AUTO PRODUCTS LIMITED

SCHEDULE - 17

ADMINISTRATIVE & OTHER EXPENSES	AS AT 31.03.2010	AS AT 31.03.2009
Postage, Telegram & Telephone, Internet Expenses	343,261	376,728
Loss on Sale of Assets (Net)	1,759,089	-
Printing & Stationery Expenses	55,033	113,926
Travelling Expenses	465,169	497,890
Vehicle Running & Maintenance	151,595	210,886
AMC Charges	306,250	-
Insurance Charges	267,575	328,242
Directors' Remuneration & Perks	2,229,242	1,741,394
Electricity Expenses	135,045	90,492
Bad Debts	15,559,859	9,626,849
Auditors Remuneration	15,000	15,000
Legal & Professional Charges	1,155,570	2,176,795
Advertisement Expenses	30,839	12,450
Donations	11,000	-
Office Expenses	42,312	94,578
Research & Development Expenses	349,161	395,124
Debit Note Charges	1,174,249	1,090,716
Security Expenses	110,887	223,000
Computer Software & Service Charges	15,754	33,413
Membership & Subscription Expenses	18,000	-
Listing & Certification Fees	28,603	58,146
Misc. loss on shifting of assets	134,399	-
Custody fee charges	27,103	-
STT & Demat Charges	583,251	280,817
Service Tax	5,295	11,459
Repairs & Maintenance Charges	291,934	297,250
Loading & Unloading Charges	5,900	4,240
NSDL/CDSL Connection Fees	24,266	56,180
PMS Charges	464,526	71,451
VAT Expenses	146,210	-
Commissioning Expenses	-	10,000
Water Charges	33,675	38,150
Income Tax Expenses	-	250
Sales Tax Assessment Expenses	268	2,000
Exchange Rate Fluctuation	463,873	-
Rent, Rates & Taxes	8,579	-
Factory Rent	1,135,800	2,220,000
Cash Discount/Other Discount	-	87,691
Freight, Octroi-Outward & Cartages Expenses	284,445	455,618
Goods Export Expenses	238,384	459,818
	28,071,402	21,080,553

SCHEDULE - 18

INTEREST & FINANCIAL CHARGES	AS AT 31.03.2010	AS AT 31.03.2009
Interest & Finance Charges	1,631,297	4,853,410
Bank Commission/Charges	150,714	660,204
	1,782,012	5,513,614

SAR AUTO PRODUCTS LIMITED

SUNDRY DEBTORS	STATEMENT-01		AS AT 31.03.2010
	LESS THAN SIX MONTHS	MORE THAN SIX MONTHS	
Britpart	426,625	-	426,625
Dashmesh Export	-	82,250	82,250
DT Diesel Technic AG	1,373,159	615,527	1,988,686
Evolution Automotive Components Ltd.	29,359	-	29,359
Farshad Aminiyan Anbaran	-	566,622	566,622
Khambhati International LLC	5,785,166	-	5,785,166
Khanam Farideh Shariyan	-	202,365	202,365
Lister Petter Ltd.	-	11,711	11,711
Mini Gears (Stockport) Ltd. Compo.Worldwide	10,794,363	-	10,794,363
Nanki International	-	-	-
S.S.Clutch Mfg.Co.Pvt.Ltd.	35,000	-	35,000
Ingersoll Rand (India) Ltd.	457,038	-	457,038
Kotak Securities Ltd.	11,495	-	11,495
Praj Engg. Works	561,000	-	561,000
	19,473,205	1,478,475	<u>20,951,679</u>

SAR AUTO PRODUCTS LIMITED

SCHEDULE 19- NOTES TO ACCOUNTS

01] Significant Accounting Policies:

A] Accounting Convention:

The financial statements for the year ended 31st March, 2010 are prepared under historical cost convention. Revenues are recognized and expenses are accounted on accrual basis with necessary provisions for all known liabilities and losses.

B] Fixed Assets & Depreciation:

- (i) Fixed Assets are stated at the Original cost inclusive of incidental expenses related to acquisition.
- (ii) Assets are depreciated on Written down value method at the rates specified in Schedule XIV of the Companies Act, 1956.
- (iii) Depreciation on assets disposed off during the year is provided on pro-rata basis.
- (iv) Depreciation on newly added assets is charged as and when the same have been installed and put to use.

C] Inventories:

The inventories are valued at cost or net realizable value, whichever is lower.

D] Revenue:

Sales of Auto Parts & Machinery Parts are accounted at the point of dispatch.

Dividend is recognized on receipt basis.

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

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

Development cost income is recognized on accrual basis.

Claims are recognized on receipt basis.

E] Investments:

Investments are classified into Current and Long-term investments. Current investments are stated at lower of cost or fair market value. Long-term investments are stated at cost. Provision for diminution in the value of Long-term investments is made only if such a decline is other than temporary in the opinion of the management.

F] Income Tax:

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

Deferred Tax: Deferred tax charge or credit is recognized using current tax rates. Where there are unabsorbed depreciation or carry forward losses, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Other deferred tax assets are recognized only to the extent there is reasonable certainty of realization in future. Deferred Tax assets/ liabilities are reviewed at each Balance Sheet date based on developments during the year and available case laws, to reassess realization/ liabilities.

G] Foreign Currency Transaction:

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of transaction. Monetary foreign currency assets and liabilities outstanding at the close of the financial year are revalued at the exchange rates prevailing on the balance sheet date.

Exchange differences arising on account of fluctuations in the rate of exchange are recognized in the Profit & Loss Account.

02] Segment Reporting:

The Company is engaged in the business of machining of Auto Components. Further, the surplus money available with the company continues to be deployed under the professional guidance in Portfolio Management Scheme, Fixed Deposits and Shares and securities and the same has not been shown as separate segment for the purpose of Segment Reporting under AS-17.

03] Related party disclosure:

Disclosure required as per Accounting Standard 18 (AS 18), "Related party disclosure" is as follows:

Sr. No.	Name of Related Party	Relationship
1.	Mr. Ramesh D. Virani	Key Management Personnel
2.	Mr. Shreyas R. Virani	Key Management Personnel

Transactions with Related Parties during the year:**(i) Directors' Remuneration & Perks****(Amount in Rupees)**

Related Party	Amount
Mr. Ramesh D. Virani	12,10,054
Mr. Shreyas R. Virani	12,66,248
Total	24,76,302

(ii) Unsecured Loans accepted:**(Amount in Rupees)**

Related Party	Balance as on 1 st April,09	Accepted During The Year	Repaid During The Year	Balance As on 31 st March,10
Mr. Ramesh D. Virani	7,12,294	20,00,000	18,12,294	9,00,000
Mr. Shreyas R. Virani	33,42,833	25,00,000	52,42,833	7,79,712
Total	40,55,127	45,00,000	70,55,127	16,79,712

04] Information regarding Consumption, Purchases, Turnover & Stocks:

Raw Material Consumed (Round Bar)	2009-10	2008-09
Opening Stock	27,981	Nil
Purchases during the year	33,621	2,29,663
Consumption during the year	61,602	2,01,682
Closing Stock	--	27,981

Finished Goods (Auto Parts)	2009-10	2008-09
Opening Stock	9,270	Nil
Manufactured during the year	23,527	48,633
Sales during the year	32,724	39,363
Closing Stock	73	9,270

Consumption of Raw Materials:**(Amount in Rupees)**

Particulars (Principle Item)	%	2009-10
Imported	Nil	Nil
Indigenous	100	28,16,389

05] The outstanding balances as at 31.03.2010 in respect of Sundry Debtors, Sundry Creditors and Loans & Advances are subject 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.

14] Payment to Auditors:**(Amount in Rupees)**

Particulars	2009-10	2008-09
Statutory & Tax Matters	15,000	15,000
Service Tax	NIL	NIL
Total	15,000	15,000

15] Research & Development:

The project of Synchronizer Rings which was taken up by the company last year has successfully been implemented in this year. Out of total revenue of the Company, 75% is coming from the Synchronizer Rings which clearly shows the tremendous success achieved by the Company by carrying out Research & Development activities in developing Synchronizer Rings by machining process.

As we can see from the financials, the EBIDTA margins have improved significantly because of R & D carried out in this field.

The Company is targeting higher sales and profits in the coming years.

16] Impairment of Assets:

At each balance sheet date, the management reviews the carrying amount of its assets included in each cash generating unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. Recoverable amount is higher of an asset's net selling price and the value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an assets and from its disposal at the end of the useful life.

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

18] The figures of the previous year are regrouped rearranged wherever necessary to bring it in line with current year.

19] Schedules 01 to 19 form an integral part of the accounts and have been duly authenticated

SIGNATURE TO SCHEDULES 01 TO 19

As per our report of even date

For ARUN M. KOTHARI
Chartered Accountant
(Firm's Registration No.108669)

For and on behalf of Board of Directors,

Arun M. Kothari
Proprietor

Rameshbhai D.Virani Shreyas R. Virani
Managing Director Director

Issacthomas Charianthomas Kavunkal
Director

Ahmedabad, 2nd June, 2010

- 06] According to the opinion of the Management the realizable value of current assets, loans & advances and other receivables in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet.

07] **Earning Per Share (EPS) Calculation (Basic and Diluted):**

Particulars	Unit	2009-10	2008-09
Amount used as the numerator Profit/(loss) after Taxation	Rs. In Lac	(12,400)	1041.05
Number of Equity Shares used as the denominator	No.	47,64,740	47,64,740
Nominal Value of Shares	Rs. In Lac	476.47	476.47
Earnings Per Share (Basic)	Rs.	(2.60)	21.85

08] **Deferred Tax Working:**

The Deferred Tax Liability as at 31st March, 2010 comprises of the following:

Particulars	Deferred Tax Liability / (Assets) as on 01.04.2009	Charge during the year 2009 – 2010	Deferred Tax Liability / (Assets) as on 31.03.2010
Deferred Tax Liability / (Assets)	Rs. 41,81,963	Rs. (11,81,371)	Rs. 30,00,592

- 09] Contingent Liabilities NIL
- 10] Estimated amount of Contracts remaining to be executed on Capital Account and not provided for NIL

11] **Directors remuneration & Perks (including Managing Directors remuneration)**
(Amount in Rupees)

Particulars	For the year ended 31.03.10	For the year ended 31.03.09
Remuneration and Perks	24,76,302	17,41,394

12] **Details of Licensed and Installed Capacity:**

Particulars	Products	Units	2009-10	2008-09
Licensed Capacity	Auto parts	Pcs.	N.A.	N.A.
Installed Capacity	Auto parts	Pcs.	2,00,000	4,50,000
Actual Production	Auto parts	Pcs.	23,527	48,633

(As certified by the Directors and being a technical matter accepted by the Auditors as correct.)

13] **Earnings and Expenditure in Foreign Exchange:**

- (i) Earnings in Foreign Exchange

(Amount in Rupees)

Particulars	2009-10	2008-09
FOB value of exports	4,80,56,566	37,58,169

- (ii) Expenditure in Foreign Currency

(Amount in Rupees)

Particulars	2009-10	2008-09
Revenue	4,26,345	3,63,673
Capital	Nil	Nil

- (iii) Imports

(Amount in Rupees)

Particulars	2009-10	2008-09
CIF Value of Imports	Nil	Nil

SAR AUTO PRODUCTS LIMITED

Balance Sheet abstract and company's general business profile

(a)	Registration Details	
	Registration No.	04-10088
	Balance Sheet Date	31st March, 2010
(b)	Capital raised during the year	(Amt in '000)
	Public Issue	Nil
	Rights Issue	Nil
	Bonus	Nil
	Private placements	Nil
(c)	Position of mobilization and deployment of funds	(Amt in '000)
	Total Assets	Rs. 1,76,180
	Total Liabilities	Rs. 1,76,180
	Sources of Funds	
	Paid up Capital	Rs. 47,647
	Reserves and Surplus	Rs. 1,10,235
	Secured Loans	Rs. 13,617
	Unsecured Loans	Rs. 1,680
	Deferred Tax Liability	Rs. 3,001
	Application of Funds	
	Net Fixed Assets	Rs. 58,912
	Investments	Rs. 26,828
	Net Current Assets	Rs. 90,440
	Misc. Expenditure	Nil
	Accumulated Losses	Nil
(d)	Performance of the Company	(Amt in '000)
	Total Income	Rs. 42,635
	Total Expenditure	Rs. 56,217
	Net Loss before Tax	Rs. 13,582
	Net Loss after Tax	Rs. 12,400
	Earning per share (in Rs.)	Rs. (2.60)
	Dividend (%)	Nil

Item Code No. (ITC Code) :

Product Description : **INVESTMENTS IN SHARES & SECURITIES**

Item Code No. (ITC Code) :

Product Description : **JOB WORK OF AUTO PARTS**

For and on behalf of the Board of Directors,

Rameshbhai D. Virani
Managing Director

Rajkot, 2nd June, 2010