



# 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: 22-08-2024

ISIN: INE002E01010  
Scrip Code: 538992

Respected Sir/Madam,

SUB : Submission of 37<sup>th</sup> Annual Report for the year ended on 31<sup>st</sup> March, 2024 under regulation 34(1) of the SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015.

As per captioned subject, we hereby submit 37<sup>th</sup> Annual Report for the year ended on 31<sup>st</sup> March, 2024 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

Rameshkumar D. Virani  
Managing Director  
Din: 00313236

Enclosure: 37<sup>th</sup> Annual Report of the Company SAR AUTO PRODUCTS LIMITED

# ANNUAL REPORT 2023-24



# 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. Issacthomas Charianthomas Kavunkal (DIN: 02995332)	Independent Director (upto 03/09/2024)
*Ms. Aarti Chintan Sodha (DIN: 06978954)	Independent Woman Director (upto 03/09/2024)
Mr. Vijay Narendrabhai Kalariya (DIN: 10454403)	Additional Independent Director (w.e.f 09/01/2024)
Mrs. Charmiben Manishbhai Vasani (DIN: 10721628)	Additional Independent Director (w.e.f 09/08/2024)
Mr. Vivekkumar Maganbhai Manavadaria (DIN: 10730165)	Additional Independent Director (w.e.f 09/08/2024)
Mr. Biju Mathew (DIN: 10730618)	Additional Independent Director (w.e.f 09/08/2024)

\* Second Tenure of five (5) year as Independent Director shall end on 03/09/2024

## 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 & Compliance Officer

## STATUTORY AUDITORS

J. A. SHETH & ASSOCIATES  
Chartered Accountants  
507, Aalap -A, Limda Chowk, Subhash Road,  
Rajkot-360001.  
FRN:119980W

## SECRETARIAL AUDITOR

M/s. K. P. RACHCHH & CO.  
Practicing Company Secretary  
The Spire-2, Office No. 723,  
Shital Park Chowk, 150ft. Ring Road,  
Rajkot 360007. Membership No. 5156

## REGISTRARS & SHARE TRANSFER AGENT

LINK INTIME INDIA PRIVATE LIMITED  
5<sup>th</sup> 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](mailto:ahmedabad@linkintime.co.in)  
Website: [www.linkintime.co.in](http://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

CIN: L34100GJ1987PLC010088

Email: [sapl@sarautoproductsltd.com](mailto:sapl@sarautoproductsltd.com) Ph: 0281- 2374726

Website: [www.sarautoproductsltd.com](http://www.sarautoproductsltd.com)

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# NOTICE

**Notice** is hereby given that the **THIRTY-SEVENTH (37<sup>th</sup>) 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 **24<sup>TH</sup> SEPTEMBER, 2024** 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 31<sup>st</sup> March, 2024 and the Profit & Loss Account for the year ended on that date and the Board's Report and the Auditors' Report thereon:

and, in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** the audited financial statement of the Company for the financial year ended on March 31, 2024 together with the report of the Board of Directors and Auditors thereon, as circulated to the members, be and are hereby received, considered and adopted.”

2. To appoint a Director in place of Mr. Shreyas R. Virani (DIN: 00465240) who retires by rotation and being eligible, offers himself for re-appointment:

and, in this regard, to consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** in accordance with the provisions of Section 152 and other applicable provisions of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Shreyas R. Virani (DIN: 00465240), who retires by rotation at this meeting and being eligible offer himself for re-appointment, be and is hereby appointed as a Director of the Company whose period of office shall be liable to determination by retirement of Directors by rotation.”

## **SPECIAL BUSINESS:**

3. Appointment/Regularization of Mr. Vijay Narendrabhai Kalariya (DIN 10454403) as an Independent Director:

To Consider and if thought Fit, to Pass, with or without Modification(S), the following Resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 161 and any other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with Schedule IV of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force and as per Articles of Association of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, Mr. Vijay Narendrabhai Kalariya (DIN 10454403) who was appointed as an Additional Director in the capacity of Independent Director w.e.f 09<sup>th</sup> January, 2024 and who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing under Section 160 of the Act from Member proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term of 5 (five) consecutive years commencing from 09<sup>th</sup> January, 2024 upto 08<sup>th</sup> January, 2029.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof) and/or Company Secretary of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

4. Appointment/Regularization of Mrs. Charmiben Manishbhai Vasani (DIN 10721628) as an Independent Director:

To Consider and if thought Fit, to Pass, with or without Modification(S), the following Resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 161 and any other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with Schedule IV of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force and as per Articles of Association of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, Mrs. Charmiben Manishbhai Vasani (DIN 10721628) who was appointed as an Additional Director in the capacity of Independent Director w.e.f 09<sup>th</sup> August, 2024 and who has submitted a declaration that she meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing under Section 160 of the Act from Member proposing her candidature for the office of Director be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term of 5 (five) consecutive years commencing from 09<sup>th</sup> August, 2024 upto 08<sup>th</sup> August, 2029.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof) and/or Company Secretary of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

5. Appointment/Regularization of Mr. Vivekkumar Maganbhai Manavadaria (DIN 10730165) as an Independent Director:

To Consider and if thought Fit, to Pass, with or without Modification(S), the following Resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 161 and any other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with Schedule IV of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force and as per Articles of Association of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, Mr. Vivekkumar Maganbhai Manavadaria (DIN 10730165) who was appointed as an Additional Director in the capacity of Independent Director w.e.f 09<sup>th</sup> August, 2024 and who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing under Section 160 of the Act from Member proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term of 5 (five) consecutive years commencing from 09<sup>th</sup> August, 2024 upto 08<sup>th</sup> August, 2029.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof) and/or Company Secretary of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

6. Appointment/Regularization of Mr. Biju Mathew (DIN 10730618) as an Independent Director:

To Consider and if thought Fit, to Pass, with or without Modification(S), the following Resolution as a Special Resolution:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152, 161 and any other applicable provisions, if any, of the Companies Act, 2013 (“Act”) read with Schedule IV of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 and applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force and as per Articles of Association of the Company and pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, Mr. Biju Mathew (DIN 10730618) who was appointed as an Additional Director in the capacity of Independent Director w.e.f 09<sup>th</sup> August, 2024 and who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1)(b) of the Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 and in respect of whom the Company has received a notice in writing under Section 160 of the Act from Member proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term of 5 (five) consecutive years commencing from 09<sup>th</sup> August, 2024 upto 08<sup>th</sup> August, 2029.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company (including its Committee thereof) and/or Company Secretary of the Company, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

7. To approve Related Party Transactions to be entered by the Company with related party.

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 2024-25 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/ Rent Income	25.00 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.”

**“RESOLVED FURTHER THAT** all actions taken by the Board in connection with any matter referred to or contemplated in this resolution, be and are hereby approved, ratified and confirmed in all respects.”

Place: Rajkot

Date: 09<sup>th</sup> August, 2024

By order of Board of Directors

Sar Auto Products Limited

Rameshkumar D. Virani  
Chairman and Managing Director  
DIN: 00313236

**Notes:**

1. The notice of AGM along with Annual Report for 2023-24 is being sent to all the members whose name appears in the Register of Members/ list of beneficiaries received from the depositories as on 16<sup>th</sup> August, 2024. In Furtherance, as allowed under the MCA Circulars and SEBI Circulars, the Notice of Annual General Meeting with annual report of the year 2023-24 is being send through electronic mode to those members whose email addresses are registered with the Company/Depositories as on 16<sup>th</sup> August, 2024. Members may note that the Notice and Annual Report of the year 2023-24 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). Further, Company will send hard copy of full annual report to those shareholders who request for the same.
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](mailto:ahmedabad@linkintime.co.in) or [nilesh.dalwadi@linkintime.co.in](mailto:nilesh.dalwadi@linkintime.co.in), for sending the same or can email to Company at [sapl@sarautoproductsltd.com](mailto:sapl@sarautoproductsltd.com). In case of any Queries relating to availing soft copy can contact company at aforesaid mentioned E-mail id. Further, To support the ‘Green Initiative’, Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with the Company’s RTA in case the shares are held by them in physical form.
3. The relevant Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 setting out material facts in respect of the special business under item no.03 to 07 is annexed hereto. Further relevant details pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Director seeking re-appointment at this AGM are also annexed. Further, Statutory Registers and other relevant documents are opened for inspection for the members at the Registered office of the company on all working days, during business hours up to the date of the meeting i.e. between 11:00 a.m. to 5:00 p.m. and will also be made available at the meeting
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. The Said resolution/authorization shall be send to scrutinizer by e-mail to [rachhkalpesh@gmail.com](mailto:rachhkalpesh@gmail.com) with CC to [sapl@sarautproductsltd.com](mailto:sapl@sarautproductsltd.com).
6. The Register of member and Share Transfer Book of the Company will remain closed from 18<sup>th</sup> September, 2024, Wednesday to 24<sup>th</sup> September, 2024, 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, 5<sup>th</sup> 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.
12. SEBI vide its notification dated January 24, 2022 has mandated that all requests for transfer of securities including transmission and transposition requests shall be processed only in dematerialized form. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialization, Members are advised to dematerialize the shares held by them in physical form. Members can contact the Company/RTA for assistance in this regard.  
Further, SEBI has mandated submission of Pan by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their Pan details to their depository participants. Members holding shares in physical form are requested to submit their Pan details to the Company's RTA.
13. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or RTA, the details of such folios together with the share

certificates along with the requisite KYC Documents for consolidating their holdings in one folio. Requests for consolidation of share certificates shall be processed in dematerialized form.

14. 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.
15. Members seeking any information with regard to the financial statements or any matter to be placed at the AGM, are requested to write to the Company on or before September 14, 2024 through email on [sapl@sarautoproductsltd.com](mailto:sapl@sarautoproductsltd.com) The same will be replied by the Company suitably.
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 Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and in terms of SEBI Circular no. SEBI/HO/CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 in relation to “e-voting Facility Provided by Listed Entities”, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below.

- (i) **The voting period begins on 20<sup>th</sup> September, 2024, Friday at 10:00 a.m. and ends on 23<sup>rd</sup> September, 2024, 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 17<sup>th</sup> September, 2024, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.**
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) 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.

**Step 1 : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.**

- (iv) 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 abovesaid SEBI Circular, Login method for e-Voting **for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:**

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<ol style="list-style-type: none"> <li>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 users to login to Easi / Easiest are requested to visit cdsl website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab.</li> <li>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 &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at cdsl website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>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 <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; 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.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b>	<ol style="list-style-type: none"> <li>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: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> 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.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS" "Portal" or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is</li> </ol>

	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.
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

**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

<b>Login type</b>	<b>Helpdesk details</b>
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 21 09911
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at : 022 - 4886 7000 and 022 - 2499 7000

**Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.**

(v) Login method **for Remote e-Voting for Physical shareholders and shareholders other than individual holding in Demat form.**

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://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](http://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:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>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.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>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.</li> </ul>

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant < SAR AUTO PRODUCTS LIMITED> on which you choose to vote.
- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://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](mailto: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 will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, 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 mandatory 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 at [rachhkalpesh@gmail.com](mailto:rachhkalpesh@gmail.com) and to the Company at the email address viz; [sapl@sarautoproductsltd.com](mailto: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 email id at [sapl@sarautoproductsltd.com](mailto:sapl@sarautoproductsltd.com) /RTA email id at [ahmedabad@linkintime.co.in](mailto: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](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 21 09911**

**All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL, ) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call at toll free no. 1800 21 09911**

19. Mr. Kalpesh P. Rachchh, proprietor of M/s. K. P. Rachchh & Co., Practicing Company Secretary (Membership no. FCS 5156) (Address: The Spire-2, Office No. 723, Shital Park Chowk, 150 ft. Road, Rajkot 360 007, 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 Scrutiniser shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the company and make and submit, within 48 hours of conclusion of the meeting, a consolidated scrutinizer’s report of the total votes cast In favor or against, if any, to the Chairman or a person authorized by him in writing.

## **Annexure to Notice:**

### **Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013**

#### **For Item No. 3**

Pursuant to the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company at its Board Meeting held on 09/01/2024 appointed Mr. Vijay Narendrabhai Kalariya (DIN: 10454403) as an Additional Director (Category – Independent) of the Company with effect from 09<sup>th</sup> January, 2024 for a period of 5 Years i.e. effective from 09<sup>th</sup> January, 2024 to 08<sup>th</sup> January, 2029, Subject to ratification/appointment as regular director at the ensuing Annual General Meeting pertaining to financial year ending 31<sup>st</sup> March, 2024.

In terms of Section 161(1) of the Companies Act, 2013, Mr. Vijay Narendrabhai Kalariya (DIN: 10454403) will holds office upto the date of the ensuing Annual General Meeting of the Company and is eligible for appointment as an Independent Director, not liable to retire by rotation, subject to the approval of the shareholders of the Company.

Further, in terms of Regulation 25(2A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2014 (“Listing Regulations”), appointment of Mr. Vijay Narendrabhai Kalariya (DIN: 10454403) as an independent director requires approval of Members of the Company by passing a special resolution.

The Company has received a notice under Section 160(1) of the Companies Act, 2013 from a Member, signifying intention to propose the appointment of Mr. Vijay Narendrabhai Kalariya (DIN: 10454403) as an Independent Director of the Company.

Mr. Vijay Narendrabhai Kalariya (DIN: 10454403) is not disqualified under sub section (2) of Section 164 of the Companies Act, 2013 and has furnished necessary declarations to the Board of Directors that he meets the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and under Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’). He is not holding directorship in other Company. Mr. Vijay Narendrabhai Kalariya (DIN: 10454403) has confirmed that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to his registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

In the opinion of the Board, Mr. Vijay Narendrabhai Kalariya (DIN: 10454403) fulfills the conditions specified in the Companies Act, 2013 read with rules made thereunder and the Listing Regulations for his appointment as an Independent Director of the Company.

Statement/Details pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Companies Act, 2013 and Secretarial Standard on General Meeting is annexed with this notice.

The Board, based on the recommendation of Nomination and Remuneration Committee has recommended the resolution set out at Item No. 3 for appointment of Mr. Vijay Narendrabhai Kalariya (DIN: 10454403) for approval of shareholders by way of Special Resolution.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Mr. Vijay Narendrabhai Kalariya (DIN: 10454403) being appointee, are concerned or interested, financially or otherwise, in Special Resolution set out at Item no. 3.

**For Item No. 4**

Pursuant to the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company at its Board Meeting held on 09/08/2024 appointed Mrs. Charmiben Manishbhai Vasani (DIN: 10721628) as an Additional Director (Category – Non Executive and Independent) of the Company with effect from 09<sup>th</sup> August, 2024 for a period of 5 Years i.e. effective from 09<sup>th</sup> August, 2024 to 08<sup>th</sup> August, 2029, Subject to ratification/appointment as regular director at the ensuing Annual General Meeting pertaining to financial year ending 31st March, 2024.

In terms of Section 161(1) of the Companies Act, 2013, Mrs. Charmiben Manishbhai Vasani (DIN: 10721628) will holds office upto the date of the ensuing Annual General Meeting of the Company and is eligible for appointment as an Independent Director, not liable to retire by rotation, subject to the approval of the shareholders of the Company.

Further, in terms of Regulation 25(2A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2014 (“Listing Regulations”), appointment of Mrs. Charmiben Manishbhai Vasani (DIN: 10721628) as an independent director requires approval of Members of the Company by passing a special resolution.

The Company has received a notice under Section 160(1) of the Companies Act, 2013 from a Member, signifying intention to propose the appointment of Mrs. Charmiben Manishbhai Vasani (DIN: 10721628) as an Independent Director of the Company.

Mrs. Charmiben Manishbhai Vasani (DIN: 10721628) is not disqualified under sub section (2) of Section 164 of the Companies Act, 2013 and has furnished necessary declarations to the Board of Directors that she meets the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and under Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’). She is not holding directorship in other Company. Mrs. Charmiben Manishbhai Vasani (DIN: 10721628) has confirmed that she is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to her registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

In the opinion of the Board, Mrs. Charmiben Manishbhai Vasani (DIN: 10721628) fulfills the conditions specified in the Companies Act, 2013 read with rules made thereunder and the Listing Regulations for her appointment as an Independent Director of the Company.

Statement/Details pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Companies Act, 2013 and Secretarial Standard on General Meeting is annexed with this notice.

The Board, based on the recommendation of Nomination and Remuneration Committee has recommended the resolution set out at Item No. 4 for appointment of Mrs. Charmiben Manishbhai Vasani (DIN: 10721628) for approval of shareholders by way of Special Resolution.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than, Mrs. Charmiben Manishbhai Vasani (DIN: 10721628) being appointee, are concerned or interested, financially or otherwise, in Special Resolution set out at Item no. 4.



## **For Item No. 5**

Pursuant to the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company at its Board Meeting held on 09/08/2024 appointed Mr. Vivekkumar Maganbhai Manavadaria (DIN 10730165) as an Additional Director (Category – Non Executive and Independent) of the Company with effect from 09<sup>th</sup> August, 2024 for a period of 5 Years i.e. effective from 09<sup>th</sup> August, 2024 to 08<sup>th</sup> August, 2029, Subject to ratification/appointment as regular director at the ensuing Annual General Meeting pertaining to financial year ending 31<sup>st</sup> March, 2024.

In terms of Section 161(1) of the Companies Act, 2013, Mr. Vivekkumar Maganbhai Manavadaria (DIN 10730165) will hold office upto the date of the ensuing Annual General Meeting of the Company and is eligible for appointment as an Independent Director, not liable to retire by rotation, subject to the approval of the shareholders of the Company.

Further, in terms of Regulation 25(2A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2014 (“Listing Regulations”), appointment of Mr. Vivekkumar Maganbhai Manavadaria (DIN 10730165) as an independent director requires approval of Members of the Company by passing a special resolution.

The Company has received a notice under Section 160(1) of the Companies Act, 2013 from a Member, signifying intention to propose the appointment of Mr. Vivekkumar Maganbhai Manavadaria (DIN 10730165) as an Independent Director of the Company.

Mr. Vivekkumar Maganbhai Manavadaria (DIN 10730165) is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 and has furnished necessary declarations to the Board of Directors that he meets the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and under Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’). He is not holding directorship in other Company. Mr. Vivekkumar Maganbhai Manavadaria (DIN 10730165) has confirmed that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to his registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

In the opinion of the Board, Mr. Vivekkumar Maganbhai Manavadaria (DIN 10730165) fulfills the conditions specified in the Companies Act, 2013 read with rules made thereunder and the Listing Regulations for his appointment as an Independent Director of the Company.

Statement/Details pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Companies Act, 2013 and Secretarial Standard on General Meeting is annexed with this notice.

The Board, based on the recommendation of Nomination and Remuneration Committee has recommended the resolution set out at Item No. 5 for appointment of Mr. Vivekkumar Maganbhai Manavadaria (DIN 10730165) for approval of shareholders by way of Special Resolution.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Mr. Vivekkumar Maganbhai Manavadaria (DIN 10730165) being appointee, are concerned or interested, financially or otherwise, in Special Resolution set out at Item no. 5.

## **For Item No. 6**

Pursuant to the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company at its Board Meeting held on 09/08/2024 appointed Mr. Biju Mathew (DIN 10730618) as an Additional Director (Category – Non Executive and Independent) of the Company with effect from 09<sup>th</sup> August, 2024 for a period of 5 Years i.e. effective from 09<sup>th</sup> August, 2024 to 08<sup>th</sup> August, 2029, Subject to ratification/appointment as regular director at the ensuing Annual General Meeting pertaining to financial year ending 31<sup>st</sup> March, 2024.

In terms of Section 161(1) of the Companies Act, 2013, Mr. Biju Mathew (DIN 10730618) will hold office upto the date of the ensuing Annual General Meeting of the Company and is eligible for appointment as an Independent Director, not liable to retire by rotation, subject to the approval of the shareholders of the Company.

Further, in terms of Regulation 25(2A) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2014 (“Listing Regulations”), appointment of Mr. Biju Mathew (DIN 10730618) as an independent director requires approval of Members of the Company by passing a special resolution.

The Company has received a notice under Section 160(1) of the Companies Act, 2013 from a Member, signifying intention to propose the appointment of Mr. Biju Mathew (DIN 10730618) as an Independent Director of the Company.

Mr. Biju Mathew (DIN 10730618) is not disqualified under sub section (2) of Section 164 of the Companies Act, 2013 and has furnished necessary declarations to the Board of Directors that he meets the criteria of independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and under Regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘Listing Regulations’). He is not holding directorship in other Company. Mr. Biju Mathew (DIN 10730618) has confirmed that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, with respect to his registration with the data bank of Independent Directors maintained by the Indian Institute of Corporate Affairs.

In the opinion of the Board, Mr. Biju Mathew (DIN 10730618) fulfills the conditions specified in the Companies Act, 2013 read with rules made thereunder and the Listing Regulations for his appointment as an Independent Director of the Company.

Statement/details pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Companies Act, 2013 and Secretarial Standard on General Meeting is annexed with this notice.

The Board, based on the recommendation of Nomination and Remuneration Committee has recommended the resolution set out at Item No. 6 for appointment of Mr. Biju Mathew (DIN 10730618) for approval of shareholders by way of Special Resolution.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Mr. Biju Mathew (DIN 10730618) being appointee, are concerned or interested, financially or otherwise, in Special Resolution set out at Item no. 6.

## **For Item No. 7**

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 2024-25, 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, rent income 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/ Rent Income	25.00 Crore

The Board accordingly recommends the resolution for your approval as an Ordinary Resolution as set out in Item 7 of the Notice.

Mr. Ramesh D. Virani, Chairman & Managing Director (DIN: 00313236) and Mr. Shreyas R. Virani, Whole-Time Director (DIN: 00465240) and CFO are interested director, other than this no directors, relative and KMP are interested or concerned in the resolution as set out in Item 7 of the Notice.

**ANNEXURE TO NOTICE**

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

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of the Secretarial Standard-2]

Name of Director	Mr. Shreyas R. Virani	Mr. Vijay N. Kalariya	Ms. Charmiben M. Vasani	Mr. Vivekkumar M. Manavadaria	Mr. Biju Mathew
DIN	00465240	10454403	10721628	10730165	10730618
Date of Birth & Age	09/03/1970 & Age: 54 years	30/12/1998 & Age: 25 Yrs	06/01/1979 & Age: 45 Yrs	15/07/1993 Age: 31 yrs	24/05/1967 Age: 57 yrs
Initial Date of Appointment	14/04/2007	09/01/2024	09/08/2024	09/08/2024	09/08/2024
Expertise in Specific functional area and Experience	Mr. Shreyas R. Virani is Whole Time director of the Company and also CFO of the Company. He has expertise in the field of Finance & Administration. He has experienced of more than 32 years in the business of the Company.	Management and Technical knowledge of Products	Finance and Administration	B.E. Mechanical degree of Gujarat Technological University with the specialized subject in Automobiles and he is having experience in the field of Industry of Company i.e. Automobile and auto sector and having all technical knowledge of all auto products and Experience of 9 years in auto industry	Production and General Management
Number of Meetings of the Board attended during the year Total Eight (8) Board Meetings were held during the year	8	Liable to attend 2 Meetings & attended 2 Board Meetings	Not Applicable	Not Applicable	Not Applicable
List of public companies in which Directorship held (other than this company)	NIL	NIL	NIL	NIL	NIL
Name of listed entities from which the person has resigned in the past three years	NIL	NIL	NIL	NIL	NIL

Chairman/Member of the committees of the Company as on 31/03/2024	Chairman- 1 Member- in 3 Committees	Member- in 1 Committee	NIL	NIL	NIL
Chairman/Member of the committees of Directors of other Companies	NIL	NIL	NIL	NIL	NIL
Shareholding in SAR AUTO PRODUCTS LIMITED as on 31/03/2024	Holding 233440 Equity Shares i.e. 4.90%	0	0	0	0
Relationship between director Inter -se	Son of Mr. Rameshkumar D. Virani, Managing Director of the Company	No Inter-se Relation	No Inter-se Relation	No Inter-se Relation	No Inter-se Relation
Terms and Conditions of appointment / re-appointment and Remuneration	Liable to retire by rotation at this ensuing AGM and being eligible offered himself for re-appointment and shall be reappointed at same terms, subject to approval of members of the Company at this AGM	Appointment for a term of 5 years w.e.f 09-01-2024 as an Independent Non Executive Director and not liable to retire by rotation, subject to approval of members of the Company at this AGM	Appointment for a term of 5 years w.e.f 09-08-2024 as an Independent Non Executive Woman Director and not liable to retire by rotation, subject to approval of members of the Company at this AGM	Appointment for a term of 5 years w.e.f 09-08-2024 as an Independent Non Executive Director and not liable to retire by rotation, subject to approval of members of the Company at this AGM	Appointment for a term of 5 years w.e.f 09-08-2024 as an Independent Non Executive Director and not liable to retire by rotation, subject to approval of members of the Company at this AGM

Place: Rajkot

Date: 09<sup>th</sup> August, 2024

By order of Board of Directors

Sar Auto Products Limited

Rameshkumar D. Virani  
Chairman and Managing Director  
DIN: 00313236

# BOARD'S REPORT

To  
The Members,

Your Directors have pleasure in presenting the 37<sup>th</sup> Annual Report of the Company together with the Audited Financial Accounts for the year ended 31<sup>st</sup> March, 2024.

## 1) FINANCIAL SUMMARY AND HIGHLIGHTS:

	(Amt in Rs. in Lacs Except EPS)	
Financial Results	2023-24	2022-23
Revenue from operations	2003.58	1160.68
Add : Other Income	83.56	33.35
Total Income	2087.14	1194.03
Less : Total Expenditure (Excluding Depreciation & Amortization Expense & Finance Cost)	1810.28	966.28
Profit/(Loss) before Depreciation & Amortization Expense and Finance Cost	276.86	227.75
Less: Finance cost	10.08	12.79
Less: Depreciation & Amortization Expense	114.90	125.14
Profit /(Loss) before tax	151.88	89.81
Less: Provision for tax:		
Current Tax	34.40	23.47
Prior Period Taxes	0	0
Deferred Tax Assets /Liabilities	0.78	4.56
Profit/(Loss) after tax	116.70	61.78
Other Comprehensive Income	(2.52)	0.71
Total Comprehensive Income	114.18	62.49
EARNING PER SHARE (BASIC & DILUTED)	2.45	1.30

## 2) REVIEW OF BUSINESS OPERATION AND FUTURE PROSPECTS:

During the year, the Company has made revenue from operation of Rs. 2003.58 Lacs in comparison to previous year of Rs. 1160.68 Lacs i.e increased by approximately 42.07% and the Company has made Profit of Rs. 116.70 Lacs and total comprehensive Income of Rs. 114.18 Lacs in comparison to Profit after tax of previous year of Rs. 61.78 Lacs and total comprehensive of Rs. 62.49 Lacs. Hence, in comparison to financial year 2022-23, Turnover and profitability of the Company both has increased. Management is hopeful to achieve better performance in coming years. Further, due to external political situation, Export sale of the Company also got reduced. During the year 2023-24, Export sales is of Rs. 2.06 Lacs in comparison to previous year of Rs. 2.31 Lacs.

Management is continuously analyzing various situation considering internally and externally both, various rules and regulations of government of various countries and opportunities available and its effect on business. Management is still working hard and looking forward to explore market in the gears and in the wide range of automotive parts.

Though 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 2023-24, 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.

### **4) DIVIDEND:**

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

### **5) CAPITAL STRUCTURE OF THE COMPANY:**

There is no change in capital structure of your company for the year under Review. The Authorized Share Capital of the Company is of Rs. 10,00,00,000/- (Rupees Ten Crores) consisting of 1,00,00,000 (One Crore) Equity Shares of Rs. 10/- each and Issued, Subscribed and Paid-up capital of the Company is of Rs. 4,76,47,400 (Rupees Four Crore Seventy Six Lacs Forty Seven Thousand Four Hundred) consisting of 47,64,740 (Forty Seven Lacs Sixty Four Thousand Seven Hundred and Forty) Equity Shares of Rs. 10/- each. 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 2023-24, your Company has not given any loan, guarantee and has not made any Investments. Investment made earlier 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 General Reserves for the year ended on 31<sup>st</sup> March, 2024.

### **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. Company has availed unsecured loan from Director and as on 31<sup>st</sup> March, 2024 outstanding balance of Loan from Director is of Rs. 1307.05 Lacs.

## **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 and Related party Transactions as per Companies Act, 2013 and as per Accounting Standard are given in Note 33 – forming part of the financial statements and forms part of this Annual Report. Certain transactions, which were repetitive in nature, were approved through omnibus route by Audit Committee and by the Board.

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

There has been no major event occurred during the year and 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. Report on Internal Financial Control over Financial reporting is given by Statutory Auditor as Annexure B to the Independent Auditor's Report and forms part of this Annual Report.

## **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. During the year under review, the industrial relation with Human Resources continued to be extremely cordial 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. Company is taking precaution at the Company to maintain the safety of Human resources.

**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.

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

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) REGULATIONS,2015:**

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. 15.65 Crore as on financial year 31<sup>st</sup> March, 2023 and as on 31<sup>st</sup> March, 2024, Net worth is of Rs. 16.82 Crores, which is not exceeding Rs.25 crore, as on the last day of the financial year. Hence as per Regulation 15 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 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.

### **23) INVESTOR EDUCATION & PROTECTION FUND:**

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

### **24) DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

#### **CHANGE IN BOARD OF DIRECTORS DURING THE YEAR :**

During the year 2023-24

- Ms. Bhumikaben Vinodbhai Kalariya (DIN: 09335219) has resigned as Independent director due to Pre-Occupation and personal reason w.e.f 10<sup>th</sup> October,2023 and thereby Ms. Bhumikaben Vinodbhai Kalariya (DIN: 09335219) ceased as an Independent woman director of the Company w.e.f 10<sup>th</sup> October,2023.
  
- Members of the Company at 36<sup>th</sup> Annual General Meeting held on 26<sup>th</sup> September, 2023 has approved the re-appointment of Mr. Shreyas R. Virani (DIN: 00465240) as Whole Time Director of the Company for a further period of five (5) years w.e.f 30<sup>th</sup> September, 2023 who is liable to retire by rotation and at a Remuneration of Rs. 12,00,000 p.a. – Maximum remuneration i.e. Rs. 1,00,000 per month for a period of 3 years effective from the date of re-appointment
  
- Mr. Vijay Narendrabhai Kalariya (DIN: 10454403) was appointed as an Additional Independent Director on the Board of the Company w.e.f 09<sup>th</sup> January, 2024 for a period of 5 years, subject to ratification/appointment as regular director at the annual general meeting pertaining to financial ended on 31<sup>st</sup> March, 2024 and being eligible Board of Directors of the Company seeks approval at ensuing Annual General Meeting of the Members of the Company for his appointment/regularization as an Independent Director, not liable to retire by rotation.

#### **CHANGE IN BOARD OF AFTER THE CLOSURE FINANCIAL YEAR 2023-24**

- Ms. Charmiben Manishbhai Vasani (DIN: 10721628) was appointed as an Additional Independent Director on the Board of the Company w.e.f 09<sup>th</sup> August, 2024 for a period of 5 years, subject to ratification/appointment as regular director at the annual general meeting pertaining to financial ended on 31<sup>st</sup> March, 2024 and being eligible Board of Directors of the Company seeks approval at ensuing Annual General Meeting of the Members of the Company for her appointment/regularization as an Independent Director, not liable to retire by rotation.
  
- Mr. Vivekkumar Maganbhai Manavadaria (DIN: 10730165) was appointed as an Additional Independent Director on the Board of the Company w.e.f 09<sup>th</sup> August, 2024 for a period of 5 years, subject to ratification/appointment as regular director at the annual general meeting pertaining to financial ended on 31<sup>st</sup> March, 2024 and being eligible Board of Directors of the Company seeks approval at ensuing Annual General Meeting of the Members of the Company for his appointment/regularization as an Independent Director, not liable to retire by rotation.
  
- Mr. Biju Mathew (DIN: 10730618) was appointed as an Additional Independent Director on the Board of the Company w.e.f 09<sup>th</sup> August, 2024 for a period of 5 years, subject to ratification/appointment as regular director at the annual general meeting pertaining to financial ended on 31<sup>st</sup> March, 2024 and being eligible Board of Directors of the Company seeks approval at ensuing Annual General Meeting of the Members of the

Company for his appointment/regularization as an Independent Director, not liable to retire by rotation.

### **EXPIRY OF SECOND TERM OF EXISTING INDEPENDENT DIRECTORS**

Second Term of five years of existing two Independent Directors of the Company i.e. of Mr. Issacthomas Charianthomas kavunkal (DIN: 02995332) and of Ms. Aarti Chintan Sodha (DIN: 06978954) is about to be expire on September 03,2024 and accordingly they will ceased as an Independent Director of the Company on September 03,2024.

### **DIRECTOR LIABLE TO RETIRE BY ROTATION AT ENSUING ANNUAL GENERAL MEETING**

- Pursuant to provision of section 152(6) of the Companies Act, in 36<sup>th</sup> Annual General Meeting of the Company held on 26<sup>th</sup> September, 2023 Mr. Rameshkumar D. Virani (DIN: 00313236) was liable to retire by rotation and being eligible offered himself for re-appointment and Members have approved re-appointment of Mr. Rameshkumar D. Virani (DIN: 00313236) at same terms.
- Further, Mr. Shreyas R. Virani (DIN: 00465240), retires at this 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 Directors seeking re-appointment/Appointment are attached to this Board's report as **Annexure 01** and also attached to Notice

### **Changes in KMP:**

During the year under review, there has been no change in the key Managerial Personnel of the Company. Following are the KMPs of the Company as on 31<sup>st</sup> March, 2024:

- 1) Mr. Rameshkumar D. Virani (DIN: 00313236) – Managing Director
- 2) Mr. Shreyas R. Virani (DIN: 00465240) – Whole Time Director and CFO
- 3) Ms. Zalak K. Upadhyay – Company Secretary and Compliance Officer.

### **Independent Directors:**

As on 31<sup>st</sup> March, 2024, Mr. Issacthomas Charianthomas Kavunkal (DIN: 02995332), Ms. Aarti Chintan Sodha (DIN: 06978954) and Mr. Vijay Narendrabhai Kalariya (DIN: 10454403) are the Independent Directors of the Company.

Changes in the Independent Directors of the Company is already given above.

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. Mr. Issacthomas Charianthomas Kavunkal (DIN: 02995332) and Ms. Aarti Chintan Sodha (DIN: 06978954) are exempted for the online proficiency self-assessment test. Mr. Vijay Narendrabhai Kalariya (DIN: 10454403), Mrs. Charmiben Manishbhai Vasani - DIN: 10721628, Mr. Vivekkumar Maganbhai Manavadaria – DIN: 10730165 and Mr. Biju Mathew – DIN: 10730618 will undergo for the online proficiency self-assessment test within the specified timeline unless exempted under the aforesaid Rules.

Hence as on 31<sup>st</sup> March, 2024, the Board of Directors of the Company is duly constituted and composed as follows:

<b>Sr. No.</b>	<b>Name &amp; DIN of Director</b>	<b>Original Date of appointment</b>	<b>Designation</b>	<b>Category</b>
1	Mr. Rameshkumar Durlabhjibhai Virani DIN: 00313236	14/01/2005	Chairman & Managing Director	Executive- Non-Independent
2	Mr. Shreyas Rameshbhai Virani DIN: 00465240	14/04/2007	Whole time Director and CFO	Executive- Non-Independent
3	Mr. Issacthomas Charianthomas Kavunkal DIN: 02995332	01/03/2010 (Original Date of appointment)	Director	Non-Executive & Independent Director
4	Ms. Aarti C. Sodha DIN: 06978954	12/09/2014	Director	Non-Executive & Independent Director
5	Mr. Vijay Narendrabhai Kalariya DIN: 10454403	09/01/2024	Additional Director	Non-Executive & Independent Director

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

## **25) 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 and at the time of appointment and in the first meeting held after appointment. In Furtherance, Company has also received confirmation 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, non-executive director and Independent Directors of the Company had no pecuniary relationship or transactions with the Company.

## **26) NUMBER OF MEETINGS OF THE BOARD AND GENERAL MEETING AND ATTENDANCE AND OTHER RELATED DETAILS:**

The Board has met 8 (Eight) times during the financial year 2023 -24.

Separate Meeting of Independent Director:

One meeting of the Independent Director of the Company was held on 22<sup>nd</sup> September, 2023 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 pertaining to Presence of Board Meetings are presented below:

<b>Sr. No.</b>	<b>Name of Directors</b> Designation as on 31-03-2024	<b>Mr. Rameshkumar D. Virani</b> Managing Director	<b>Mr. Shreyas R. Virani</b> Whole-Time Director	<b>Mr. Issacthomas C. Kavunkal</b> Independent Director	<b>Ms. Aarti C. Sodha</b> Independent Woman Director	<b>Ms. Bhumika V. Kalariya</b> Independent Director (ceased w.e.f. 10-10-2023)	<b>Mr. Vijay Narendra-bhai Kalariya</b> Additional Independent Director (Appointed w.e.f. 09-01-2024)
	<b>Dates of Board Meeting</b>						
1	13-05-2023	Present	Present	Present	Present	Present	N.A.
2	09-08-2023	Present	Present	Present	Present	Present	N.A.
3	10-10-2023	Present	Present	Present	Present	N.A	N.A.
4	28-10-2023	Present	Present	Present	Present	N.A	N.A.
5	20-12-2023	Present	Present	Present	Present	N.A	N.A.
6	09-01-2024	Present	Present	Present	Present	N.A	N.A.
7	23-01-2024	Present	Present	Present	Present	N.A	Present
8	28-03-2024	Present	Present	Present	Present	N.A	Present

Company Secretary Ms. Zalak Upadhyay has also attended all the Board meetings.

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 26-09-2023
1	Mr. Rameshkumar D Virani	NI- E and Chairman	NO
2.	Mr. Shreyas R. Virani	NI-E	YES
3	Mr. Issacthomas C. Kavunkal	IND-NE	YES
4.	Ms. Aarti C. Sodha	IND-NE	YES
5.	Ms. Bhumika V. Kalariya	IND-NE	YES

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

NO. OF OTHER COMPANIES/OTHER COMMITTEES OF LISTED COMPANIES 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
5	Ms. Bhumika V. Kalariya	Nil	Nil	Nil
6	Mr. Vijay N. Kalariya	Nil	Nil	Nil

**GENERAL BODY MEETING:**

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

Financial Year	Location	Date	Day	Time
2022-2023	50 E, Bhaktinagar Industrial Estate, Rajkot – 360 002	26 <sup>th</sup> September, 2023	Tuesday	11:00 A.M.
2021-2022	50 E, Bhaktinagar Industrial Estate, Rajkot – 360 002	28 <sup>th</sup> September, 2022	Wednesday	11:00 A.M.
2020-2021	50 E, Bhaktinagar Industrial Estate, Rajkot – 360 002	28 <sup>th</sup> September, 2021	Tuesday	11:00 A.M.

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

- Special Resolution was passed in the 35<sup>th</sup> Annual General Meeting convened on 28<sup>th</sup> September, 2022 for approving Re- appointment of Mr. Rameshkumar D. Virani (DIN: 00313236) as Managing Director of the Company for a further term of five (5) years w.e.f 29<sup>th</sup> September, 2022, liable to retire by rotation and at a Remuneration of Rs. 13,20,000.00 p.a. – Maximum remuneration i.e. Rs. 1,10,000 per month for a period of 3 years effective from the date of re-appointment.

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

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

**27) 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/company-policies.html>

## 28) 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

## 29) 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. Issacthomas 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 2023-24 on 13-05-2023, 09-08-2023, 28-10-2023 and 23-01-2024. All the Members have attended all the meetings of Audit Committee.

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 upto 09<sup>th</sup> October, 2023 :

- |                                |   |
|--------------------------------|---|
| 1. Mr. Issacthomas C. Kavunkal | - Chairman - Non Executive Independent Director |
| 2. Ms. Aarti C. Sodha          | - Member - Non Executive Independent Director   |
| 3. Ms. Bhumika V. Kalariya     | - Member - Non Executive Independent Director   |



W.E.F 10<sup>TH</sup> OCTOBER, 2023 UPTO 08<sup>TH</sup> JANUARY, 2024 , Following is the Composition of Nomination and Remuneration Committee:

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

Ms. Bhumika V. Kalariya, Non Executive Independent director has ceased as an Independent Director w.e.f 10<sup>th</sup> October, 2023 and also ceased to be the Committee member of Nomination and Remuneration Committee, hence committee got reshuffled w.e.f 10<sup>th</sup> October, 2023 and there were no other Non -Executive director on the Board and hence till the time new Non-executive director got appoint, Company needs to include one of the Executive Director of Board as Committee Member, however, Board has appointed Mr. Vijay Narendrabhai Kalariya (DIN: 10454403) as an additional Non Executive Independent Director on the Board and also as Committee Member of Nomination and Remuneration Committee w.e.f 09<sup>th</sup> January, 2024 and thereby has complied with the requirement of Composition of Nomination and Remuneration Committee as per section 178 of the Companies Act, 2013.

HENCE, W.E.F 09<sup>TH</sup> JANUARY, 2024 following is the Composition of Nomination and Remuneration Committee:

1. Mr. Issacthomas C. Kavunkal - Chairman - Non-Executive Independent Director
2. Ms. Aarti C. Sodha - Member - Non-Executive Independent Director
3. Mr. Vijay N. Kalariya - Member – Additional (Non-Executive Independent Director)

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

The Broad terms of reference of Nomination and 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 Nomination and Remuneration 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. 10,55,964.00 as Managerial remuneration during the year 2023-24.
2. Mr. Rameshbhai D. Virani, Managing Director was paid Rs. 11,61,522.00 as Managerial remuneration during the year 2023-24.

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:

Four (4) meetings of the Nomination and Remuneration Committee were held during the financial year 2023-24 on 15-05-2023, 08-08-2023, 10-10-2023 and 11-12-2023 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. Rameshkumar 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 2023-24, Two (2) Committee meeting was held on 13-05-2023 and 23-01-2024 and all the members have attended both the Committee Meetings.

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

**4. CORPORATE SOCIAL RESOPONSIBILITY 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 2023-24 the Committee met one (1) time on 08-08-2023 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 voluntary framed the Risk Management Committee, which comprised of the following members:

1. Mr. Shreyas R. Virani – Chairman- Executive Director
2. Mr. Rameshkuamr 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 2023-24 the Committee met one(1) time on 08-08-2023 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.

## **30) 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 and there has been no 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.

### **31) STATEMENT FOR COMPLIANCE OF APPLICABLE SECRETARIAL STANDARDS:**

We the Directors of the Company hereby states the Company has complied applicable Secretarial Standards i.e. SS 1 and SS 2 related to Board and General Meetings to the extend its applicable.

### **32) AUDITORS AND AUDITORS' REPORT:**

#### **STATUTORY AUDITORS**

Pursuant to provision of section 139 of the Companies Act, 2013, M/s. J. A. Sheth & Associates, (FRN:119980W), Chartered Accountants, Rajkot, has been re-appointed as Statutory Auditors of the Company by the Members of the Company at 35th Annual General Meeting (AGM) held on 28th September, 2022 for a period of 5 years to hold office from the conclusion of the 35th AGM until the conclusion of the 40<sup>th</sup> AGM of the financial year 2026-27.

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 2026-27 and to conduct audit for the year 2024-25.

#### **STATUTORY AUDITORS' REPORT & NO FRAUD REPORTING:**

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 2023-24.

#### **SECRETARIAL AUDITORS' REPORT:**

The Secretarial Audit Report for the financial year ended March 31, 2024 is annexed herewith to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark. 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.

### **33) CORPORATE SOCIAL RESPONSIBILITY:**

The Company is committed to conduct its business in a socially responsible, ethical and environmentally friendly manner and to continuously work towards improving quality of life of the communities in its operational areas. The Company has duly constituted CSR Committee, which is responsible for fulfilling the CSR objectives of the Company and this committee is framed with a motive to pay back for the society as and when it gets opportunity. Details relating to Composition and Meeting of CSR Committee is given above in the point relating to Committees of the Board.

However, provisions of section 135 of the Companies Act, 2013 related to CSR is not applicable to Company.

### **34) 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.

### **35) ANNUAL RETURN:**

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2024 is available on the Company's website on [www.https://www.sarautoproductsltd.com/annual-returns.html](https://www.sarautoproductsltd.com/annual-returns.html).

### **36) 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.

### **37) DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF:**

During the year under consideration, there were no such kind instances by/with the company, so no details are required to be mentioned herewith.

**38) DISCLOSURE UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016:**

During the year, there were no application made and no any proceeding is pending against the Company under the Insolvency and Bankruptcy Code, 2016.

**39) 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: 9<sup>th</sup> August, 2024

For and on Behalf of

Sar Auto Products Limited

Rameshkumar D. Virani  
Chairman and Managing Director  
DIN: 00313236

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

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Clause 1.2.5 of the Secretarial Standard-2]

Name of Director	Mr. Shreyas R. Virani	Mr. Vijay N. Kalariya	Ms. Charmiben M. Vasani	Mr. Vivekkumar M. Manavadaria	Mr. Biju Mathew
DIN	00465240	10454403	10721628	10730165	10730618
Date of Birth & Age	09/03/1970 & Age: 54 years	30/12/1998 & Age: 25 Yrs	06/01/1979 & Age: 45 Yrs	15/07/1993 Age: 31 yrs	24/05/1967 Age: 57 yrs
Initial Date of Appointment	14/04/2007	09/01/2024	09/08/2024	09/08/2024	09/08/2024
Expertise in Specific functional area and Experience	Mr. Shreyas R. Virani is Whole Time director of the Company and also CFO of the Company. He has expertise in the field of Finance & Administration. He has experienced of more than 32 years in the business of the Company.	Management and Technical knowledge of Products	Finance and Administration	B.E. Mechanical degree of Gujarat Technological University with the specialized subject in Automobiles and he is having experience in the field of Industry of Company i.e. Automobile and auto sector and having all technical knowledge of all auto products and Experience of 9 years in auto industry	Production and General Management
Number of Meetings of the Board attended during the year Total Eight (8) Board Meetings were held during the year	08	Liabie to attend 2 Meetings & attended 2 Board Meetings	Not Applicable	Not Applicable	Not Applicable
List of public companies in which Directorship held (other than this company)	NIL	NIL	NIL	NIL	NIL
Name of listed entities from which the person has resigned in the past three years	NIL	NIL	NIL	NIL	NIL

Chairman/Member of the committees of the Company as on 31/03/2024	Chairman- 1 Member- in 3 Committees	Member- in 1 Committee	NIL	NIL	NIL
Chairman/Member of the committees of Directors of other Companies	NIL	NIL	NIL	NIL	NIL
Shareholding in SAR AUTO PRODUCTS LIMITED as on 31/03/2024	Holding 233440 Equity Shares i.e. 4.90%	0	0	0	0
Relationship between director Inter -se	Son of Mr. Rameshkumar D. Virani, Managing Director of the Company	No Inter-se Relation	No Inter-se Relation	No Inter-se Relation	No Inter-se Relation
Terms and Conditions of appointment / re-appointment and Remuneration	Liable to retire by rotation at this ensuing AGM and being eligible offered himself for re-appointment and shall be reappointed at same terms, subject to approval of members of the Company at this AGM	Appointment for a term of 5 years w.e.f 09-01-2024 as an Independent Non Executive Director and not liable to retire by rotation, subject to approval of members of the Company at this AGM	Appointment for a term of 5 years w.e.f 09-08-2024 as an Independent Non Executive Woman Director and not liable to retire by rotation, subject to approval of members of the Company at this AGM	Appointment for a term of 5 years w.e.f 09-08-2024 as an Independent Non Executive Director and not liable to retire by rotation, subject to approval of members of the Company at this AGM	Appointment for a term of 5 years w.e.f 09-08-2024 as an Independent Non Executive Director and not liable to retire by rotation, subject to approval of members of the Company at this AGM

Place: Rajkot

Date: 09<sup>th</sup> August, 2024

By order of Board of Directors

Sar Auto Products Limited

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:

The Company engage in manufacturing and selling of Auto components, especially Gears for Transmission, Differential & Engine. Our Company manufactures Auto components comprising of automobile gears like Spur Gear, Helical Gear, Straight Bevel Gear, Sprockets along with Transmission Spline Shafts, Couplings and Power Take-off clutches which are used for Transmission, Engine and Differential gear boxes. Our Company is one of the leading manufacturers of quality assured gears, gear boxes and other transmission components in Rajkot, Gujarat-India, since last 20+ years. 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 IATF 16949:2016 in quality system for the products ranges: Automobile Components Like Synchronizer Ring, Synchronizer Cone, Sliding Sleeve, Hub and Transmission Components. The said certificate is valid upto 27 September, 2024.

We are also having certificate in compliance with the requirements of the Standard ISO 9001: 2015 audited by ICV for following scope:

Manufacturer & Supplier of Automotive Components like Synchronizer Ring, Synchronizer Cone, Sliding Sleeve, Hub and Transmission gears. The said certificate is valid upto 31<sup>st</sup> October, 2026.

Company carry out statistical process control studies for better process capabilities and we emphasize more on the defect prevention, rather than defect detection.

Our in-house standard room is fully equipped to calibrate the monitoring and measuring devices used in the manufacturing processes. We have our in-house chemical and metallurgical laboratory to cater to all our needs in the chemical & metallurgical analysis.

Our range of testing machines include computerized Gear helix & Profile tester and Gear roll tester (Maag & Mahr) besides Helix measuring and hob testing machine, Material hardness testers (BHN & HRC) & other standard measuring instruments.

### OUR PRODUCTS – VARIOUS TYPES OF PARTS



During the year 2023-24 total 179165 Nos of units produced and the Company has achieved revenue from operation of Rs. 2003.58 Lacs in comparison to previous year of Rs. 1160.68 Lacs. The overall Review highlighted below:

Particulars	Year: 2023-2024 (In Rs. In Lacs except EPS)	Year: 2022-2023 (In Rs. In Lacs except EPS)
Export Sales	2.06	2.31
Domestic Sales	2001.52	1096.39
Other Operating revenue	7.51	61.98
Total Sales	2003.58	1068.68
Other Income	83.56	33.35
Earnings Per Share	2.45	1.30

In the year 2023-24, Exports sales has been reduced, though the Turnover of the Company has increased and Profitability of the Company also increased. Management is hopeful to continue this profitable position and strives to achieve better performance in next period. Further, due to external political situation, Export sale of the Company also got reduced. Management efforts and hard work and continuous analyzing and searching and grabbing of opportunities, Company was able to maintain and increase the profitability of the Company. Of course, Government policies has also played a vital role in making the industry structure of the Company stronger and thereby Economic of whole Country.

## **INDUSTRY STRUCTURE, OUTLOOK AND DEVELOPMENTS:**

### WORLD ECONOMY OUTLOOK

As per IMF, Global growth, estimated at 3.2 percent in 2023, is projected to continue at the same pace in 2024 and 2025. The forecast for 2024 is revised up by 0.1 percentage point from the January 2024 and by 0.3 percentage point from the October 2023 WEO. Global headline inflation is expected to fall from an annual average of 6.8 percent in 2023 to 5.9 percent in 2024 and 4.5 percent in 2025 Global headline inflation is expected to fall from an annual average of 6.8 percent in 2023 to 5.9 percent in 2024 and 4.5 percent in 2025

(Source: IMF, World Economic Outlook April, 2024)

### INDIAN ECONOMY

#### INDIAN ECONOMY OVERVIEW

India has emerged as the fastest-growing major economy in the world and is expected to be one of the top three economic powers in the world over the next 10-15 years, backed by its robust democracy and strong partnerships.

Strong economic growth in the first quarter of FY23 helped India overcome the UK to become the fifth-largest economy after it recovered from the COVID-19 pandemic shock. Nominal GDP or GDP at Current Prices in the year 2023-24 is estimated at Rs. 293.90 lakh crores (US\$ 3.52 trillion), against the First Revised Estimates (FRE) of GDP for the year 2022-23 of Rs. 269.50 lakh crores (US\$ 3.23 trillion). The growth in nominal GDP during 2023-24 is estimated at 9.1% as compared to 14.2% in 2022-23. Strong domestic demand for consumption and investment, along with Government's continued emphasis on capital expenditure are seen as among the key driver of the GDP in the first half of FY24. During the period January-March 2024, India's exports stood at US\$ 119.10 billion, with Engineering Goods (25.01%), Petroleum Products (17.88%) and Organic and Inorganic Chemicals (7.65%) being the top

three exported commodity. Rising employment and increasing private consumption, supported by rising consumer sentiment, will support GDP growth in the coming months.

Future capital spending of the government in the economy is expected to be supported by factors such as tax buoyancy, the streamlined tax system with low rates, a thorough assessment and rationalisation of the tariff structure, and the digitization of tax filing. In the medium run, increased capital spending on infrastructure and asset-building projects is set to increase growth multipliers. The contact-based services sector has demonstrated promise to boost growth by unleashing the pent-up demand. The sector's success is being captured by a number of HFIs (High-Frequency Indicators) that are performing well, indicating the beginnings of a comeback.

(Source from ibef.org)

As per IMF, Growth in India is projected to remain strong at 6.8 percent in 2024 and 6.5 percent in 2025, with the robustness reflecting continuing strength in domestic demand and a rising working-age population.

## AUTO COMPONENTS & AUTOMOBILE INDUSTRY IN INDIA IN THE YEAR 2023-24

### AUTO COMPONENTS INDUSTRY:

India has become the fastest-growing economy in the world in recent years. This fast growth, coupled with rising incomes, a boost in infrastructure spending and increased manufacturing incentives, has accelerated the automobile industry. The two-wheeler segment dominated the automobile industry because of the Indian middle class, with automobile sales standing at 23.85 million units in FY24.

Significant demand for automobiles also led to the emergence of more original equipment and auto components manufacturers. As a result, India developed expertise in automobiles and auto components, which helped boost international demand for Indian automobiles and auto components. Hence, the Indian automobile industry has a considerable impact on the auto component industry.

India's auto component industry is an important sector driving macroeconomic growth and employment. The industry comprises players of all sizes, from large corporations to micro entities, spread across clusters throughout the country. The auto components industry accounted for= 2.3% of India's GDP and provided direct employment to more than 1.5 million people.

India's auto component industry is an important sector driving macroeconomic growth and employment. The industry comprises players of all sizes, from large corporations to micro entities, spread across clusters throughout the country. The auto components industry accounted for= 2.3% of India's GDP and provided direct employment to more than 1.5 million people.

Due to the high development prospects in all vehicle industry segments, the auto component sector is expected to see double-digit growth in FY22. The industry is expected to stand at US\$ 200 billion by FY26.

### MARKET SIZE OF AUTO COMPONENTS

India's auto components industry's market share has significantly expanded, led by increasing demand for automobiles by the growing middle class and exports globally. Due to the Oz670 growth in demand for Indian auto components, several Indian and international players have

entered the industry. India's auto component industry is broadly classified into organised and unorganised sectors. While the unorganised sector consists of low-valued items and mostly serves the aftermarket category, the organised sector serves OEMs and includes high-value precision instruments

The automobile component industry turnover stood at Rs. 2.9 lakh crore (US\$ 36.1 billion) in H1 2023-24 the industry had revenue growth of 12.6% as compared to H1 2022-23. Domestic OEM supplies contributed ~66% to the industry's turnover, followed by domestic aftermarket (~12%) and exports (~22.3%), in FY23. The component sales to OEMs in the domestic market grew by 13.9% to Rs. 2.54 lakh crore (US\$ 30.57 billion). In H1 2023-24, exports of auto components grew by 2.7% to Rs. 85,870 crore (US\$ 10.4 billion). The aftermarket for auto components grew by 7.5% in H1 2023-24 reaching Rs. 45,158 crore (US\$ 5.5 billion).

As per the Automobile Component Manufacturers Association (ACMA) forecast, auto component exports from India are expected to reach US\$ 30 billion by 2026. The auto component industry is projected to record US\$ 200 billion in revenue by 2026.

In fiscal year 2023-24 (April-January), the total number of automobiles sold was 19.72 million units. In (April-January) 2023-24, the total production of passenger vehicles, commercial vehicles, three-wheelers, two-wheelers, and quadricycles was 23.36 million units

FOLLOWING ARE THE ADVANTAGES OF AUTOCOMPONENTS INDUSTRY IN INDIA:

➤ **ROBUST DEMAND:**

Growing working population and expanding middle class are expected to remain key demand drivers. India is witnessing robust demand for auto components amid ongoing shift in global supply chain. With plans to reduce auto components' import dependence, domestic players are expected to witness a demand surge

➤ **EXPORT OPPORTUNITIES:**

India is emerging as a global hub for auto component sourcing and the industry exports over 25% of its production annually. Auto component exports are expected to grow and reach US\$ 30 billion in FY26. By FY28, the Indian auto industry aims to invest Rs. 58,000 crore (US\$ 7 billion) to boost localization of advanced components like electric motors and automatic transmissions, reducing imports and leveraging 'China Plus One' trend.

➤ **POLICY SUPPORT:**

100% FDI is allowed under the automatic route for auto components sector. Production Linked Incentive (PLI) schemes on automobile and auto components are expected to bring a capex of Rs. 74,850 crore (US\$ 9.58 billion) in the next five years. The Bharat New Car Assessment Program (BNCAP) will not only strengthen the value chain of the auto component sector, but it will also drive the manufacturing of cutting-edge components, encourage innovation, and foster global excellence.

➤ **COMPETITIVE ADVANTAGE:**

A cost-effective manufacturing base keeps costs lower by 10-25% relative to operations in Europe and Latin America. India is the 2nd largest steel producer globally, thus has a cost advantage. India is emerging as a global auto component sourcing hub due to its proximity to key automotive markets such as ASEAN, Europe, Japan and Korea.

**AUTOMOBILE INDUSTRY:**

The Indian automobile industry has historically been a good indicator of how well the economy is doing, as the automobile sector plays a key role in both macroeconomic expansion and technological advancement. The two-wheelers segment dominates the market in terms of volume, owing to a growing middle class and a huge percentage of India's population being young. Moreover, the growing interest of companies in exploring the rural markets further

aided the growth of the sector. The rising logistics and passenger transportation industries are driving up demand for commercial vehicles. Future market growth is anticipated to be fueled by new trends including the electrification of vehicles, particularly three-wheelers and small passenger automobiles.

India enjoys a strong position in the global heavy vehicles market as it is the largest tractor producer, second-largest bus manufacturer, and third-largest heavy truck manufacturer in the world. India's annual production of automobiles in FY23 was 25.9 million vehicles. India has a strong market in terms of domestic demand and exports. In April 2024, the total production of passenger vehicles\*, three-wheelers, two-wheelers, and quadricycles was 23,58,041 units.

India is also a prominent auto exporter and has strong export growth expectations for the near future. In addition, several initiatives by the Government of India such as the Automotive Mission Plan 2026, scrappage policy, and production-linked incentive scheme in the Indian market are expected to make India one of the global leaders in the two-wheeler and four-wheeler market.

## **MARKET SIZE**

India enjoys a strong position in the global heavy vehicles market as it is the largest tractor producer, second-largest bus manufacturer, and third-largest heavy truck manufacturer in the world. India's automobile sector is split into four segments, i.e., two-wheelers, three-wheelers, passenger vehicles, and commercial vehicles, each having a few market leaders. Two-wheelers and passenger vehicles dominate the domestic demand

The Indian passenger car market was valued at US\$ 32.70 billion in 2021, and it is expected to reach a value of US\$ 54.84 billion by 2027 while registering a CAGR of over 9% between 2022-27. The global EV market was estimated at approximately US\$ 250 billion in 2021 and by 2028, it is projected to grow by 5 times to US\$ 1,318 billion. In FY24, the total production of passenger vehicles, commercial vehicles, three-wheelers, two-wheelers, and quadricycles was 2,84,34,742 units.

## **FOLLOWING ARE THE ADVANTAGES OF AUTOMOBILE INDUSTRY IN INDIA**

### ➤ GROWING DEMAND:

Rising middle-class income and a huge youth population will result in strong demand. In January 2024, the total production of passenger vehicles\*, three-wheelers, two-wheelers, and quadricycles was 23,28,329 units. In April 2024, the total production of passenger vehicles\*, three-wheelers, two-wheelers, and quadricycles was 23,58,041 units.

### ➤ OPPORTUNITIES:

India could be a leader in shared mobility by 2030, providing opportunities for electric and autonomous vehicles

### ➤ RISING INVESTMENT:

The automobile sector received a cumulative equity FDI inflow of about US\$ 36.268 billion between April 2000 - March 2024.

### ➤ POLICY SUPPORT:

The Automotive Mission Plan 2016-26 is a mutual initiative by the Government of India and the Indian automotive industry to lay down the roadmap for the development of the industry.

*Disclaimer: This information has been collected through sources mentioned above*

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.

Future Plan of Company : We are on the threshold of manufacturing the following products:

-- Assembly of Gear boxes for automobiles and machine tools.

-With the best of technical expertise, financial acumen, marketing experience and managerial skills at hand, we actively seek new clients in India and abroad.

- We welcome foreign collaborations in technical knowhow, with buyback arrangements, for manufacture of Gear boxes, Geared motors, Ground Gears and other similar components.

### **SEGMENT/PRODUCT WISE PERFORMANCE:**

The Company is working in single segment namely the manufacturing Segment includes manufacturing of gears, gear boxes and other transmission components. Further In this segment company has earned revenue of Rs. 1996.07 (Rs. in Lacs) in comparison to previous year of Rs. 1098.70 (Rs. in Lacs) and other operating revenue of Rs. 7.51 Lacs in comparison to previous year of Rs. 61.98 Lacs.

### **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.

Our Company believes that Company have a greater advantage of being located in Rajkot (Gujarat) as it is a hub for engineering industries, enabling to offer the customers more range of products and services in a faster and at the most competent way. With, many OEM approved raw material suppliers and heat treatment service providers stationed here, we have a competitive advantage in providing the services, in the most efficient and effective way to delight our valued customers. As Rajkot being popular for its skilled labour availability & labour friendly environment, we hold the reputation of being the most reliable, at any point of time. Our gears are used in automobiles, machine tool industries and printing machineries. We are ready and equipped to manufacture any type of gear for anyone, anywhere in the world!

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 after the spread of Covid-19 pandemic and its post effect, people feel safe for using personal vehicles instead of public transport and this factor also boost up the demand and further, life style, needs of society also gives boost to the business opportunities. In aforesaid points given various advantages of auto parts components Industry and Automobile Industry which are opportunities for our Company. Further Government of India is also taking various initiative steps for the development of Auto Industry. The Theme of "ATMANIRBHAR" & "MAKE IN INDIA" 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.

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. 2003.58 (Rs. in Lacs)/- in the Financial year 2023-24 in comparison to previous year of Rs. 1160.68 (Rs. in Lacs). In this year, Company has earned Profit of Rs. 114.18 lacs as compared to last year's profit of Rs. 62.49 lacs. In spite of various challenges in the year 2023-24 internal as well as external, 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. The Company is taking all precautions measures that are required to be followed for prevention and safeguard of the Human Assets.

#### **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:**

Details of Changes in Key Financial Ratios along with reasons for variance is given as below :

Sr. No.	Key Financial ratio	March 2024	March 2023	Variance	Reason for variance
1	Debtor Turnover ratio	8.25	2.82	192%	On account of Higher sale
2	Inventory Turnover Ratio	14.11	18.21	-23%	--
3	Debt Service Coverage Ratio	12.57	5.83	116%	On Account of Higher Profit after Tax
4	Current Ratio	1.28	1.51	-15%	--
5	Debt Equity Ratio	0.94	0.44	113%	Loan from Director received during the year
6	Operating Profit Margin(%)	8.08%	8.84%	-8.60	--
7	Net Profit Margin (%)	7.61%	8.17%	-7.00%	--

Further more details on financial ratio is given in the Annexure E forming part of Notes to Financial Statements and the same is forming part of this Annual Report.

**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 31<sup>st</sup> March, 2024 is Rs.16,81,65,157 in comparison to previous year of Rs. 15,64,95,594.2. Change in net worth is due to increase in retained earnings.

**DISCLOSURE OF ACCOUNTING TREATMENT**

The Company's financial statements comply in all material aspects with Indian Accounting Standard (IND AS) notified under section 133 of the Companies Act, 2013, Companies (Indian Accounting Standard) Rules, 2015 as amended by Companies (Indian Accounting Standards) (Amendment) Rules, 2016 and other relevant provisions of the Act as applicable. Company has not followed different treatment than prescribed in the accounting standard and as such no explanation is required to be given.

**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: 9<sup>th</sup> August, 2024

For and on Behalf of

Sar Auto Products Limited

Rameshkumar D. Virani  
Chairman and Managing Director  
DIN: 00313236



**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 (Amt in Rs. In Lacs)	Date(s) of approval by the Board	Amount paid as advances, if any
Virani Estate Corporation Enterprise in which MD/WTD are able to exercise significant influence	Commission On Sales	Approved yearly omnibus	53.87	13-05-2023	NIL
	Sales Of Automobiles Parts	Approved yearly omnibus	1103.72	13-05-2023	NIL
	Rent Income	Approved yearly	0.30	13-05-2023	NIL
Sanchit S. Virani Relatives of Director	Salary	Approved yearly	7.39	13-05-2023	NIL

Place: Rajkot

Date: 9<sup>th</sup> August, 2024

For and on Behalf of

Sar Auto Products Limited

Rameshkumar D. Virani  
Chairman and Managing Director  
DIN: 00313236

**PARTICULARS OF EMPLOYEES/REMUNERATION**

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

- (a) The ratio of remuneration of each director to the median remuneration of employees for the financial year: total directors' remuneration is of Rs. 22,17,516.00 and total other employees remuneration Rs. 14,53,008.00

Managing Director: Mr. Rameshkumar D. Virani: ratio is 2.146 times than median remuneration

Whole Time Director: Mr Shreyas R. Virani : ratio is 1.95 times than median remuneration

- (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. Hence, the details related to the percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary, Manager if any, in the financial year is not applicable.

- (c) The percentage increase in the median remuneration of employees in the financial year: No Increase in the median remuneration of employees.

- (d) The number of permanent employees on the rolls of the Company: 06

- (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:

Average increase in the salaries of employees other than the managerial personnel in the last financial year is 19.66% and as stated above as such there is no increase in remuneration of Managing Personnel and hence no justification is required to be given for increase in the managerial remuneration.

- (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**

S r. N o.	Employee Name	Designation	Education Qualification	Age (In Yrs)	Experience (In Years)	Date of joining	Gross Remuneration Paid (For the year 23-24)	Previous employment	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	80	42	14/01/2005	1161552.00	Mahindra SAR Transmission Pvt. Ltd.	Father Of Shreyas Virani
2	Shreyas Virani	Whole Time Director	B.Com	54	32	14/04/2007	1055964.00	Mahindra SAR Transmission Pvt. Ltd.	Son Of Ramesh Virani
3	Skaria Chacko	DGM – Sales	B.Com	49	22	01/06/2016	343188.00	Mahindra SAR Transmission Pvt. Ltd.	--
4	Rameshbhai Virsodiya	DGM – Administration	B.Com	59	27	01/09/2013	163588.00	Mahindra SAR Transmission Pvt. Ltd.	--
5	Sanchit S. Virani	DGM-Export	Under Grad BBA (George Washington University)	26	3 year & 10 mths	01/10/2020	739176.00	Nil	Son Of Shreyas Virani – WTD
6	Vinod V. Kalariya	Production Manager	B.E. Mechanical	31	10 years	01/11/2023	207056.00	Bhavyog Enterprise	--

Except directors, other remaining 3 employees do not hold more than 2% of the Equity shares of the company. Further No employees working outside India.

Place: Rajkot

Date: 9<sup>th</sup> August, 2024

For and on Behalf of

Sar Auto Products Limited

Rameshkumar D. Virani  
Chairman and Managing Director  
DIN: 00313236

**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
 FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2024  
*[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, Bhaktinagar Inds. Estate,  
 Rajkot.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SAR AUTO PRODUCTS LIMITED (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing 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 31<sup>st</sup> March, 2024, 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 31<sup>st</sup> March, 2024, 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) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and amendments thereto;
  - (b) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and amendments thereto;
  - (c) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments thereto; **Not Applicable** during the Audit Period.
  - (d) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **Not Applicable** during the Audit Period.
  - (e) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **Not Applicable** during the Audit period.

- (f) 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.
- (g) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **Not Applicable** during the Audit Period and
- (h) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **Not Applicable** during the Audit Period.
- (vi) The Company has identified the following law 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 Agreement as per SEBI (Listing of Obligations and Disclosure Requirement) Regulations, 2015 entered into by the Company with BSE Limited and Compliances to be made as per of SEBI (Listing of Obligations and Disclosure Requirement) Regulations, 2015 to the extent its applicable to the Company were complied within the time prescribed under the SEBI (Listing of Obligations and Disclosure Requirement) Regulations, 2015.

During the period under review the Company has generally 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 as required under Companies Act, 2013. Further, during the year one of the Non-Executive Independent Director was ceased due to Resignation u/s 168 and another Non Executive Independent Director was appointed as Additional Independent director in due compliance with the provisions of Companies Act, 2013 and in furtherance, re-appointment of Whole-Time Director was also duly made in compliance with the provisions of the Companies Act, 2013.

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.

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 Management representation letter, 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 :09<sup>th</sup> August, 2024

Kalpesh P. Rachchh  
Proprietor  
FCS No.5156  
C P No.: 3974  
UDIN: F005156F000942884  
Peer Review Certificate No.: 737/2020

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

## ANNEXURE A TO SECRETARIAL AUDIT REPORT

To,  
The Members,  
SAR AUTO PRODUCTS LIMITED  
(CIN: L34100GJ1987PLC010088)  
50-E, Bhaktinagar Inds. 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 :09<sup>th</sup> August, 2024

Kalpesh P. Rachchh  
Proprietor  
FCS No.5156  
C P No.: 3974  
UDIN: F005156F000942884  
Peer Review Certificate No.: 737/2020

## ANNEXURE 06

### CONSERVATION OF ENERGY, RESERARCH 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

<b>Power &amp; Fuel Consumption</b>		
<b>Particulars</b>	<b>2023-24</b>	<b>2022-23</b>
<b>a) Electricity</b>		
Purchased (KWH)	446347	409412
Total Amount	3988505.00	3388825.00
Average Rate Rs.	8.94 / Units	8.28 / Units
<b>b) Coal</b>		
Quantity (MT)	0.00	0.00
Total Amount (Rs. In Lacs)	0.00	0.00
Average Rate Rs.	0.00	0.00
<b>c) Furnance Oil</b>		
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. 2.06 Lacs
- (ii) Total foreign Exchange outgo during the year: Rs. 30.77 Lacs

Place: Rajkot

Date: 09<sup>th</sup> August, 2024

For and on Behalf of

Sar Auto Products Limited

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**

I have audited the financial statements of Sar Auto Products Limited ("the Company"), which comprise the balance sheet as at March 31, 2024, 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 my opinion and to the best of my information and according to the explanations given to me, 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 March 31, 2024, the profit, and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

**BASIS FOR OPINION**

I conducted my audit of financial statement in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. My responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of my report. I am 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 my audit of the financial statements under the provisions of the Act and the Rules thereunder, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the Code of Ethics. I believe that the audit evidences I have obtained are sufficient and appropriate to provide a basis for my opinion.

**KEY AUDIT MATTERS**

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

I have determined that there are no key audit matters to communicate in my 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 my auditor's report thereon.

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

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

I 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 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**

My 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 my 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, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 Act, I am also responsible for expressing my 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.

I 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 I identify during my audit.

I also provide those charged with governance with a statement that I 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 my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I 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. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my 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, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, I give in the "Annexure A".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, I report that:
  - a) I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit.
  - b) In my opinion, proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, 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 my opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31,2024 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 my 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 my opinion and to the best of my information and according to the explanations given to me:

- i. The Company does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there 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 during the year ended on March 31, 2024.
- iv. a) The management has represented that, to the best of it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;  
  
b) The management has represented that, to the best of it's knowledge and belief, no funds have been received by the company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other person or entity identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and  
  
c) Based on such audit procedures that were considered reasonable and appropriate in the circumstances, nothing has come to my notice that has caused me to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- v. The Company does not declared or paid dividend during the year.
- vi. The Company uses accounting software Tally for maintaining its books of account which has a feature of recording audit trail (edit log) facility and as represented by the management the same has operated throughout the year for all relevant transactions recorded in the accounting software. However, there are some inherent limitations of this accounting software.

As provision to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from April 1, 2023, reporting under rule 11 (g) of the Companies (Audit and Auditors) Rules, 2014 on preservation of audit trail as per the statutory requirement for record retention is not applicable for the financial year ended March 31, 2024

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 my opinion and according to the information and explanation given to me, 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)

Jingal A. Sheth  
Proprietor  
(Membership No.107067)  
UDIN: 24107067BKFGIU1095

Rajkot, Dated 9<sup>th</sup> May, 2024

**"Annexure A" to the Independent Auditors' Report**

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

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

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.  
(B) The company did not own any intangible assets during the year under review.
- (b) The property, plant and equipment are physically verified by the Management according to a phased programme designed to cover all the items over a period of two years which, in my opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the property, plant and equipment 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.
- (d) The company has not revalued its Property, Plant and Equipments during the year under review.
- (e) There is no proceeding initiated or is pending against the company for holding any benami Property under Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) The inventory has been physically verified during the year by the management at reasonable intervals and the coverage and procedure of such verification by the management is appropriate. No discrepancies of 10% or more in the aggregate for each class of inventory were noticed during the verification.
- (b) The company has not been sanctioned working capital limits in excess of Rs. 5 crores in aggregate from banks during the year.
- (iii) (a) In my opinion and according to the information and explanations given to me, During the year company has not provided any security or granted any loans or advances in nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties except investments made.
  - (A) The Company has not granted Loan or give guarantees or provide security to subsidiary or joint ventures or associates.
  - (B) The Company has not granted Loan or give guarantees or provide security to parties other than subsidiary or joint ventures or associates.
- (b) The terms and conditions investment made are not prejudicial to the company's interest.
- (c) The Company has not granted Loan to any parties. Accordingly, the requirements to report on clause 3(iii)(c) of the Order is not applicable to the Company.

- (d) The Company has not granted Loan to any parties. Accordingly, the requirements to report on clause 3(iii)(d) of the Order is not applicable to the Company.
  - (e) There are no loans and advances in nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
  - (f) The company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment to companies, firms, limited liability partnership or any other parties. Accordingly, the requirements to report on clause 3(iii)(f) of the Order is not applicable to the Company
- (iv) The company has not granted Loans, given guarantees and provides security in respect of which provisions of section 185 and 186 of the Act are applicable. The company has complied with the provisions of section 186 of the Act in respect of investment made.
  - (v) The Company has neither accepted any deposits from the public nor accepted any amount which are deemed to be deposits within the meaning of Sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.
  - (vi) The Central Government has prescribed the maintenance of cost records under Section 148(1) of the Act in respect of goods manufactured by the Company. However, since the overall turnover of the company's products and services was not Rs. 35 crores or more during the immediately preceding financial year, the requirement of maintenance of cost records do not apply to the company at the instance.
- (vii) (a) The Company was regular in depositing undisputed statutory dues including Goods and Service Tax, Provident Fund, Income Tax and any other statutory dues with appropriate authorities during the period ending March 31, 2024, except for some cases in Provident Fund, ESIC and Tax Deducted at Source and Tax Collected at Source. However, there are no undisputed statutory dues outstanding as at March 31, 2024, for the period of more than six month from the date they become payable.
  - (b) There are no dues of Goods and Service Tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of excise, Value added Tax, cess and any other statutory dues which have not been deposited on account of any dispute
- (viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- (ix) (a) The Company has not defaulted in repayment of loan or other borrowings or in payment of interest thereon to any lender. The Company is enjoying Bill Discounting facilities from the Bank which is being timely honored by the company.
  - (b) The Company has not been declared willful defaulter by any bank or financial institution or other lender.
  - (c) The company has not availed of or has not been disbursed any term loan during the year.

- (d) On an overall examination of the financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) The company does not have any subsidiaries, joint ventures or associates companies. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) The company does not have any subsidiaries, joint ventures or associates companies. Accordingly, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.
- (x) (a) The company has not raised moneys by way of initial public offer or further public offer including debt instruments. Accordingly, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.
- (b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- (xi) (a) During the course of my examination of the books of account and records of the company, I have neither come across any incidence of fraud by the Company or any fraud on the Company, nor have I been informed of any such case by the management.
- (b) During the year, no report under sub-section (12) of section 143 of the Act has been filed by secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) There are no instances of whistle-blower complaints received during the year by the company.
- (xii) The Company is not a Nidhi Company as per the provision of the Act. Accordingly, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.
- (xiii) All transactions with the related parties are in compliance with section 177 and 188 of the Act and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) (a) The company has an internal audit system commensurate with the size and nature of its business.
- (b) The reports of the Internal Auditor for the period under audit have been considered by me.
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with him Accordingly, the requirement to report on clause 3(xv) of the Order is not applicable to the Company.
- (xvi) (a) The company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, the requirement to report on clause 3 (xvi)(a) of the Order is not applicable to the Company



- (b) The company has not conducted any Non-Banking Financial or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, the requirement to report on clause 3 (xvi)(b) of the Order is not applicable to the Company
  - (c) The company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the requirement to report on clause 3 (xvi)(c) of the Order is not applicable to the Company
  - (d) There is no Core Investment Company as a part of the Group. Accordingly, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.
- (xvii) The company has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- (xviii) There has not been any resignation of the statutory auditors during the year. Accordingly, the requirement to report on clause 3(xvi)(d) of the Order is applicable to the Company.
- (xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the my knowledge of the Board of Directors and management plans, I am of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. I, however, state that this is not an assurance as to the future viability of the Company. I further state that my reporting is based on the facts up to the date of the audit report and I neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- (xx) (a) The company does not fall in the criteria mentioned in Section 135(1) of the Act. Accordingly, the requirement to report on clause 3(xx)(a) of the Order is not applicable to the Company.
- (b) The company does not fall in the criteria mentioned in Section 135(1) of the Act. Accordingly, the requirement to report on clause 3(xx)(b) of the Order is not applicable to the Company.
- (xxi) According to the information and explanations provided by the management, the company has no subsidiary, associates or joint venture and the company is not required to prepare Consolidated Financial Statements as per the section 129 of the Companies Act. Accordingly reporting under clause 3(xxi) is not applicable to the Company.

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

Jingal A. Sheth  
Proprietor  
(Membership No.107067)

Rajkot, Dated 9<sup>th</sup> May, 2024

UDIN : 24107067BKFGIU1095

**"Annexure B" to the Independent Auditor's Report****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143  
of the Companies Act, 2013 ("the Act")**

I have audited the internal financial controls over financial reporting of **SAR AUTO PRODUCTS LIMITED** ("the Company") as of March 31, 2024 in conjunction with my 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 Act.

**AUDITORS' RESPONSIBILITY**

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

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

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

**MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

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

**INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING**

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

**OPINION**

In my opinion and to the best of my information and according to explanations given to me, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2024, 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)

Jingal A. Sheth  
Proprietor  
(Membership No.107067)  
UDIN: 24107067BKFGIU1095

Rajkot, Dated 9<sup>th</sup> May, 2024



## SAR AUTO PRODUCTS LIMITED

### STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDING ON MARCH 31, 2024

[Amount in Lakhs Except EPS]

Particulars	Note No.	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>INCOME</b>			
Revenue from operations	24	2,003.58	1,160.68
Other income	25	83.56	33.35
<b>Total Income</b>		<b>2,087.14</b>	<b>1,194.03</b>
<b>EXPENSES</b>			
Cost of material consumed	26	1,422.68	484.78
Changes in inventories of finished goods, Stock-in-Trade and work-in progress	27	(127.16)	(22.77)
Employee benefits expense	28	42.97	40.29
Finance costs	29	10.08	12.79
Depreciation and amortization expense	3	114.90	125.14
Other expenses	30	471.80	463.99
<b>Total Expenses</b>		<b>1,935.26</b>	<b>1,104.21</b>
<b>Profit/(loss) before tax</b>		<b>151.88</b>	<b>89.81</b>
Tax expenses			
Current tax		34.40	23.47
Deferred tax		0.78	4.56
<b>Profit/(loss) for the period</b>		<b>116.70</b>	<b>61.78</b>
<b>Other Comprehensive Income</b>			
Items that will not be reclassified to profit or loss			
Equity instruments through other comprehensive income		(3.04)	-
Remeasurement of Defined benefit Plans		0.52	0.71
<b>Total other comprehensive income</b>		<b>(2.52)</b>	<b>0.71</b>
<b>Total comprehensive income</b>		<b>114.18</b>	<b>62.49</b>
<b>Earning per share (for continuing operations)</b>			
Basic	31	2.45	1.30
Diluted	31	2.45	1.30

**See accompanying Statement on Significant accounting policies & Notes to Accounts**

As per my Report of even date

For & on behalf of the Board of Directors,

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

Jingal A. Sheth  
Proprietor  
(Membership No.107067)  
UDIN : 24107067BKFGIU1095

Rameshkumar D. Virani  
Managing Director  
(DIN: 00313236)

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

Zalak K. Upadhyay  
Company Secretary  
ICSI Membership No. A44319  
Rajkot, Dated May 9, 2024

Rajkot, Dated May 9, 2024

**SAR AUTO PRODUCTS LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2024**

[Amount in Lakhs]

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>A. Cash Flow From Operating Activities</b>		
<b>Profit / (Loss) Before Tax</b>	151.88	89.81
<b>Adjustments for:</b>		
Depreciation and Amortization Expenses	114.90	125.14
Finance Costs	10.08	12.79
Interest Income	(69.31)	(31.28)
Dividend Income	(0.06)	-
Profit on Sale of Investment	(13.79)	-
Remeasurement of Defined benefit Plans	0.52	0.71
Profit or Loss on Sale of Assets	3.09	(1.06)
<b>Operating Profit/ (Loss) before Working Capital Changes</b>	<b>197.31</b>	<b>196.11</b>
<b>Changes In:</b>		
Movement in Trade Receivables	181.74	113.17
Movement in Inventories	(122.86)	(39.45)
Movement in Other Current Asset and Other Financial Asset	84.07	(247.85)
Movement in Trade Payable	33.33	47.24
Movement in Other Current Liability	(8.99)	(1.46)
Movement in Provision	(18.26)	1.24
<b>Cash Generated From Operations</b>	<b>346.34</b>	<b>68.99</b>
Direct Taxes Paid (Net of Refunds)	(34.40)	(3.62)
<b>Net Cash flow from Operating Activities [A]</b>	<b>311.94</b>	<b>65.37</b>
<b>B. Cash Flow from Investing Activities</b>		
Net Realisation from Sale of Current Investment	37.26	-
Purchase of Current Investment	(25.00)	-
Purchase of Fixed Assets	(539.64)	(362.11)
Sale of Fixed Assets	10.80	1.80
Dividend Income	0.06	-
Movement in Fixed Deposits	(463.18)	(8.29)
<b>Net Cash flow from Investing Activities [B]</b>	<b>(979.70)</b>	<b>(368.60)</b>
<b>C. Cash Flow from Financing Activities</b>		
Movement in Short Term Borrowings	895.53	166.49
Finance Costs Paid	(10.08)	(12.79)
Interest Received	69.31	31.28
<b>Net Cash flow from Financing Activities [C]</b>	<b>954.76</b>	<b>184.98</b>
<b>Net Increase/ (Decrease) in Cash and Cash Equivalents [A+B+C]</b>	<b>287.00</b>	<b>(118.24)</b>
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>571.58</b>	<b>689.83</b>
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>858.58</b>	<b>571.58</b>
<b>Note:</b> 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 my Report of even date

For & on behalf of the Board of Directors,

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

Rameshkumar D. Virani      Shreyas R. Virani  
Managing Director      Whole Time Director &  
CFO  
(DIN: 00313236)      (DIN: 00465240)

Jingal A. Sheth  
Proprietor  
(Membership No.107067)  
UDIN : 24107067BKFGIU1095

Zalak K. Upadhyay  
Company Secretary  
ICSI Membership No. A44319  
Rajkot, Dated May 9, 2024

Rajkot, Dated May 9, 2024

**SAR AUTO PRODUCTS LIMITED**  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2024**

**A Equity Share Capital**

	[Amount in Lakhs]		
	Changes in Equity Share Capital due to prior period errors	Restated Balance as at April 1, 2023	Changes during 2023-24
<b>Balance as at April 1, 2023</b>	476.47	476.47	-
	-	476.47	-
	-	-	476.47
<b>Balance as at April 1, 2022</b>	476.47	476.47	-
	-	476.47	-
	-	-	476.47

**B Other Equity**

Particulars	[Amount in Lakhs]			
	Securities Premium	Reserves and surplus General Reserve	Retained earnings	Other Comprehensive Income Remeasurement of Defined benefit Plans
<b>Balance as at April 1, 2023</b>	149.96	7.33	931.19	9.43
Changes in accounting policy or prior period errors	-	-	-	0.01
<b>Restated Balance as at April 1, 2023</b>	149.96	7.33	931.19	9.43
Profit for the year	-	-	116.70	0.01
Other Comprehensive Income for the year, net of Income Tax	-	-	-	(3.04)
<b>Balance as at March 31, 2024</b>	<b>149.96</b>	<b>7.33</b>	<b>1,047.89</b>	<b>9.96</b>
				<b>(3.03)</b>
				<b>1,212.11</b>

Particulars	[Amount in Lakhs]			
	Securities Premium	Reserves and surplus General Reserve	Retained earnings	Other Comprehensive Income Remeasurement of Defined benefit Plans
<b>Balance as at April 1, 2022</b>	149.96	7.33	869.42	8.72
Changes in accounting policy or prior period errors	-	-	-	0.01
<b>Restated Balance as at April 1, 2022</b>	149.96	7.33	869.42	8.72
Profit for the year	-	-	61.78	0.01
Other Comprehensive Income for the year, net of Income Tax	-	-	-	-
<b>Balance as at March 31, 2023</b>	<b>149.96</b>	<b>7.33</b>	<b>931.19</b>	<b>9.43</b>
				<b>0.01</b>
				<b>1,035.44</b>
				<b>62.49</b>
				<b>1,097.93</b>

See Accompanying notes to Standalone Financial Statements

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

Jingal A. Sheth  
Proprietor  
(Membership No.107067)  
UDIN : 24107067BKFGU1095

For & on behalf of the Board,

Rameshkumar D. Virani  
Managing Director  
(DIN: 00313236)

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

Zalak K. Upadhyay  
Company Secretary  
(CSI Membership No. A44319)  
Rajkot, Dated May 9, 2024

Rajkot, Dated May 9, 2024

# 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 March 31, 2024 were authorised for issue in accordance with a resolution of the Board of Directors on 9<sup>th</sup>May, 2024.

#### 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 ("Rs.") 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 are 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.

[Amount in Lakhs]

3 Property, Plant & Equipment

Particulars	Land	Factory Building	Plant & Machinery	Machinery R&D	Jigs & Fixtures R&D	Furniture & Fixtures	Computers	Electrical Installation	Vehicles	Total Tangible Asset	Capital Work In Progress*
<b>Gross carrying amount:</b>											
Balance as at March 31, 2022	-	8.93	1,169.77	24.20	1.32	12.48	1.62	4.37	49.77	1,272.47	-
Additions	336.10	-	4.33	-	-	3.71	0.52	-	17.45	362.11	-
Disposals	-	-	-	-	-	-	-	-	7.28	7.28	-
Balance as at March 31, 2023	336.10	8.93	1,174.10	24.20	1.32	16.19	2.14	4.37	59.95	1,627.30	-
Additions	-	-	461.16	-	-	-	-	-	70.49	531.64	8.00
Disposals	-	-	37.90	-	-	-	-	-	-	37.90	-
Balance as at March 31, 2024	336.10	8.93	1,597.36	24.20	1.32	16.19	2.14	4.37	130.44	2,121.05	8.00
<b>Accumulated depreciation:</b>											
Balance as at March 31, 2022	-	4.78	642.57	20.51	1.26	8.69	1.16	1.60	6.35	686.91	-
Depreciation for the year	-	0.50	103.61	2.05	0.91	0.52	0.32	0.04	17.19	125.14	-
Depreciation on disposals	-	-	-	-	-	-	-	-	6.54	6.54	-
Balance as at March 31, 2023	-	5.28	746.18	22.56	2.16	9.21	1.48	1.64	17.00	805.50	-
Depreciation for the year	-	0.44	97.26	-	-	0.67	0.19	0.00	16.34	114.90	-
Depreciation on disposals	-	-	24.01	-	-	-	-	-	-	24.01	-
Balance as at March 31, 2024	-	5.71	819.43	22.56	2.16	9.88	1.67	1.64	33.33	896.39	-
<b>Net Carrying amount</b>											
Balance as at March 31, 2024	336.10	3.22	777.93	1.64	(0.84)	6.31	0.47	2.72	97.11	1,224.66	8.00
Balance as at March 31, 2023	336.10	3.66	427.93	1.64	(0.84)	6.98	0.66	2.72	42.95	821.80	-

(\* For Ageing Schedule refer Ann. D of Annexures to Notes)

# SAR AUTO PRODUCTS LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS

[Amount in Lakhs]

### 4 Non Current Investments

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Investments at fair value through other comprehensive income</b>		
Investments in Equity Instruments Unquoted Rajkot Nagrik Sahkari bank	0.03	0.03
<b>Total Non-current investment</b>	<b>0.03</b>	<b>0.03</b>
Aggregate amount of quoted investments	-	-
Market Value of quoted investments	-	-
Aggregate amount of unquoted investments	0.03	0.03
Aggregate provision for diminution in value of Investments	-	-

### 5 Other Non Current Financial Assets

Particulars	As at March 31, 2024	As at March 31, 2023
<b>(Unsecured, considered good)</b>		
Banks Term Deposits with original maturity period more than 12 months	-	281.66
Security Deposits	36.12	30.28
<b>Total</b>	<b>36.12</b>	<b>311.94</b>

### 6 Deferred Tax Asset

Particulars	As at March 31, 2024	As at March 31, 2023
Deferred Tax Asset	15.27	16.05
<b>Total</b>	<b>15.27</b>	<b>16.05</b>

### 7 Inventories

Particulars	As at March 31, 2024	As at March 31, 2023
Work-in-progress - Machining Component	162.42	35.26
Stores & Spares	35.70	40.74
Packing Material	4.81	4.07
<b>Total</b>	<b>202.93</b>	<b>80.06</b>

**SAR AUTO PRODUCTS LIMITED**

**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**8 Current Investments**

Particulars	As at March 31, 2024		As at March 31, 2023	
	No. of Shares	Rs.(Lakhs)	No. of Shares	Rs.(Lakhs)
<b>Investments at fair value through profit or loss</b>				
<b>Investments at fair value through other comprehensive income</b>				
Investments in Equity Instruments (Quoted)				
Cura Technologies Limited	6	0.00	6	0.00
Sanraa Media Ltd	1,00,000	0.00	1,00,000	0.05
Clarus Finance Securities Ltd	-	-	2	0.00
Prabhav Industries Ltd	1,31,073	0.00	1,31,073	0.64
Scope Industries India Limited	5	0.00	5	0.00
Cistro Telelink Ltd	37,097	0.00	37,097	0.17
Jmd Ventures Ltd	4	0.00	2	0.00
Sky Industries Ltd	7	0.00	7	0.00
Emporis Projects Limited	82,908	0.00	82,908	1.13
Kgn Industries Ltd	40	0.00	40	0.00
We Internet Ltd	9,229	0.00	9,229	0.16
Rcl Foods Limited	1	0.00	1	0.00
Scan Steels Ltd	2	0.00	-	-
Aadi Industries Ltd	1,062	0.04	1,062	0.07
Sancia Global Infraprojects Ltd	100	0.00	100	0.00
Acil Cotton Industries Ltd	40,000	0.00	40,000	0.07
Aadhaar Ventures India Limited	17,064	0.00	17,064	0.08
Mercator Lines	-	-	8	0.00
Yaarii Digital Integrated Services Ltd.	10,000	0.93	-	-
<b>Total</b>		<b>0.97</b>		<b>2.38</b>
<b>Total current investment</b>		<b>0.97</b>		<b>2.38</b>
Aggregate amount of quoted investments		15.99		14.46
Market Value of quoted investments		0.97		2.38
Aggregate amount of unquoted investments		-		-
Aggregate provision for diminution in value of Investments		15.02		12.08

# SAR AUTO PRODUCTS LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS

[Amount in Lakhs]

### 9 Trade receivables

Particulars	As at March 31, 2024	As at March 31, 2023
Unsecured, considered good - Unsecured*	151.20	332.94
Unsecured, considered doubtful - Unsecured	-	38.14
Less: Allowance for bad and doubtful debts	-	(38.14)
<b>Total</b>	<b>151.20</b>	<b>332.94</b>

(\* For Related Party Transactions Refer Note No. 33 )

(\* For Ageing Schedule refer Ann. B of Annexures to Notes)

### 10 Cash and Cash Equivalents

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Cash and cash equivalents</b>		
Balances with banks	374.29	182.93
Cash on hand	1.35	2.26
Balances with bank in Term Deposit account	482.94	386.39
<b>Total</b>	<b>858.58</b>	<b>571.58</b>

### 11 Other balances with bank

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Bank balances other than cash and cash equivalents</b>		
Fixed Deposit	663.41	200.23
<b>Total</b>	<b>663.41</b>	<b>200.23</b>

### 12 Other Current Financial assets

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Other financial assets</b>		
Bills Receivable	210.05	95.73
<b>Total</b>	<b>210.05</b>	<b>95.73</b>

# SAR AUTO PRODUCTS LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS

[Amount in Lakhs]

### 13 Current tax asset

Particulars	As at March 31, 2024	As at March 31, 2023
Income Tax Refund due	19.12	7.99
<b>Total</b>	<b>19.12</b>	<b>7.99</b>

### 14 Other Current Assets

Particulars	As at March 31, 2024	As at March 31, 2023
<b>( Unsecured, considered good )</b>		
Balance With Government Authorities	19.70	1.50
GST credit	19.70	0.96
Advance Tax 23-24	-	
Advance Custome Duty	-	0.01
TDS on GST	-	0.54
Advance to Suppliers	29.81	1.77
Capital Advance	21.00	-
Prepaid Expenses	5.25	6.60
Interest Accrued on FD	0.32	-
<b>Total</b>	<b>76.08</b>	<b>9.87</b>

## 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 March 31, 2024		As at March 31, 2023	
	No. of shares	Amount	No. of shares	Amount
<b>Authorised Share capital</b>				
Equity shares of ` 10 each	1,00,00,000	1,000.00	1,00,00,000	1,000.00
				-
<b>Issued, subscribed and paid up</b>				-
Equity shares of ` 10 each fully paid up	<b>47,64,740</b>	<b>476.47</b>	<b>47,64,740</b>	<b>476.47</b>

**15.2** The Company has only one class of equity shares of face value of Rs. 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 March 31, 2024		As at March 31, 2023	
	No. of Share	Amount	No. of Share	Amount
Number of Shares at the beginning of the year	47,64,740	476.47	47,64,740	476.47
Shares Issued during the year	-	-	-	-
Issue of Bonus Shares	-	-	-	-
Number of Shares at the end of the year	47,64,740	476.47	47,64,740	476.47

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

Name of Shareholder	As at March 31, 2024		As at March 31, 2023	
	No. of shares	% of holding	No. of shares	% of holding
Rameshbhai D. Virani	10,94,480	22.97%	10,94,480	22.97%
Urviben S. Virani	11,90,151	24.98%	10,26,231	21.54%
Rajshreeben R. Virani	8,72,510	18.31%	8,72,510	18.31%
Shreyasbhai R. Virani	2,33,440	4.90%	2,98,160	6.26%
<b>Total no. of shares held by such shareholders</b>	<b>33,90,581</b>	<b>71.16%</b>	<b>32,91,381</b>	<b>69.08%</b>
<b>Total no. of shares of the company</b>	<b>47,64,740</b>	<b>100.00%</b>	<b>47,64,740</b>	<b>100.00%</b>

# SAR AUTO PRODUCTS LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS

[Amount in Lakhs]

### 16 Other Equity

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Reserves and surplus</b>		
Securities Premium	149.96	149.96
General Reserve	7.33	7.33
Retained Earnings	1,047.89	931.19
<b>Other Comprehensive Income</b>		
Remeasurement of Defined Benefit Plans	9.96	9.44
Equity Instrument through Other Comprehensive Income	(3.03)	0.01
<b>Total</b>	<b>1,212.12</b>	<b>1,097.93</b>

### 16.1 Retained earnings

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	931.19	869.41
Add: Profit for the year	116.70	61.78
<b>Total</b>	<b>1,047.89</b>	<b>931.19</b>

### 16.2 Equity Instrument through Other Comprehensive Income

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	0.01	0.01
Less: Movements during the Year	(3.04)	-
Less : Profit on disposal of Financial instruments recalssify to Profit and Loss	-	-
<b>Total</b>	<b>(3.03)</b>	<b>0.01</b>

### 16.3 Remeasurement of Defined benefit Plans

Particulars	As at March 31, 2024	As at March 31, 2023
Opening Balance	9.44	8.72
Add: Movements during the Year	0.52	0.71
<b>Total</b>	<b>9.96</b>	<b>9.44</b>



# SAR AUTO PRODUCTS LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS

[Amount in Lakhs]

### 17 Non Current Borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Secured</b>		
Loan from LIC of India (Secured against Keyman Insurance Policy of Key Management Personnel)	14.30	14.30
Vehicle Loan ( UnSecured)	58.77	-
<b>Total</b>	<b>73.07</b>	<b>14.30</b>

### 17.1 Maturity Profile

#### Terms of Repayment for the Non-Current Borrowings

Particulars	Term Loan	Vehicle Loan
<b>Secure/Unsecured Borrowings</b>		
Name of Institution	LIC of India	BMW Financial Services Pvt Ltd
Interest Rate	9.00%	9.75%
Maturity Period from 31 <sup>st</sup> March, 2024	24 Months	59 Months
<b>Repayment Schedule</b>		
Starting Date of Repayment	Total amount repayable in the year 2026	16-03-2024
Installment Amount	-	Rs. 0.98 Lakhs

### 18 Non Current Provisions

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Provision for Employee benefits</b>		
Provision for Defined Benefit Obligation - Gratuity	3.12	2.23
<b>Total</b>	<b>3.12</b>	<b>2.23</b>

# SAR AUTO PRODUCTS LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS

[Amount in Lakhs]

### 19 Current Borrowings

Particulars	As at March 31, 2024	As at March 31, 2023
<b>Secured</b>		
From Bank (Secured against promissory note)	204.99	95.54
<b>Unsecured</b>		
From Director*	1,307.05	585.52
[The loans are interest free and repayable on demand]		
<b>Current Maturity of Non-Current Borrowing</b>		
Vehicle Loan		
From BMW Financial Services Pvt. Ltd.	5.78	-
<b>Total</b>	<b>1,517.82</b>	<b>681.06</b>

(\* For Related Party Transactions Refer Note No. 33 )

### 20 Trade payables

Particulars	As at March 31, 2024	As at March 31, 2023
Trade payable - Micro and small enterprise*	14.87	*
Trade payable - Other than Micro and small enterprise	135.66	117.20
<b>Total</b>	<b>150.53</b>	<b>117.20</b>

\*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.

(\* For Ageing Schedule refer Ann. C of Annexures to Notes)

### 21 Other financial liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Interest accrued but not due on borrowings	0.97	0.97
<b>Total</b>	<b>0.97</b>	<b>0.97</b>

# SAR AUTO PRODUCTS LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS

[Amount in Lakhs]

### 22 Other Current liabilities

Particulars	As at March 31, 2024	As at March 31, 2023
Statutory dues	4.58	11.86
TDS/TCS Payable	3.68	1.83
ESIC Payable	0.01	0.00
Professional Tax Payable	0.01	0.01
Provident Fund Payable	0.68	0.58
GST Payable	0.21	9.43
VAT Payable	-	-
Others		
Salary Payable*	9.03	8.25
Bonus Payable	5.06	3.71
Leave Salary Payable	3.32	2.36
Advance From Customer	1.80	6.59
<b>Total</b>	<b>23.79</b>	<b>32.77</b>

(\* For Related Party Transactions Refer Note No. 33 )

### 23 Current Provisions

Particulars	As at March 31, 2024	As at March 31, 2023
Income Tax Provision (Net off TDS)	-	19.85
<b>Provision for Employee benefits</b>		
Provision for Defined Benefit Obligation - Gratuity	8.43	7.79
Other provisions	0.10	0.04
<b>Total</b>	<b>8.53</b>	<b>27.68</b>

**SAR AUTO PRODUCTS LIMITED**

**NOTES FORMING PART OF FINANCIAL STATEMENTS**

[Amount in Lakhs Except EPS]

**24 Revenue from operations**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Sale of product*	1,996.07	1,098.70
Other operating income	7.51	61.98
<b>Total</b>	<b>2,003.58</b>	<b>1,160.68</b>

(\*For Related Party Transactions Refer Note No. 33 )

**25 Other Income**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest Income	69.31	31.28
Dividend Income	0.06	-
Other non-operating income (net of expenses)	0.02	-
Profit on sale of Investment	13.79	-
Net Gain on Foreign Exchange transaction	0.08	0.71
Rent Income*	0.30	0.30
Profit on Sale of Fixed Assets	-	1.06
<b>Total</b>	<b>83.56</b>	<b>33.35</b>

(\*For Related Party Transactions Refer Note No. 33 )

**26 Cost of material consumed**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening Stock	40.74	24.63
Add: Purchases	1,417.64	500.89
Less: Closing stock	(35.70)	(40.74)
<b>Total</b>	<b>1,422.68</b>	<b>484.78</b>

**27 Changes in inventories of work-in-progress**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Opening stock:		
Work-in-progress	35.26	12.49
	<b>35.26</b>	<b>12.49</b>
Less: Closing stock		
Work-in-progress	162.42	35.26
	<b>162.42</b>	<b>35.26</b>
<b>Total</b>	<b>(127.16)</b>	<b>(22.77)</b>

**28 Employee benefit expenses**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Salary, wages and bonus*	36.99	34.68
Contribution to provident and other funds	5.97	5.61
<b>Total</b>	<b>42.97</b>	<b>40.29</b>

(\*For Related Party Transactions Refer Note No. 33 )

**SAR AUTO PRODUCTS LIMITED**

**NOTES FORMING PART OF FINANCIAL STATEMENTS**

[Amount in Lakhs Except EPS]

**29 Finance cost**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
Interest Expenses		
On Borrowing	6.76	5.27
On Tax Deducted at Source	0.01	0.00
On Vehicle Loan	0.53	-
On Unsecured Loan	-	5.02
On Others	0.08	-
Other borrowing costs		
Bank Charges	2.70	2.50
<b>Total</b>	<b>10.08</b>	<b>12.79</b>

**30 Other Expenses**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Manufacturing Expenses</b>		
Calibration Exps	0.32	0.23
Labour Charges, Loading & Unloading Charges	0.09	0.26
Factory Expenses	5.82	5.21
Freight Inward & Goods Import Expenses	6.22	10.95
Job Work Charges	167.32	153.09
Packing Material Consumed	10.76	10.09
Power & Fuel Expenses	39.89	33.89
Repairs & Maintenance of Machinery:	126.16	129.21
	<b>356.57</b>	<b>342.93</b>
<b>Administrative and Selling Expenses</b>		
Advertisement Expenses	0.43	0.14
Auditors' Remuneration		
Statutory & Tax Audit Fees	0.10	0.05
Bad Debt	-	38.14
Computer Maintenance & Updation Charges	0.78	0.73
Discount Expenses	1.69	1.83
Donation Expenses	0.40	0.16
Freight Outward Expenses	7.98	10.82
Insurance Expenses	1.79	2.33
Legal and Professional charges	11.81	7.94
Listing and Cetification fees	3.47	3.13
Loss on Sale of Asset	3.09	-
NSDL / CDSL Connection Fees	0.09	0.09
Office expenses	3.53	2.06
Printing & Stationery Expenses	1.12	0.75
Postage, Telegram, Telephone & Interenet Expenses	2.47	1.47
Rates & Taxes	0.51	-
Rent Expenses	3.00	17.18
Sales Commission Expense*	56.67	21.37
Securities Expenses	1.78	1.68
Tender Fees	0.12	0.01
Travelling Expenses	10.67	7.62
Vehicle Running & Maintanance	3.73	3.55
	<b>115.23</b>	<b>121.06</b>
<b>Total</b>	<b>471.80</b>	<b>463.99</b>

(\*For Related Party Transactions Refer Note No. 33 )

**SAR AUTO PRODUCTS LIMITED**

**NOTES FORMING PART OF FINANCIAL STATEMENTS**

[Amount in Lakhs Except EPS]

**31 Earning per Share (EPS)**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Basic and Diluted Earning per Share (EPS)</b>		
Profit available for Equity Shareholder	116.70	61.78
Weighted Average Number of Equity Shares outstanding at the end of respective year	47,64,740	47,64,740
<b>Basic and Diluted Earning per Share (EPS)</b>	<b>2.45</b>	<b>1.30</b>
<b>Face value of Share</b>	<b>10.00</b>	<b>10.00</b>

**32. Foreign Exchange:**

Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Earning In Foreign Exchange</b>		
FOB value of exports	2.06	2.31
<b>Imports</b>		
CIF Value of Imports	30.77	116.95

## SAR AUTO PRODUCTS LIMITED

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS

#### 33. 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:

##### 33.1 List of related parties and relationships:

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

##### 33.2 Transactions during the year with related parties and year-end balances

Nature of Transaction	Key Management Personnel	Relative of Key Management Personnel	Enterprise in which KMP are able to exercise significant influence
<b>A. Transactions with related parties</b>			
Loan and Advance Accepted	988.00 <i>973.00</i>	- -	- -
Loan and Advance Repaid	266.46 <i>769.88</i>	- -	- -
Sales Commission	- -	- -	53.87 <i>19.61</i>
Rent Income	- -	- -	0.30 <i>0.30</i>
Employee Benefit Expenses	22.18 <i>22.18</i>	7.39 <i>7.39</i>	- -
Purchase of Goods	- -	- -	24.67 <i>12.89</i>
Sale of Goods	- -	- -	1,128.39 <i>392.16</i>
<b>B. Balances outstanding at the end of the year</b>			
Long term Borrowings	1,307.05 <i>585.52</i>	- -	- -
Trade Receivable	- -	- -	20.59 <i>117.42</i>
Remuneration Payable	5.29 <i>5.29</i>	1.78 <i>1.78</i>	- -

*Note : Previous Year Figures in Italics*

## SAR AUTO PRODUCTS LIMITED

### NOTES FORMING PART OF THE FINANCIAL STATEMENTS

#### 34 Disclosure Pursuant To Ind AS 19 - Employee Benefits

##### 34.1 Defined Contribution Plan

The Company has recognized Rs. 3.87 Lakhs & Rs. 3.62 Lakhs in the Statement of Profit & Loss for the year ended 31<sup>st</sup> March, 2024 & 31<sup>st</sup> March, 2023 respectively under Defined Contribution Plan.

##### 34.2 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 Lakhs]	
Particulars	For the year ended March 31, 2024	For the year ended March 31, 2023
<b>Change in Present Value of Defined Benefit Obligations:</b>		
Present Value of Benefit Obligation at beginning of the period	10.02	8.77
Current Service Cost	1.34	1.31
Interest Cost	0.71	0.65
Actuarial (Gains)/Losses arising from change in financial assumption	0.08	(0.13)
Actuarial (Gains)/Losses arising from experience adjustments	(0.60)	(0.58)
<b>Present Value of Benefit Obligation at the end of the period</b>	<b>11.55</b>	<b>10.02</b>
<b>Amount Recognized in Balance Sheet:</b>		
Present Value of Benefit Obligation at the end of the period	11.55	10.02
Fair Value of Planed Assets at the end of the period	-	-
<b>Net Liability/(Asset) recognized in Balance Sheet</b>		<b>10.02</b>
<b>Expenses Recognized in Profit and Loss Statement:</b>		
Current Service Cost	1.34	1.31
Net Interest on net Defined Liability/(Asset)	0.71	0.65
<b>Expenses recognized in Statement of Profit and Loss</b>	<b>2.06</b>	<b>1.96</b>
<b>Expenses Recognized in Other Comprehensive Income</b>		
<b>Remeasurements:</b>		
Actuarial (Gains)/Losses on Liability	(0.60)	(0.58)
<b>Total</b>	<b>(0.60)</b>	<b>(0.58)</b>
<b>Assumption used in accounting for Gratuity Plan:</b>		
Discount Rate	7.10%	7.40%
Salary Escalation	7.00%	7.00%
Retirement Age	58.00	58 Years
Attrition - Withdrawal Rates	5% to 1%	5% to 1%
<b>Total Employee Benefit Liability</b>		
Current Liability	8.43	7.79
Non - Current Liability	3.12	2.23
<b>Total</b>	<b>11.55</b>	<b>10.02</b>

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 Lakhs]

**35 Fair Value Measurements**

**I. Financial instruments by category**

Particulars	As at March 31, 2024			As at March 31, 2023		
	FVTPL	FVTOCI	Amortised Cost	FVTPL	FVTOCI	Amortised Cost
<b>Financial Assets</b>						
Investments	-	1.00	-	-	2.41	-
Equity Instrument	-	-	-	-	-	-
Loans	-	-	151.20	-	-	332.94
Trade receivables	-	-	858.58	-	-	571.58
Cash & Cash Equivalents	-	-	663.41	-	-	200.23
Bank Balance other than Cash and Cash equivalents	-	-	246.17	-	-	407.67
Others	-	-	-	-	-	-
<b>Total Financial Assets</b>	-	<b>1.00</b>	<b>1,919.36</b>	-	<b>2.41</b>	<b>1,512.42</b>
<b>Financial Liabilities</b>						
Borrowings	-	-	1,590.88	-	-	695.35
Trade Payables	-	-	150.53	-	-	117.20
Other Financial Liabilities	-	-	0.97	-	-	0.97
<b>Total Financial Liabilities</b>	-	-	<b>1,742.38</b>	-	-	<b>813.52</b>

**SAR AUTO PRODUCTS LIMITED**

**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**35 Fair Value Measurements**

[Amount in Lakhs]

**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.

Particulars	As at March 31, 2024			Total
	Level 1	Level 2	Level 3	
<b>Financial Assets</b>				
Investments in Equity Shares	0.97	-	0.03	1.00
	<b>0.97</b>	<b>-</b>	<b>0.03</b>	<b>1.00</b>
<b>Financial Liabilities</b>				
	-	-	-	-

**SAR AUTO PRODUCTS LIMITED**  
**NOTES FORMING PART OF FINANCIAL STATEMENTS**

**35 Fair Value Measurements**

[Amount in Lakhs]

Particulars	As at March 31, 2023			Total
	Level 1	Level 2	Level 3	
<b>Financial Assets</b>				
Investments in Equity Shares	2.38	-	0.03	2.41
	<b>2.38</b>	-	<b>0.03</b>	<b>2.41</b>
<b>Financial Liabilities</b>				
	-	-	-	-
	-	-	-	-

**II. Fair value hierarchy (Cont.)**

>9

**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

#### 36 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.

	<b>[Amount in Lakhs]</b>	
<b>Particulars</b>	<b>As at March 31, 2024</b>	<b>As at March 31, 2023</b>
<b>Total Equity(A)</b>	<b>1,688.59</b>	<b>1,574.40</b>
<b>Gross Debt(B)</b>	<b>1,591.85</b>	<b>696.32</b>
<b>Gross Debt as above</b>	1,591.85	696.32
<b>Less: Cash &amp; Cash Equivalents</b>	(858.58)	(571.58)
Less: Other Balances with banks	(663.41)	(200.23)
<b>Net Debt (C)</b>	<b>69.86</b>	<b>(75.49)</b>
<b>Net Debt to Equity (C/A)*</b>	<b>0.04</b>	<b>(0.05)</b>

\* Net Debt to Equity ratio as at March 31, 2024 and March 31, 2023 has been computed based on Equity as at year end

#### 37 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 Lakhs]**

<b>Non-derivative Financial Liabilities:</b>	<b>As at March 31, 2024</b>			
	<b>&lt; 1 year</b>	<b>1-2 year</b>	<b>&gt;2 year</b>	<b>Total</b>
Borrowings [including interest]	1,518.79	-	73.07	<b>1,591.86</b>
Trade Payable	150.53	-	-	<b>150.53</b>

**[Amount in Lakhs]**

<b>Non-derivative Financial Liabilities:</b>	<b>As at March 31, 2023</b>			
	<b>&lt; 1 year</b>	<b>1-2 year</b>	<b>&gt;2 year</b>	<b>Total</b>
Borrowings [including interest]	681.05	-	14.30	<b>695.35</b>
Trade Payable	117.20	-	-	<b>117.20</b>

## 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, 2024, 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:

<b>Particulars</b>	<b>Movement in Rate</b>	<b>31-Mar-24</b>	<b>31-Mar-23</b>
Interest Rates	+1.00%	(0.93)	(1.00)
Interest Rates	-1.00%	0.93	1.00

\* Holding all other variables constant

**SAR AUTO PRODUCTS LIMITED**  
**NOTES FORMING PART OF THE FINANCIAL STATEMENTS**

**38. Other statutory information**

- (i) Contingent Liabilities not provided for **NIL**
- (ii) Estimated amount of Contract remaining to be executed on Capital Accounts and not provided for, net of advance is - NIL ( Previous year - NIL)
- (iii) The Company is working in single segment namely the manufacturing Segment includes manufacturing of gears, gear boxes and other transmission components
- (iv) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.
- (v) The Company does not have any transactions with companies struck off.
- (vi) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.
- (vii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (viii) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (ix) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:  
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or  
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (x) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:  
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or  
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (xi) The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.
- (xii) 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.
- (xiii) The amounts received from directors before 1st April, 2014 amounting to ` 21,000 have been disclosed in Note No. 19 of Notes forming part of Financial Statements under the head Short term borrowings From Directors.
- (xiv) Previous year's figure have been regrouped/reclassified wherever necessary to confirm with the current year's presentation.

**See accompanying Statement on Significant accounting policies & Notes to Accounts**

As per my Report of even date

For & on behalf of the Board of Directors,

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

Jingal A. Sheth  
Proprietor  
(Membership No.107067)  
UDIN : 24107067BKFGIU1095

Rameshkumar D. Virani      Shreyas R. Virani  
Managing Director      Whole Time Director  
(DIN: 00313236)      (DIN: 00465240)

Zalak K. Upadhyay  
Company Secretary  
ICSI Membership No. A44319  
Rajkot, Dated May 9, 2024

Rajkot, Dated May 9, 2024

**SAR AUTO PRODUCTS LIMITED**

**ANNEXURES FORMING PART OF NOTES TO FINANCIAL STATEMENTS**

**ANNEXURE - A**

**Details of Share held by Promoters at the end of the year**

Name of the Promoter	Number of Shares			% of holding of Shares	% Change during the
	March 31, 2023	Change	March 31, 2024		
Rameshbhai D. Virani	10,94,480	-	10,94,480	22.97%	-
Urviben S. Virani	10,26,231	1,63,920	11,90,151	24.98%	15.97%
Rajshreeben R. Virani	8,72,510	-	8,72,510	18.31%	-
Shreyasbhai R. Virani	2,98,160	(64,720)	2,33,440	4.90%	-21.71%

Name of the Promoter	Number of Shares			% of holding of Shares	% Change during the
	March 31, 2022	Change	March 31, 2023		
Rameshbhai D. Virani	10,94,480	-	10,94,480	22.97%	-
Urviben S. Virani	10,26,231	-	10,26,231	21.54%	-
Rajshreeben R. Virani	8,72,510	-	8,72,510	18.31%	-
Shreyasbhai R. Virani	5,33,071	(2,34,911)	2,98,160	6.26%	-44.07%



**SAR AUTO PRODUCTS LIMITED**

**ANNEXURES FORMING PART OF NOTES TO FINANCIAL STATEMENTS**

[Amount in Lakhs ]

**B Ageing Schedule of Trade Receivables**

Particulars	As at March 31, 2024					Total
	Less than 6 months	6 months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
<b>Undisputed Trade Receivables</b>						
(i) Considered good	143.69	2.25	0.58	-	4.68	151.20
	<i>294.24</i>	<i>33.50</i>	-	-	<i>5.20</i>	<i>332.94</i>
(ii) Which have significant increase in credit risk	-	-	-	-	-	-
(iii) Credit impaired	-	-	-	-	-	-
<b>Disputed Trade Receivables</b>						
(iv) Considered good	-	-	-	-	-	-
(v) Which have significant increase in credit risk	-	-	-	-	-	-
(iv) Credit impaired	-	-	-	-	-	-

*Note: Figures of Previous Year in Italics*

**C Ageing Schedule of Trade Payables**

Particulars	As at March 31, 2024				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
(i) MSME	14.87	-	-	-	14.87
	-	-	-	-	-
(ii) Others	135.63	0.03	-	-	135.66
	<i>117.20</i>	-	-	-	<i>117.20</i>
(iii) Disputed dues- MSME	-	-	-	-	-
	-	-	-	-	-
(iv) Disputed dues- Others	-	-	-	-	-
	-	-	-	-	-

*Note: Figures of Previous Year in Italics*

**D Ageing Schedule / Completion of Capital Work in Progress**

CWIP	Amount in CWIP for the period of				Total
	Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
<b>Projects in Progress</b>					
<i>Project 1</i>	8.00	-	-	-	8.00
	-	-	-	-	-
<b>Projects temporarily suspended</b>					
<i>Project 1</i>	-	-	-	-	-
	-	-	-	-	-

*Note: Figures of Previous Year in Italics*

**SAR AUTO PRODUCTS LIMITED**  
**ANNEXURES FORMING PART OF NOTES TO FINANCIAL STATEMENTS**

**ANNEXURE - E**  
**Ratios**

<b>Sr. No</b>	<b>Particulars</b>	<b>Numerator</b>	<b>Denominator</b>	<b>March 31, 2024</b>	<b>March 31, 2023</b>	<b>% of Variance</b>	<b>Reason for Variance</b>
<b>1</b>	Current Ratio	Current Assets	Current Liabilities	1.28	1.51	-15%	-
<b>2</b>	Debt to Equity Ratio	Total Debt = Long Term Borrowings + Short Term Borrowings	Shareholders Equity = Equity Share Capital + Reserves & Surplus	0.94	0.44	113%	Loan from Director Received During the Year
<b>3</b>	Debt Service Coverage Ratio	Earnings Available for Debt service = PAT + Non cash operating expenses + Interest on Loans	Debt Service = Interest Payment+ Principal Repayments	12.57	5.83	116%	On Account of higher Profit after Tax
<b>4</b>	Return on Equity(%)	Profit after tax	Average Shareholders Equity	6.91%	3.92%	76%	On Account of higher Profit after Tax
<b>5</b>	Inventory Turnover Ratio	Sales	Average Inventory	14.11	18.21	-23%	-
<b>6</b>	Trade Receivables Turnover Ratio	Net Credit Sales = Gross credit sales - sales return	Average Trade Receivables	8.25	2.82	192%	On account of higher sales
<b>7</b>	Trade Payables Turnover Ratio	Net Credit Purchase = Gross credit purchase - purchase return	Average Trade Payables	10.59	5.35	98%	On account of higher purchase

<b>8</b>	Net Capital Turnover Ratio	Net Sales = Total sales - sales return	Working Capital = Current Assets - Current Liabilities	4.15	2.49	67%	On account of higher sales
<b>9</b>	Net Profit Ratio(%)	<u>Profit after tax</u>	Net Sales = Total sales - sales return	7.61%	8.17%	-7%	-
<b>10</b>	Return on Capital Employed (%)	Earnings before Interest & Taxes	Capital Employed = Total Assets - Current Liabilities	9.19%	6.46%	42%	On account higher EBIT
<b>11</b>	Return on Investments(%)	<u>Finance Income</u>	Time weighted average Investment	826.76%	0.00%	0%	On account of no finance income in FY 22-23

**SAR AUTO PRODUCTS LIMITED**

(CIN: L34100GJ1987PLC010088)

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

Ph: 0281-2374726 Email: [sapl@sarautoproducts.com](mailto:sapl@sarautoproducts.com)

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**ATTENDANCE SLIP FOR 37<sup>TH</sup> 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 37<sup>th</sup> 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 24, 2024.

.....  
(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

**37TH ANNUAL GENERAL MEETING ON 24<sup>TH</sup> SEPTEMBER, 2024**

**Proxy form**

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014- **Form No. MGT-11**]

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

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

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

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 37<sup>th</sup> Annual General Meeting of the Company, to be held on Tuesday, September 24, 2024, 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
<b>ORDINARY BUSINESS</b>				
1	To receive, consider, approve and adopt the Standalone Audited Financial Statements as on 31st March, 2024 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. Shreyas R. Virani (DIN: 00465240) who retires by rotation and being eligible, offers himself for re-appointment.			
<b>SPECIAL BUSINESS</b>				
3	Appointment/Regularization of Mr. Vijay Narendrabhai Kalariya (DIN 10454403) as an Independent Director.			
4	Appointment/Regularization of Mrs. Charmiben Manishbhai Vasani (DIN 10721628) as an Independent Director.			
5	Appointment/Regularization of Mr. Vivekkumar Maganbhai Manavadaria (DIN 10730165) as an Independent Director.			
6	Appointment/Regularization of Mr. Biju Mathew (DIN 10730618) as an Independent Director.			
7	To approve Related Party Transactions to be entered by the Company with related party.			

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2024.

Affix Revenue Stamp of not less than Rs.1
--

\_\_\_\_\_  
Signature of shareholder

signature across Revenue stamp

\_\_\_\_\_  
Signature of Proxy holder(s)

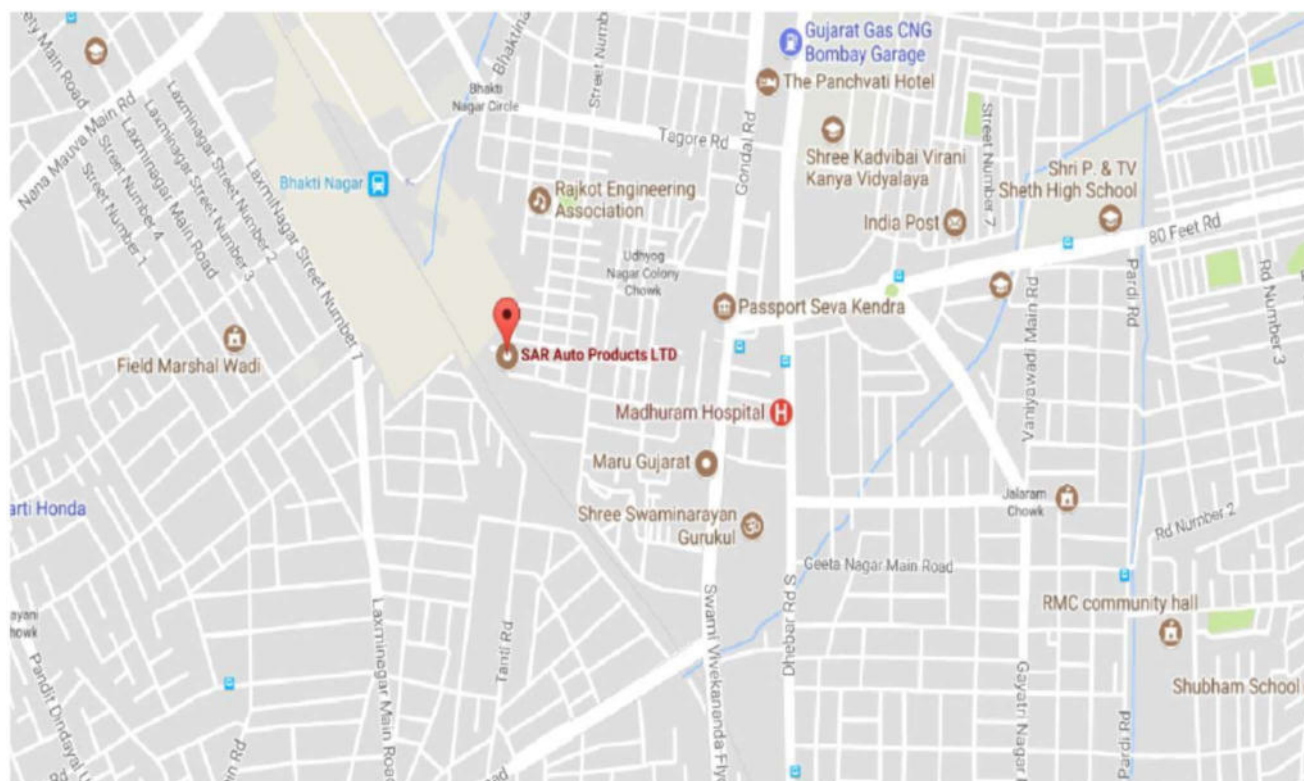
**Note:**

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

**For Office Use: Proxy No.**

**Date of Receipt** \_\_\_\_\_

## **ROUTE MAP OF SAR AUTO PRODUCTS LIMITED FOR ANNUAL GENERAL MEETING**



**37<sup>th</sup> AGM Date: 24<sup>th</sup> September, 2024**

**Day and Time: Tuesday at 11:00 A.M.**

**Place: At Registered office**

**SAR AUTO PRODUCTS LIMITED  
(CIN: L34100GJ1987PLC010088)**

**Registered office Address:**

**50-E BHAKTINAGAR INDS ESTATE,  
RAJKOT – 360002**

**Email: [sapl@sarautoproductsltd.com](mailto:sapl@sarautoproductsltd.com)**