

Chairman's Message



Dear Shareholders,

In 2010-11, **Samkrig Pistons & Rings Ltd** delivered a record performance in both domestic and export growth during the year with sales increased of 31% and net profit increased with 40%, the company recommended dividend Rs.4.50 per share i.e 45%. The Company has executed strategic planning, Human resource policies and redefined **SAMKRG** vision and achieved higher performance in operations and financial parameters. It gives me great pleasure to communicate to all of you, the commitment and continued optimism, your Company has again demonstrated its strength by enhancing the Turnover & Profits compared to the last year.

Your Company shall, as has been the usual practice endeavor to confirm to quality, sustain its market presence both in domestic & export markets and maximize the value addition to the investor, thus ensuring the continued prosperity of the investors.

We need to do more and more to meet the standards achieved by the global auto part manufacturing companies. Our team has greater commitments towards achieving these goals than over before.

I would like to take this opportunity to express my gratitude to each one of you for your unstinted faith, support and confidence and look forward to further growing **SAMKRG** from strength to strength.

With warm regards

Sincerely1

S.D.M. RAO
Chairman

Date: 16.05.2011

BOARD OF DIRECTORS

Shri S D M Rao	Chairman & Managing Director
Shri S Karunakar	Whole Time Director
Shri S Kishore	Whole Time Director
Shri M N Thakkar	Director
Shri S Madhava Rao	Director
Shri V Chakrapani	Director
Dr. V Venkat Reddy	Director

Auditors **M/s. Ravi & Keshav**
Chartered Accountants
Hyderabad

Bankers State Bank of India

Registered Office 1-201, Divyashakti Complex
7-1-58, Ameerpet
Hyderabad - 500 016
Tel.: 040 - 23730596
Fax : 040 - 23730216

Factories

PLANT - I Sy.No.537, Temple Road
(PISTONS & Bonthapally
PINS) Narasapur Taluk
Medak District. A.P

PLANT - II Sy.No.33, Varisam
(PISTON Pydibhimavaram
RINGS) Ranastalam Mandal
Srikakulam District. A.P

PLANT - III Sy.No.232
(PISTONS & Arinama Akkivalasa
PINS) Allinagaram, Etcherla Mandal
Srikakulam District

Registrar Share Transfer Agent **M/s. XL Softech Systems Ltd**
3, Sagar Society, Road No.2
Banjara Hills,
Hyderabad - 500034.
Ph: 040-23553214

NOTICE

NOTICE is hereby given that the Twenty Fifth (25th) Annual General Meeting of the Members of the **SAMKRG PISTONS AND RINGS LIMITED** will be held on Tuesday the 30th August, 2011 at 10.30 A.M at **HOTEL ATHITHI INN, DHARAM KARAM ROAD, AMEERPET, Hyderabad** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the company as at 31st March 2011 and Profit and Loss Account for the year ended on that date together with Directors' report and Auditors' report thereon.
2. To declare a Dividend on Equity shares.
3. To appoint a Director in place of Shri M.N. Thakkar who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint a Director in place of Dr. V Chakrapani who retires by rotation and being eligible offers himself for re-appointment.
5. To appoint Auditors to hold office from the conclusion of this Annual General Meeting up to the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Proxies in order to be effective should be duly stamped, completed and signed and must be deposited at the registered office of the Company not later than 48 hours before the commencement of meeting.

3. Members/Proxies should bring their copy of Annual reports along with Attendance Slip duly filled in for attending the meeting.

4. The Register of the members and Share Transfer Books of the Company will remain closed from 24th August 2011 to 30th August 2011 (Both days inclusive).

5. The dividend if declared at the 25th Annual General Meeting shall be paid to the members after 30th, August, 2011, whose names appear in the register of members as on 23rd August, 2011,

In respect of shareholding in dematerialised form, dividend will be paid to the Beneficial Owners as per list to be furnished by the Depositories directly through ECS wherever ECS facility is available subject to availability of bank account details. In case the said details have not been provide to the concerned Depository Participant or there is any change, the same may please be intimated to the concerned Depository Participant immediately.

In respect of shares held in Physical form to those members whose names appear in the register of members up to end of Business hours on 23rd August, 2011.

6. Pursuant to Section 205A of the Companies Act, 1956, all unclaimed / unpaid dividends up to the financial year ended 31st March, 2003 have been transferred to the General Revenue Account of the Central Government.

Consequent upon the introduction of Section 205(C) by the Companies (Amendment) Act, 1999, the amount of dividend remain unpaid or unclaimed for the period of seven years from the date of its transfer to the Unpaid Dividend Account of the Company is required to be transferred to

the Investor Education and Protection Fund set up by the Government of India and no payment shall be made in respect of any such claims by the Fund.

Members, who have not yet encashed their dividend warrant(s) for the financial years from 2004 to 2009-2010, are requested to make their claims to the Company without any delay.

7. **In the terms of notification issued by SEBI, the Equity Shares of the Company are under compulsory Demat trading for all Investors from 24th July, 2000. Shareholders are advised to hold their shares in Demat mode and to send their Share Certificates along with Dematerialisation request to the RTA through their Depository Participants.**

8. The Members are requested to:

- i) Intimate changes, if any, in their registered address at an early date.

- ii) The Members are requested to use ECS facility for receiving Dividend by filling and deposit the ECS form enclosed in this report.

- iii) *Members who have multiple Folios in identical names or joint names in the same order are requested to intimate to the company those folios to enable the company to consolidate all such share holdings into a single folio.*

9. The Annual Listing fee for the year 2011-12 has been paid to Bombay Stock Exchange Ltd

BY ORDER OF THE BOARD
For SAMKRG PISTONS AND RINGS LIMITED

Place : Hyderabad
Date : 16.05.2011

S.D.M. RAO
CHAIRMAN
& MANAGING DIRECTOR

DIRECTOR'S REPORT

DEAR SHAREHOLDERS

Your Directors are pleased to present 25th Annual Report and the Audited Accounts of the Company for the year ended March 31, 2011.

Financial results

	Rs. In lacs.	
	2010-2011	2009-2010
Gross Sales	19751.54	15033.04
Less: Excise Duty & Sales Tax	2816.10	1772.76
Net Sales	16935.44	13260.28
Total Expenditure	14437.34	11245.62
Other Income	128.96	106.24
Operating Profit (PBDIT)	2627.07	2120.90
Interest	249.80	196.67
Cash Profit	2377.26	1924.23
Depreciation	910.11	912.38
Profit before Tax	1467.15	1011.85
Provision for Taxation		
i) Current Year	450.00	276.00
ii) Deferred Taxation	25.00	25.00
Profit before extraordinary item	992.15	710.85
Extraordinary Item	-	-
Net Profit after extraordinary item	992.15	710.85
Add: Refund of Income Tax	-	-
Add: Extraordinary Item		
Excess Depreciation	-	-
Less: Taxation of Previous Years	-	-
Add: Balance Brought forward from previous year	2391.98	2408.94
Amount Available for Appropriations	<u>3384.13</u>	<u>3119.79</u>
APPROPRIATIONS		
Proposed Dividend		
Rs.4.5 per share i.e 45% (Previous year 40%)	441.92	392.82
Tax on Proposed Distributed Profits	75.13	66.79
Transfer to General Reserve	183.48	126.48
Balance Carried to		
Balance Sheet	2683.60	2533.70
TOTAL	<u>3384.13</u>	<u>3119.79</u>

Note: Figures have been re-grouped wherever necessary to confirm to current period classification.

RESERVES

12.5% of profits i.e Rs.183.48 Lacs transferred to General Reserve.

DIVIDEND

Your Directors pleased to recommend a dividend of Rs. 4.50 per equity share i.e 45% for the Year Ended 31st March 2011.

OPERATIONS:

The Company achieved the gross turnover of Rs.19751.54 lakhs during 2010-11 as against Rs.15033.04 lakhs in the previous year 2009-10 thereby an increase of growth of Rs.4718.50 lakhs and profits to Rs.1467.15 lakhs as against Rs.1011.85 lakhs i.e. increased by Rs.455.30 lakhs over previous year.

The company R&D expenditure is 84.68 lakhs i.e., 0.50% of Net Sales during the year to catch up with up-gradation of technology and to meet OEM's ever demanding quality and new developments requirement to improve life cycle of their product meeting Euro III & Euro IV norms.

The operation of the Company on the whole has been satisfactory.

Your company has posted Net turnover of Rs.16935.44 lacs as compared to Rs.13260.28 lacs for the previous year.

Earnings Before Depreciation, Interest and Tax (PBDIT) at Rs.2627.07 lakhs as against previous year of Rs.2120.90 Lakhs. The Profit Before Tax was at Rs.1467.15 lakhs as compared to Rs.1011.85 lakhs in 2009-10.

Management Discussion and Analysis

A detailed discussion on the industry Structure, Development, Opportunities, Threats review of operational performance and risk factors is provided, which forms part of this report.

Corporate Governance

Pursuant to the provisions of the Clause 49 of the Listing Agreement a report on Corporate Governance and a certificate from the Statutory Auditors regarding the Compliance of conditions of Corporate Governance are annexed to and form part of this Annual Report.

EXPORTS

The Export Turnover of Rs.3387.47 lakhs during the year as against Rs.2542.28 lakhs of the previous year increased by 33.25%.

The Company is focusing exports to developed Countries like Australia, Europe, U.K, North America and Russia. The Company has plans to reach 25% of the Turnover during the next 2 years.

POLLUTION CONTROL SAFETY & ENVIRONMENTAL PROTECTION:

We are complying all the norms prescribed by the statutory authorities i. e. A. P. Pollution Control Board.

The Company very much concerned for safety of men and machines through safety awareness training programmes.

BOARD OF DIRECTORS

Shri M.N. Thakkar, Director is liable to retire by rotation at this Annual General Meeting and being eligible, offers himself for reappointment.

Shri V Chakrapani, Director is liable to retire by rotation at this Annual General Meeting and being eligible, offers himself for reappointment.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies (Amendment) Act, 2000 your Directors are hereby confirmed that:

- In the participation of Annual Accounts the applicable accounting standards have been followed and that there have been no material departures.
- 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 as at March 31, 2011 and of the profit to the Company for the year.
- Your Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- That the Directors have prepared the Annual accounts on a going concern basis.

The Company's Internal Auditors have conducted periodic audit to provide reasonable assurance that the Company's established policies and procedures have been followed. The Audit Committee of the Board meets

once in a quarter with Internal Auditors to review internal control and financial reporting issues.

AUDITORS

M/s. Ravi & Keshav, Chartered Accountants, will retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Company has received the Certificate U/s 224 (1-B) of the companies Act, 1956 from M/s. Ravi & Keshav that their appointment, if made, would be in compliance with the provisions of said section. Relevant notes to the Accounts concerning Auditors observation there on are self-explanatory.

PARTICULARS OF EMPLOYEES

Particulars of employees required to be furnished under section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 are given in the annexed statement with forms an integral part of this report. The Company continued to have cordial and harmonious relations with its employees.

DISCLOSURE OF PARTICULARS

The information required under section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 is given in the Annexure-1 forming part of this report.

FIXED DEPOSITS

The Company has not accepted any Deposits in terms of Sec.58 (A) of the Companies Act, 1956 and the rules made there under and hence compliance with the same as not applicable.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their appreciation for the cooperation and support of Bankers, Customers, Business Associates, Shareholders, dealers, and suppliers who are enabling the Company to achieve its goals. The Directors also place on record their appreciation made by the employees at all levels.

On behalf of the Board of Directors

Place : Hyderabad
Date : 16.05.2011

S. D. M. RAO
CHAIRMAN
& MANAGING DIRECTOR

ANNEXURE: Statement showing particulars of Employees pursuant to Section 217 (2A) of the Companies Act, 1956 for the year ended 31st March, 2011.

Name of the Employee	Age	Designation	Qualification & Experience	Date of commencement of employment	Remuneration	Particulars of last employment
Shri S.D.M. Rao	77 Years	Chairman & managing Director	B.Sc, B.E Industrial Experience over 46 years	01.07.1987	30,00,000/-	A.P.S. Limited
Shri S. Karunakar	48 Years	Whole Time Director	B.E (Mechanical)	30.09.1998	48,00,000/-	N.A
Shri S. Kishore	46 Years	Whole Time Director	B.E (Mechanical)	30.09.1998	48,00,000/-	N.A

- NOTES:**
1. Designation of Employee indicates the nature of his duties.
 2. Remuneration includes Salary, Commission, House Rent Allowance and Perquisites.

ANNEXURES TO DIRECTORS' REPORT FOR THE YEAR ENDED 31.03.2011

ANNEXURE - I

Information under Section 217 (1) (e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 and forming part of Directors' Report.

A. CONSERVATION OF ENERGY:

The Company has always been taking various energy conserving / saving measures at all points to manufacturing continuously.

Total energy consumption and energy consumption per unit of production, particulars given in Form A here below:

	2010-11	2009-10
A. Power and fuel consumption		
1. Electricity:		
a) Purchased		
Units	2,08,20,055	1,58,31,204
Total Amount (Rs.)	8,96,59,238	5,84,24,465
Unit Rate (Rs.)	4.31	3.69
b) Own Generation:		
Through Diesel		
Generator Units	7,69,471	10,91,577
Units per litre of		
Diesel Oil	2.04	2.80
Cost/Unit (Rs.)	16.74	11.47
c) Through Steam		
Turbine/Generator Units	NIL	NIL
2. 'D' Grade coal used in Boiler	NIL	NIL
3. Furnace Oil		
Quantity (Ltrs)	4,48,815	3,59,060
Total Amount (Rs.)	1,37,26,364	90,14,792
4. Other /Internal Generation	NIL	NIL
B) Consumption of Power per Unit of Production		
Pistons (Units per Piston)	1.75	2.29
Piston Rings (Units per Piston Rings)	0.32	0.37

B. TECHNOLOGY ABSORPTION:

(A) Research and Development (R&D)

- 1 Specify areas in which R & D : Training to upgrade in multi-skill of Employees in all the plants and all levels carried out by the Company by Japanese Consultants and German Consultants:

On Design, manufacturing Process of Pistons & Rings and Casting Technology.

1) On Design

- i) Completed change over to twin casting Machines and tooling to reduce Aluminium Alloy consumption and to improve quality.
- ii) Developed complete steel ring packs for 2W, 3W & Cars.
- iii) Developed flexible lines on CNC to reduce cycle times and on line inspection.

- iv) Developed Asymmetric Profile Piston Rings for both Nitrated & Chrome plate Rings.
- v) Developed Moly coating processes for piston & Rings.
- ii) **Manufacturing Process:**
- a Engine testing to speed up Piston & Ring validation process to the Customer
- b. Developed light weight and high Strength pistons for meeting Euro III & Euro IV norms.
- c. Ring Carrier pistons for diesel engines 20 models for trucks and tractors for exports & 3W diesels during the year.
2. Benefits derived as a result of quality : 4 axis CNC profile turning M/c's to meet up gradation, process improvement, complicate profiles to meet Euro norms.
- Technology absorption & up gradation through practicing Japanese Technology and Industrial Culture as a result of this, the Company has been able to develop pistons and rings meeting Euro III & Euro IV norms for futuristic engines and as a result new business operations both in domestic and exports.
- Technology imports during last 3 years: Piston casting technology crown down and crown up processes and development of light weight high strength pistons.
3. Future plan of action:
- Development of Surface coatings for pistons & rings.
 - Planning to develop cooling gallery pistons for diesel engines.
 - Introduction of hard anodising plant for motorcycles and car pistons.
 - Ceramic coating of pistons & rings.
 - Practicing TPM

4. **EXPENDITURE ON R & D:**

	(Rs. In lakhs)	
	2010-11	2009-2010
a) Capital	67.74	64.65
b) Recurring	16.94	34.80
c) Total	84.68	99.45
d) Total R & D Expenditure as a percentage of Net Sales.	0.50%	0.75%

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

- a. During the year, the company's senior executives travelled to various countries to explore new export markets for its products.
- b. Total foreign Exchange used and earned:
- | | |
|-------------------------------|--------------------|
| Total foreign Exchange used | : Rs.511.87 lakhs |
| Total foreign Exchange earned | : Rs.2815.85 lakhs |

For and on behalf of the Board

Place : Hyderabad
 Date : 16.05.2011

S.D.M. RAO
 Chairman & Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management discussions and analysis

Auto Component Industry is having high growth prospects. Indian Industry is now growing as potential Global automotive supplier with very good export potential as the developing Countries comes out of recession.

The Company has very good opportunities because of valued customers both in Domestic OEM's and Replacement Market & Exports. Because of our in time supplies, superior quality products and our technical expertise both from Japanese & German Consultants.

The Company has got very strong distribution network at their aftermarket sales because of imports from free trade zones the competition is very stiff and price sensitive.

Outlook :

The company continues its drive for sustainable growth in this growing Domestic automotive industry.

All the cost effective steps taken to meet the challenges of price competition and also quality, delivery and logistics.

Concern & Risks :

The company has taken all the steps to mitigate the following risks:

Raw material prices : Ours is a continuous high volume manufacturing industry. Our profitability will depend on change in the price in raw materials and input costs.

Foreign currency Risks: Exchange rate fluctuations may some times effect. Adequate steps taken.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

The company has well defined internal control systems and procedures for ensuring optimum utilization of various resources, Investment decisions involving Capital

Expenditure or taken up only after due appraisal and review. Internal audit function covers and carried out periodically and reviewed by the Audit Committee to ensure that all policies and procedures are adhered to, and all statutory obligations complied with.

FINANCIAL PERFORMANCE:

The Company earned total revenue of Rs.17064.40 lakhs compared with Rs.13366.52 lakhs in the previous year and the operational expenses increased by 26.25% at Rs. 15597.25 lakhs compared with Rs. 12354.67 lakhs incurred last year mainly on account of steep increase in raw material cost & power cost and inputs cost.

Profit Before Depreciation, interest and tax (PBDIT) at Rs. 2627.07 lakhs. The Profit Before Tax was at Rs. 1467.15 lakhs as compared to Rs.1011.85 Lakhs in 2009-10.

HUMAN RESOURCES

The Company maintains cordial industrial relations environment and the Company continues to establish its training facilities.

The Company making to be available and encourages good talent in the rapidly challenging business and competitive environment

CAUTIONARY STATEMENT

Statements in this Management Discussion and Analysis describing the Company's objective, projections, estimates and expectations may constitute forward looking statements within the meaning of applicable laws and regulations. Actual results might differ marginally or materially from those either expressed or implied.

10 YEARS RECORD

A chart showing 10 Years performance is appended forming part of this report.

DECLARATION ON CODE OF CONDUCT

This is to confirm that the Board has laid down a code of conduct for all Directors and Senior Management personnel of the Company. It is further confirmed that all Director and Senior Management personnel of the Company affirmed compliance with the Code of Conduct of the company for the financial year ended on 31st March, 2011 as envisaged in clause 49 of the listing agreement with stock exchanges.

Place : Hyderabad
Date : 16.05.2011

S. D. M. Rao
Chairman & Managing Director

REPORT ON CORPORATE GOVERNANCE (PURSUANT TO CLAUSE 49 OF LISTING AGREEMENT)

Company's philosophy on Code of Corporate Governance

Samkrp Pistons and Rings Limited defines Corporate Governance as a process directing the affairs of the Company with integrity, transparency and fairness, so as to optimise its performance and maximize the long term shareholder value in legal and ethical manner, ensuring justice, courtesy and dignity in all transactions of the Company. Your Company is committed to good Corporate Governance in all its activities and process.

1. BOARD OF DIRECTORS:

The present strength of Board of Directors is consists of Seven, three are Executive Directors, and the other Four are Non Executive Directors (NED).

The Board of Directors and the management of Samkrp Pistons and Rings Limited are committed to:

- Ensuring discipline, transparency and accountability and shareholder value.
- To provide adequate customer service focussing the activities on customer expectations and meeting them and
- Comply with all statutory / regulatory requirements.

2. COMPOSITION OF THE BOARD AND DETAILS OF MEETINGS

During the Financial Year 2010-2011, the Board of Directors met 4 (four) times on 14th may 2010, 26th July 2010, 11th October 2010 and 31st January 2011.

The following table gives the composition of Directors and their attendance at the Board meetings held on the dates above mentioned, and the Twenty Forth Annual General Meeting held on 16th August, 2010.

Name of the Director	Category	No. of Board meetings attended	Attendance at Last AGM	No. of outside directorships held
Mr. S.D.M Rao	ED	4	YES	Nil
Mr. M.N. Thakkar	NED	3	NO	2
Mr. S Madhava Rao	NED	4	YES	1
Mr. V Chakrapani	NED	3	NO	1
Mr. S Karunakar	ED	4	YES	Nil
Mr. S Kishore	ED	4	YES	Nil
Dr. V Venkat Reddy	NED	4	YES	Nil

ED - Executive Director, NED - Non Executive Director

Information placed before the Board:

Apart from the items that are required to be placed before the Board for its approval, under the statutes the following are also tabled for Board's Periodic Review / Information.

- Annual operating plans, capitals & revenue budgets and updates;
- Minutes of meetings of Audit Committee and other Committees of the Board;
- Quarterly financial results of the Company;
- Information on recruitment and remuneration of senior officers, just below the Board level;
- Important labour problems and their proposed solutions;
- Materially important show cause, demand, prosecution and penalty notices;
- Non-compliance of any regulatory, statutory or listing requirements and shareholder services.

Directors seeking re-appointment.

Shri M N Thakkar and Dr. V Chakrapani, Directors, retire by rotation at the forth coming Annual General Meeting and seek re-appointment.

Shri M N Thakkar

Shri M N Thakkar is a Chartered Accountant and having 31 years experience and he is senior partner of M/s N.M Rajji & Co., Chartered Accountants.

Shri V Chakrapani

Shri V Chakrapani is a Graduate in Chemical Engineering and 36 years practical experience for his credit in Indian Paper Industry. He has worked in big paper mills like A.P.P.M Rajahmundry, Ashok Paper Mills, Assam, Shree Rayalaseema Paper Mills, Kurnool and Ballarpur Paper Industries Ltd. Worked in planning implementation, erection and commissioning and in the modernisation / modification of these units.

3. AUDIT COMMITTEE:

Terms of Reference of Audit Committee of the Board of Directors are as under:

The Audit Committee during the year ended 31st March, 2011 comprised of Three members out of whom there are two Non-Executive Independent Directors and one Non-Executive Director Viz., Mr. M N Thakkar (Chairman and Non-Executive Independent Director of the Committee), Mr. S Madhava Rao (Non-Executive Independent Director) and Mr. V Chakrapani (Non-Executive Director) who are financially literates and chairman is an expert in financial management.

Representatives of the Management, Finance Department and Statutory Auditors are invitees to the Meeting of the Audit Committee.

- Review of the company's financial reporting process, and its financial statements.
- Review of accounting and financial policies and practices of the company.
- Review of the internal control and internal audit system.
- To review quarterly, half yearly and annual financial results before submission to the board.
- Review of risk management and policies and practices.

Name	No. of Meetings Held.	No. of Board meetings attended	No. of Board meetings attended through Conference call
Mr. M.N. Thakkar (Chairman)	4	3	1
Mr. S Madhava Rao	4	4	Nil
Mr. V Chakrapani	4	3	1

The audit committee met on four occasions i.e 14th May 2010, 26th July 2010, 11th October 2010 and 31st January 2011.

The audit committee reviewed the concurrent audit reports and follow up including internal control systems prevailing in the company. Committee expressed its satisfaction on Accounts.

4. Remuneration Committee

Executive Directors

The compensation of the Executive Directors comprises of fixed component and a performance incentives/ commission. The compensation is determined based on the levels of the responsibility and scales prevailing in the industry. The Executive Directors are not paid sitting fee for any Board or Committee meetings attended by them.

Non-Executive Directors

Non Executive Directors are paid sitting fee only.

The Remuneration committee presently comprises of Three non-executive directors i.e. shri. S. Madhava Rao, Mr. M.N. Thakkar and Dr. V. Venkat Reddy.

The Committee met twice during the year and all the committee members attended the meetings.

REMUNERATION OF DIRECTORS:

The details of remuneration paid/payable to all the directors for the year 2010-11 are:

i. Non executive directors (sitting fee only)

Mr. M.N. Thakkar	Rs.6000/-
Mr. S Madhava Rao	Rs.8000/-
Mr. V Chakrapani	Rs.6000/-
Dr. V Venkat Reddy	Rs.8000/-

ii. Managing/whole time Director (No Sitting fee)

	Managing Director (Rs.)	Wholetime Director (Rs.)	Wholetime Director (Rs.)
Fixed Component			
Salary	15,00,000/-	18,00,000/-	18,00,000/-
Perquisites	1,50,000/-	1,80,000/-	1,80,000/-
Variable Component			
Commission	15,00,000/-	30,00,000/-	30,00,000/-
Total	31,50,000/-	49,80,000/-	49,80,000/-

5. SHAREHOLDERS/INVESTOR GRIEVANCES COMMITTEE

The Shareholders/Investor Grievances committee comprises two Directors names as follows :

Shri. S Madhava Rao	Chairman	Non Executive
Shri. S Karunakar	Member	Executive

The Committee met twice during the year. The details on which the meetings were held are : 26.07.2010 & 13.01.2011. All the members have attended all the meetings and the Manager - comercial is the compliance officer of the company.

The company has attended to most of the investor's grievances/correspondence within a period of 15 days from the date of receipt. Al most all the rest of the grievances was attended within the maximum period of 30 days. All Transfers were completed within the maximum period of 30 days.

6. DISCLOSURES

The Company complied with all the regulations of the Stock Exchanges, Securities and Exchange Board of India and other statutory bodies regulating the capital markets. No stretchers or penalties were imposed on the company. There are no transactions with related parties having potential conflict with the interest of the company at large. Other transactions are adequately disclosed in the notes to Annual Accounts.

7. MEANS OF COMMUNICATION

Quarterly Financial Results of the Company are forwarded to the Mumbai Stock Exchange and published in The Economic Times / Financial Express / Business Standard (English) and Andhra Prabha (Telugu). Annual results / share holding pattern etc., of the company posted on the SEBI EDIFAR.

8. ANNUAL GENERAL MEETINGS:

Year	Location of holding AGM	Date and Time of AGM
2009-2010	Hotel Athithi Inn, Dharam Karam Road, Ameerpet, Hyderabad.	16th August, 2010 at 10.30 A.M
2008-2009	Hotel Athithi Inn, Dharam Karam Road, Ameerpet, Hyderabad.	28th August, 2009 at 10.30 A.M
2007-2008	Hotel Green Park, Green Lands, Begumpet, Hyderabad	29th September, 2008 at 10.30 A.M

Special Resolutions passed during the previous three Annual General Meetings:

- **24th Annual General Meeting**

A Special Resolution for Revision of Commission of 1% for Shri S D M Rao, Managing Director was passed.

A Special Resolution for Revision of Salary of Rs.1,50,000/- P.M and Commission of 2% of the net profit for Shri S Karunakar, Wholetime Director was passed.

A Special Resolution for Revision of Salary of Rs.1,50,000/- P.M and Commission of 2% of the net profit for Shri S Kishore, Wholetime Director was passed.

- **23rd Annual General Meeting,**

A Special Resolution for Re-appointment of Shri S D M Rao, Managing Director was passed.

- **22nd Annual General Meeting,**

1) A Special Resolution for Re-appointment of Shri S Karunakar, Whole Time Director was passed.

2) A Special Resolution for Re-appointment of Shri S Kishore, Whole Time Director was passed.

9. Postal Ballot

The company did not pass any resolution by postal ballot during the Financial year 2010-11.

10. GENERAL SHAREHOLDER INFORMATION:

Date, Time and Venue of the 25th Annual General Meeting	:	30th August, 2011 at 10.30 A.M At Hotel Athithi Inn, Dharam Karam Road, Ameerpet, Hyderabad
Financial Calendar	:	April to March
First quarter results	:	Last week of July 2011
Second quarter results	:	Last week of October 2011
Third quarter results	:	Last week of January 2012
Results for the year ending Mar, 2010	:	End May 2012

Date of Book Closure	:	24.08.2011 to 30.08.2011 (Both days inclusive)
Dividend Payment date	:	Within 30 days from 30th August, 2011
Listing On Stock Exchanges	:	Bombay Stock Exchange Limited
Stock Code	:	520075 (BSE)
Demat ISIN No for CDSL and NSDL	:	INE706B01012
Dematerialisation of shares	:	38.84% of the paid up capital has been dematerialised as on 31.03.2011

Stock Performance:

The performance of the company's shares on the BSE is given below:

MARKET PRICE DATE ON Company's SCRIP ON BSE DURING THE YEAR 2010-2011

Month	High Rate (Rs.)	Low Rate(Rs.)
April, 2010	77.20	60.05
May, 2010	82.00	65.00
June, 2010	79.70	71.00
July, 2010	91.00	78.15
August, 2010	99.65	82.00
September, 2010	92.00	83.10
October, 2010	105.50	82.75
November, 2010	98.85	80.00
December, 2010	89.50	75.00
January, 2011	88.00	72.05
February, 2011	81.00	70.00
March, 2011	78.80	72.00

Outstanding ADR/GDR	:	Not Issued
Registered Office	:	1-201, Divya Shakti Complex 7-1-58, Ameerpet , Hyderabad - 500016 Ph.No.040-23730596, 23735578,Fax 040-23730216 E-mail: admin@samkr.com
Plant Locations	:	PLANT-I (Pistons) Sy.No.537, Temple Road, Bonthapally Narsapur Taluk, Medak District. PLANT-II (Rings) Sy.No.33, Varisam, Pydibhimavaram, Ranastalam Mandal, Srikakulam District. PLANT-III (Pistons) Sy.No.232, Arinama Akkivalasa, Allinagaram, Etcherla Mandal, Srikakulam District.
Investors' correspondence & share Transfer Agent in Physical form & In Electronic Mode	:	M/s. XL Softech Systems Ltd 3, Sagar Society, Road No.2 Banjara Hills, Hyderabad - 500034, Tel(040) 23553214
Trading in shares (Electronic Form) on Stock Exchange	:	Made Compulsory for all categories of Investors w.e.f. 26-12-2000 as per SEBI's mandate

CERTIFICATE BY CEO/CFO

Pursuant to the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges, it is hereby certified that for the financial year ended march 31, 2011:

We have reviewed the financial statements and the cash flow statements for the year and that to the best of our knowledge and belief, these statements:

Do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

Together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year that are fraudulent, illegal or violative of the Company's Code of Conduct.

We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take, to rectify these deficiencies.

We have indicated to the Auditors and the Audit Committee:

Significant changes in internal control over financial reporting during the year;

Significant change in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and Instances of significant fraud, if any, of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : Hyderabad

Date : 16.05.2011

S. D. M. Rao

Chairman & Managing Director

AUDITORS' CERTIFICATE REGARDING CORPORATE GOVERNANCE

To

The Members of
 SAMKRG PISTONS AND RINGS LIMITED

We have reviewed the record concerning the company's compliance of conditions of Corporate Governance by SAMKRG PISTONS AND RINGS LIMITED for the year ended 31st March 2011 as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the certificate of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We had conducted our review on the basis of the relevant records and documents maintained by the company and furnished to us for the review, and the information and explanations given to us by the company.

Based on such a review and best of our information and according to the explanations given to us, in our opinion, the company has complied with the conditions of Corporate Governance, as stipulated in Clause 49 of the Listing Agreement.

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

For **M/S. Ravi & Keshav**
 Chartered Accountants
 Firm Registration No. : 0031875

Place : Hyderabad

Date : 16h May 2011

(K.K. KESAVAN)

Partner
 M.No 17489

Auditor's Report

To
The Members of
SAMKRG PISTONS AND RINGS LIMITED

We have audited the attached Balance Sheet of **SAMKRG PISTONS AND RINGS LIMITED** as at 31st March, 2011 and the Profit and Loss Account for the year ended as on that date annexed thereto and the cash flow statement for the period ended on that date. This financial statements are the responsibility of the company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

Further we report as follows :

1. As required by the Companies (Auditors Report) Order 2003 issued by the central government of India in terms of subsection (4A) of section 227 of the Companies Act, 1956 and on the basis of the such checks of books and records of the company as we considered appropriate and according to information and explanations given to us during the course of the audit, we annex hereto a statement on that matter specified in paragraph 4 and 5 of the said order to the extent applicable.
2. Further to our comments in the statement referred to in paragraph (1) above.
 - A. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - B. In our opinion, the Company has kept proper books of accounts as required by law so far as appears from the examination of books.
 - C. The Balance Sheet and Profit and Loss Account referred to in the Report are in agreement with the books of accounts.
 - D. In our opinion the Balance Sheet and the Profit and Loss account dealt with by this Report comply with the mandatory Accounting standards referred to in subsection (3-C) of section 211 of the Companies Act 1956.
 - E. On the basis of the written representation received from the Directors, as on 31st March 2011 and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31st March 2011 from being appointed as director under clause (g) of sub-section (1) of section 274 of companies act 1956,
 - F. In our opinion and to the best of our information and according to the explanation given to us, the accounts read together with other notes annexed to and forming part of the accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view.
 - i) In so far as it relates to the Balance Sheet of the state of affairs of the Company as at 31 st March 2011 and
 - ii) In so far as it relates to the Profit and Loss Account of the Profit of the Company, for year ended as on that date.
 - iii) In the case of the cash flow statement of the cash flow for the year ended on that date.

For **M/S. Ravi & Keshav**
Chartered Accountants
Firm Registration No. : 0031875

Place : Hyderabad
Date : 16th May 2011

(K.K. KESAVAN)
Partner
M.No 17489

ANNEXURE TO AUDITORS REPORT

(statement referred to in paragraph 1 of our report of even date)

IN RESPECT OF ITS FIXED ASSETS

1. (a) The Company has maintained proper records showing the full particulars including quantitative details and situation of fixed assets.
- (b) The Company has program for phased physical verification of all its fixed assets which in our opinion, is reasonable having regard to the size of the Company and the nature if its assets. As informed, no material discrepancies were noticed on such verification.
- (c) The Company has not disposed off any substantial part if its fixed assets during the year.

IN RESPECT OF ITS INVENTORIES

2. (a) The Management has conducted physical verification of the finished goods at reasonable intervals.
- (b) The Procedure of physical verification of stocks followed by the Management are considered reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) On the physical verification of stocks as compared to book records no material discrepancies were noticed. The company is maintaining proper records of inventory.
- (d) On the basis of our examination of stocks, we are satisfied that the valuation of stocks is fair and in accordance with normally accepted accounting principles.
- (e) The imported goods were valued at the invoice value. The exchange rate variation if any at the end of the year were not considered since the impact on the profit or loss is insignificant.

***IN RESPECT OF THE LOANS SECURED OR UNSECURED GRANTED OR TAKEN BY THE COMPANY TO/
FROM COMPANIES, FIRMS OR OTHER PARTIES COVERED IN THE REGISTER MAINTAINED UNDER SEC
301 OF THE COMPANIES ACT.***

3. (a) According to the information and explanations given to us, the Company has taken unsecured loans from the Directors and their relatives as listed in the register maintained under Section 301 of the companies act 1956. In terms of subsection (6) of section 370 of the companies act 1956 provision of this section is not applicable to the company.
- (b) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, Firms or other parties listed in the register maintained under Section 301 of the companies act 1956 In terms of subsection (6) of section 370 of the companies act 1956 provision of this section is not applicable to the company.
- (c) The rates of interest and other terms and conditions of loans taken by the company are unsecured and are prima facie not prejudicial to the interest of the company.
- (d) The payment of the principal and interest are regular.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regards to purchases of stores, spare parts including components, plant and machinery, equipment and other assets and for the sale of the goods.
5. (a) According to the information and explanations provided by the managaement, we are of the opinion that the particulars of contracts or arrangement referred to in section 301 of the act that need to be entered into the register maintained under section 301 have been so entered.
- (b) in our opinion and according to the information and explanation given to us the transactions made in pursuance of such contracts or arrangement exceeding value of Rs.5,00,000 have been entered into during the financial year at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. As explained to us, there are no unserviceable or damaged stores and there are no unserviceable or damaged raw materials or finished goods.

7. The Company has not accepted any deposits from public. Hence, the provisions of Section 58A of the companies Act, 1956, will not be applicable
8. In our opinion reasonable records have been maintained by the Company for the sales and disposal of realizable scrap.
9. In our opinion the company has internal audit system commensurate with the size of the company and the nature of its business.
10. We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the company pursuant to the rules made by the Central Government for the maintenance of the cost records under Section 209 (i) (d) of the Companies Act, 1956 and are of the opinion that, prima facie, the prescribed records and accounts have been maintained by the Company. We have, however, not made a detailed examination of the records with a view to determine whether they are accurate and complete.
11. (a) The Provident fund and Employees State Insurance dues have regularly deposited with the appropriate authorities.
- (b) According to the information and explanation given to us the company does not have undisputed amounts payable in respect of Income Tax, wealth Tax, Excise Duty and Customs Duty outstanding for a period of more than six months from the date they become payable.
In respect of Sale Tax (Entry Tax) there is disputed amount of Rs. 22.47 lacs not deposited with Sales Tax department. The Company had filed an appeal with ADC(CT) Punjagutta Division Hyderabad against certain points in the order of the for the assessment year 2002-03.

S.No	Name Of The Statue	Nature Of Dues	Amount In Rs. In Lacs	Forum Where Dispute Is Pending
1	SALES TAX ACT	ENTRY TAX	22. 47	ADC (CT)

12. During the year under report, the company has not made any preferential allotment of shares to the parties and companies covered in the register maintained under Section 301 of the companies Act 1956.
13. the company has no accumulated losses at the end of the financial year and, has not incurred any cash losses in the financial year under report and in the immediately preceding financial year.
14. In our opinion and according to the information and explanation given to us, the company has not defaulted in repayment of dues to financial institutions/ banks. The company has not issued any debentures.
15. According to the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
16. In our opinion of the company is not chit fund or Nidhi/Mutual fund/society. Therefore the provisions of Clause 4(XIII) of the companies (Auditor's report) order 2003 are not applicable to the company.
17. According to the information and explanation given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
18. According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short term basis have been used for long term investment.
19. The company has not raised any money by way of public issue during the year.
20. According to the information and explanation given to us, no fraud on or by the company has been noticed or reported durign the course of the Audit.

For M/S. Ravi & Keshav
Chartered Accountants
Firm Registration No. : 0031875

Place : Hyderabad
Date : 16th May 2011

(K.K. KESAVAN)
Partner
M.No 17489

BALANCE SHEET AS AT 31ST MARCH, 2011

Particulars	Schedule No.	As at March 31, 2011	Rs in Lacs As at March 31, 2010
SOURCES OF FUNDS			
Shareholders Funds			
Share Capital	1	982.05	982.05
Reserves and Surplus	2	4162.83	3577.95
Loan Funds			
Secured Loans	3	3015.18	1878.83
Unsecured Loans	4	2336.62	2585.26
Deferred tax liability	5	50.00	25.00
TOTAL		10546.67	9049.09
APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	6	14296.96	13151.96
Less: Depreciation		5426.69	5437.89
Net Block		8870.27	7714.07
(Refer note no 3 of Schedule 20)			
Current Assets, Loans and advances			
Inventories	7	1212.04	1013.23
Sundry debtors	8	3208.12	3034.28
Cash and Bank Balances	9	209.95	420.12
Loans and Advances	10	691.96	240.02
		5322.07	4707.65
Less: Current Liabilities And Provisions			
Liabilities	11	2922.38	2696.02
Provisions	12	723.29	676.61
		3645.67	3372.63
Net Current Assets		1676.40	1335.02
TOTAL		10546.67	9049.09

Notes to Accounts 20

NOTE: Notes as per Schedule I and other Schedules referred to herein form an integral part of these Accounts.

This is the Balance Sheet referred to in our report of even date.

for **M/s. Ravi & Keshav**Chartered Accountants,
Firm Registration No. : 0031875

for and on behalf of the Board of Directors

K.K. Kesavan
Partner
Membership No. 17489**S.D.M. Rao**
Chairman & Managing Director**M.N. Thakkar**
DirectorPlace : Hyderabad
Date : 16th May 2011

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

Rs in Lacs

Particulars	Schedule No.	Year Ended 31.03.2011	Year Ended 31.03.2010
INCOME			
Gross Sales	13	19751.54	15033.04
Less: Excise Duty and Sales Tax		<u>2816.10</u>	<u>1772.76</u>
Net Sales		16935.44	13260.28
Other Income	14	<u>128.96</u>	<u>106.24</u>
TOTAL		17064.40	13366.52
EXPENDITURE			
Material Cost	15	4304.26	3503.02
Purchase of Trading goods		126.54	131.48
Personnel	16	2100.22	1824.04
Interest	17	249.80	196.67
Other Manufacturing, Administration & selling expenses	18	8029.75	5879.01
Depreciation	6	910.11	912.38
Increase/(Decrease) in stocks	19	<u>-123.44</u>	<u>-91.93</u>
TOTAL		15597.25	12354.67
PROFIT BEFORE TAXATION		1467.15	1011.85
- Provision for taxation		450.00	276.00
- Deferred taxation		25.00	25.00
NET PROFIT		992.15	710.85
Refund of Income Tax			
Taxation of earlier years			
Extra ordinary item - excess depreciation			
Balance Brought forward from Previous Year		2391.98	2408.94
PROFIT AVAILABLE FOR APPROPRIATION		3384.13	3119.79
APPROPRIATIONS:			
Proposed Dividend		441.92	392.82
Tax on Proposed Dividend		75.13	66.79
Transfer to General Reserve		183.48	126.48
Balance carried to Balance sheet		<u>2683.60</u>	<u>2533.70</u>
TOTAL		3384.13	3119.79
BASIC AND DILUTED EARNINGS PER SHARE (Rs.)		10.10	7.24
Face value per share (Rs.)		10.00	10.00
(Refer Note 9 of Schedule 20)			
Significant Accounting policies and Notes to Accounts	20		

NOTE: Notes as per Schedule I and other Schedules referred to herein form an integral part of these Accounts.

This is the Profit and Loss Account referred to in our Report even date

for **M/s. Ravi & Keshav**

Chartered Accountants,

Firm Registration No. : 0031875

for and on behalf of the Board of Directors

K.K. Kesavan
Partner
Membership No. 17489

S.D.M. Rao
Chairman & Managing Director

M.N. Thakkar
Director

Place : Hyderabad
Date : 16th May 2011

Particulars	Rs in Lacs	
	As at March 31, 2011	As at March 31, 2010
SCHEDULE - 1		
SHARE CAPITAL		
Authorised Capital 1,25,00,000 Equity Shares of Rs.10/- each	1250.00	1250.00
Issued, Subscribed and Paid up Capital 98,20,500 Equity Shares of Rs.10/- each fully paid	982.05	982.05
TOTAL	982.05	982.05
SCHEDULE - 2		
RESERVES AND SURPLUS		
Capital Reserve		
Subsidy	55.00	55.00
Share forfeiture	1.03	1.03
	56.03	56.03
Revaluation Reserves	155.21	155.21
Share premium	163.92	163.92
General Reserve		
Opening Balance	963.21	836.73
Add: Transferred from Profit & Loss A/c	183.39	126.48
Add: Excess depreciation claimed in earlier years	44.67	-
	1191.27	963.21
Profit and Loss Account	2683.60	2533.70
Earlier Year Tax Payments	-87.20	-294.12
TOTAL	4162.83	3577.95

Particulars	Rs in Lacs	
	As at March 31, 2011	As at March 31, 2010
SCHEDULE - 3 SECURED LOANS		
Term Loan from SBI(Refer note 2 below) SBI - Machinery	531.88	242.50
Working capital loan (Refer Note 1 below)		
Cash Credit	1583.66	1246.47
P C F C & S L C	886.30	388.10
Loans for Vehicles	13.34	1.76
TOTAL	3015.18	1878.83

Note: Note: 1) Working Capital Loan with SBI is secured by Hypothecation of all current assets including Book debts on First charge basis and second charge on all fixed assets and immovable properties of the company.

2) Term Loan from SBI secured by first charge on all the fixed assets (present and future both movable. & immovable) of the company collateral-second charge on all current assets of the company

**SCHEDULE - 4
UNSECURED LOANS**

Sales tax deferral loan (interest free)	1891.62	1785.26
Other Loans (refer note 6 of notes to the accoutns of schedule 20)	445.00	800.00
TOTAL	2336.62	2585.26

**SCHEDULE - 5
DEFERRED TAX LIABILITY**

Deferred tax liability (difference between Book and Income tax depreciation)	50.00	176.97
less: Earlier year Taxation arised over Provision	-	-176.97
Add: Addition during the year	-	25.00
	50.00	25.00

**SCHEDULE - 6
FIXED ASSETS**

Description	Gross Block				Depreciation			Net Block	
	As at April 1, 2010	Additions during the year	Deletion during the year	As at March 31, 2011	As at April 1, 2010	For the Year	As at March 31, 2011	As at March 31, 2011	
A. Assets									
Land - Freehold	189.61	0	0	189.61	0.00	0.00	0.00	189.61	
	189.61	0.00	0	189.61	0.00	0.00	0.00	189.61	
Buildings	1276.46	64.63	0	1341.09	519.54	44.33	563.87	777.22	
	1276.46	0	0	1276.46	479.27	40.27	519.54	756.92	
Plant & Machinery	10869.57	1872.43	896.48	11845.52	3603.20	815.29	4418.49	7427.03	
	9785.85	1083.72	864.72	10004.85	3676.20	823.48	4499.68	6369.89	
Electrical Installation	390.83	56.94	24.84	422.93	253.95	29.37	283.32	139.61	
	376.92	13.91	20.98	369.85	248.42	30.37	278.79	112.04	
Furniture & fixtures	118.11	7.70	6.33	125.81	62.57	7.89	70.46	55.35	
	114.23	3.88	6.33	111.78	54.43	8.14	62.57	55.54	
Vehicles	130.15	19.84	1.30	148.69	77.31	13.23	90.54	58.15	
	116.98	13.17	7.97	122.18	67.19	10.12	77.31	52.84	
Impairment Assets	177.23	46.07	0	223.30	0.00	0.00	0.00	223.30	
	177.23	0	0	177.23	0	0	0.00	177.23	
TOTAL	13151.96	2067.61	922.62	14296.95	4516.57	910.11	5426.68	8870.27	
	12037.28	1114.68	900.00	12251.96	4525.51	912.38	5437.89	7714.07	

(Previous year figures are given in italics)

Note: Pl see notes to accounts 3 B with regard to 100% Depreciation claimed on assets were reduced from the Gross Block and Gross Depreciation.

Particulars	Rs in Lacs	
	As at March 31, 2011	As at March 31, 2010
SCHEDULE - 7		
INVENTORIES		
(As valued and certified by Management)		
Stores and spares	227.19	145.18
Raw materials	302.45	309.08
Semi finished goods	377.50	436.28
Finished goods	304.90	122.69
TOTAL	1212.04	1013.23
SCHEDULE - 8		
SUNDRY DEBTORS		
(Unsecured, considered good, unless otherwise specified)		
Due for more than six months	185.78	87.77
Others	3022.34	2946.51
TOTAL	3208.12	3034.28
SCHEDULE - 9		
CASH AND BANK BALANCES		
Cash in hand	4.21	3.32
Current Accounts (with Scheduled Banks)	205.74	416.80
TOTAL	209.95	420.12
SCHEDULE - 10		
LOANS AND ADVANCES		
(Unsecured - considered good unless otherwise stated)		
Advances recoverable in cash or in kind or for value to be received	532.07	95.50
Deposit with Govt. departments	159.89	144.52
TOTAL	691.96	240.02
SCHEDULE - 11		
CURRENT LIABILITIES AND PROVISIONS		
CURRENT LIABILITIES		
Sundry creditors (Refer note 3 of notes to the accounts of schedule 20)	1047.35	1226.81
Deposit from distributors	25.69	26.48
Interest accrued but not due	0.16	0.16
Other Liabilities	626.26	694.83
Creditors for capital items (net of CWIP)	674.92	512.87
Inter branch accounts	548.00	234.87
TOTAL	2922.38	2696.02

Particulars	Rs in Lacs	
	As at March 31, 2011	As at March 31, 2010
SCHEDULE - 12		
PROVISIONS		
Proposed dividend	441.92	392.82
Tax on proposed dividend	75.13	66.78
Provision for taxation (net of adv .tax)	50.00	75.97
Provision for gratuity	156.25	141.03
TOTAL	723.29	676.60
SCHEDULE - 13		
Gross Sales	19751.54	15033.04
Less: Excise duty and Sales Tax	2816.10	1772.76
Net Sales:	16935.44	13260.28
: Domestic	13547.97	10718.00
: Exports	3387.47	2542.28
	16935.44	13260.28
SCHEDULE - 14		
OTHER INCOME		
Interest on others	8.15	7.84
Miscellaneous Income	120.81	98.40
TOTAL	128.96	106.24
SCHEDULE - 15		
MATERIAL COST		
Opening Balance	284.18	205.33
Add:Purchases	4287.32	3606.77
	4571.50	3812.10
Less: Closing Balance	267.24	309.08
TOTAL	4304.26	3503.02
SCHEDULE - 16		
PERSONNEL		
Salaries, Wages, Bonus and Commission	1761.47	1687.14
Contribution to EPF and other Funds		
Staff welfare expenses	338.75	136.90
TOTAL	2100.22	1824.04
SCHEDULE - 17		
INTEREST		
On Term Loans	42.92	30.36
On Working Capital and Others	206.89	166.31
TOTAL	249.80	196.67

Particulars	Rs in Lacs	
	As at March 31, 2011	As at March 31, 2010
SCHEDULE - 18		
OTHER MANUFACTURING, ADMN, AND SELLING EXPENSES		
Stores consumed	2442.91	1721.40
Power and fuel	1215.59	875.16
Rent, Rates & Taxes	99.16	88.06
Printing & stationary	46.64	38.82
Communicational expenses	27.32	26.89
Conveyance and travelling	126.19	155.59
Directors sitting fee	0.16	0.24
Packing and forwarding charges	1317.32	963.86
Insurance	11.31	11.02
Auditors Remuneration	7.75	6.25
Legal and Professional charges	6.20	12.72
Repairs and Maintenance		
Buildings	38.09	83.52
Plant and Machinery	354.52	103.91
Others	87.91	65.46
Sales Promotion	2082.75	1630.57
Advertisement	6.77	8.35
Misc. expenses	140.75	84.72
Provision for gratuity	18.41	2.47
TOTAL	8029.75	5879.01

SCHEDULE - 19
(INCREASE)/DECREASE IN STOCKS

Opening Stocks:		
Semi finished goods	436.28	318.54
Finished goods	122.69	148.50
	<u>558.97</u>	<u>467.04</u>
Closing Stocks:		
Semi finished goods	377.51	436.28
Finished goods	304.90	122.69
	<u>682.41</u>	<u>558.97</u>
(Increase)/decrease in stocks	-123.44	-91.93

SCHEDULE - 20
SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS
Significant Accounting Policies
1. Method of Accounting

The financial statements have been prepared on accrual basis and at historical cost in Accordance with generally accepted accounting principles in India and provisions of the Companies act 1956 read with the Companies (Accounting Standards) Rules 2006.

2. Revenue Recognition

Sales comprises sale of goods and services net of trade discount and inclusive of Excise duty and sales Tax.

3. Fixed Assets

- A. (a) Fixed assets are stated at cost less depreciation. The cost of Fixed Assets is net of Cenvat credit availed and to be claimed.
- (b) Depreciation on Fixed Assets added or disposed during the year is provided on pro-rata basis with respective date of acquisition or disposal.
- (c) The Fixed Assets includes self made machines.

B. Depreciation:

Being the company had claimed Depreciation on Straight line basis, the Assets on which 100% Depreciation claimed were reduced from the Gross Block of Asset and Gross Depreciation and the value is Rs.9.21 crores. Since the assets were fully depreciated beyond 95% of the gross value the excess 5% of gross value had been taken to Impairment assets and General Reserve. The depreciation will be claimed only upto 95% of the gross value and the balance 5% will be transferred to impaired assets. This Policy will be followed from the currant financial year. Due to above there is no impact on the profit of the company.

4. Inventories

- i) Raw material, stores and spares and work-in-progress are valued at cost, net of Cenvat Credit. Finished goods are valued at the lower of cost or market value whichever is lower.
- ii) Excise Duty on stocks lying with the company is not added to the cost of finished goods inventory. This is in line with the consistency in valuation of inventory by followed by the Management.

5. Excise Duty

Excise duty on goods manufactured is accounted only at the time of removal of goods from the factory.

6. Foreign Currency Transactions

- a) Foreign Currency transactions are recognized in the books at the exchange rates prevailing on the date of the transaction.
- b) In the case of Current Assets/Liabilities the difference (Gain or Loss) between the actual payment and the amount recognized in the books is accounted as Exchange Gain or Loss..
- c) Other income includes the following items
- i) Sale of DEPB Licenses Rs.69.19 lacs.
- ii) Exchange Fluctuation Loss Rs. 0.17 lacs.

7. Retirement Benefits

- a) The Company's contribution to Provident Fund is administered through Regional Provident Fund Commissioner and being charged to revenue as incurred.
- b) Gratuity in respect of past and present services of employees is being accounted for on accrual basis based on actuarial valuation done by the company. The payment of Gratuity to the employees who had

left the service had been adjusted against the provision made. The provision of gratuity has been computed as on the date of closure of accounts by reducing the provision made in the earlier years.

- c) Leave encashment is accounted for on cash basis on the basis of the actual payments made.

8. Taxes on Income

- a) Current Tax: Provision for Income Tax is determined in accordance with the provisions Of Income Tax Act. 1961.
- b) Deferred Tax Provision: Deferred Tax is recognized on timing differences being the Differences between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent period(s). Provision had been made on the account of above as there exist deferment assets.
- c) The timing deference on account of Depreciation charged on the Assets as per the Companies Act and as per the Income Tax Act has been provided. The net deferred tax liability over the Deferred Tax Assets was Rs. 25.03 lacs was considered for the current year as Rs.25.00 lacs.

NOTES TO ACCOUNTS

- 1. Interest free sales tax deferred loan is repayable as

- a) Plant - I a) First Deferment completed in the year 2003, b) Second deferment Repayable in 14 years commences from April 2012
- b) Plant - II First Deferment repayable in 10 years commences from April 2004 and second deferment April 2015
- c) Plant - III repayable in 14 years commences from April 2011

- 2. Contingent liabilities not provided for

- a) Disputed amount of Rs.25.68 lacs towards A.P. Tax on Entry of goods for the assessment year 2002-03 is pending with the ADC (CT) Punjagutta Division, Hyderabad against which we have already paid an amount of Rs. 3.21 Lacs.
- b) Customs Duty liability on Imports under EPCG Scheme pending fulfillment of Export obligations of Rs.576.20 lacs is Rs. 109.63 lacs

3. SUNDRY CREDITORS

Disclosure under the Micro and Small Enterprises Development Act, 2006. Amount due to Micro and Small Enterprises are disclosed on the basis of information company regarding available with the status of the suppliers is as follows.

Sl. No.	Particulars	Rs./in lacs			
		2010-11		2009-10	
		Principal	interest	Principal	interest
1	Principal Amount and Interest thereon due, remaining unpaid at the end of the year.	74.02	Nil	35.63	Nil
2	Interest paid during the year	Nil	Nil	Nil	Nil
3	Interest due and payable (on the amount which have been paid beyond the appointed date during the year)	NA	Nil	NA	Nil
4	Interest remaining accrued and unpaid at the end of year	NA	Nil	NA	Nil
5	Interest due of the previous year	NA	Nil	NA	Nil

4. Amount of exchange difference as per AS-11 accounting for the effects of changes in Foreign Exchange rates included in the other income account of Rs. 0.17 lacs. (Previous year Rs.8.83 lacs)
5. Estimated amount of contracts remaining to be executed on capital account is Rs.124.65 lacs (Previous year Rs.91.07 Lacs) against which advances have been paid Rs.53.95 lacs (Previous Year Rs. 19.86 lacs.)
6. Unsecured Loan comprise of loan from Directors and their relatives - Rs.445.00 lakhs (Previous year Rs.800.00 lakhs)

	Rs. in lakhs	
	2011	2010
7. MANAGERIAL REMUNERATION:		
a. Remuneration	51.00	35.55
b. Commission	75.00	26.25
c. Other Perquisites	5.10	3.56
TOTAL	131.10	65.36

Calculation of commission:

Net Profit for the year	1467.15	1011.85
Add Directors Remuneration	131.10	65.36
Sitting Fee	0.16	0.24
Net Profit	1598.41	1077.45
Total salary and commission -10% of the profits	159.84	107.75
Total amount paid to directors	131.10	65.36
Commission 5% for the Directors	NIL	NIL
Restricted to actual payment	NIL	Nil

8. The Company had taken on lease from the Directors of the company viz., Shri. S.Karunakar and Sri. S. Kishore, for the Branch office at Vizag, Staff Quarters at the factory and residence for the Directors. The rent paid is commensurate on the prevailing rate applicable at the relevant time.

9. Earning per share

Net Profit (Rs in lacs)	992.15	710.85
No. of Equity Shares (throughout the year) in lacs	98.205	98.205
Earning per share (Basic & Diluted) Rs.	10.10	7.23

9. CAPACITY, PRODUCTION, SALES AND STOCKS:

- (a) Licensed and Installed Capacity and Actual Production:

Particulars		Licensed Capacity	Installed Capacity	Actual Production
Piston	Nos.	De-licensed	7,500,000 (7,500,000)	7,904,661 (6,264,106)
Piston Pin	Nos.	"	7,500,000 (7,500,000)	8,248,776 (6,369,169)
Piston Rings	Nos.	"	26,000,000 (22,000,000)	25,93,885 (19,947,601)

Note: Figures in brackets pertains to previous period.

(b) Particular of Opening Stock, Closing stock and turnover

Particulars	Opening stock		Closing stock		Turnover	
	Quantity	Value (Rs. InLacs)	Quantity	Value (Rs. InLacs)	Quantity	Value (Rs. In Lacs)
Piston Nos.	16,580 (26,415)	41.45 (39.62)	36,797 (16,580)	91.99 (41.45)	7,884,444 (6,273,941)	13068.29 (9346.43)
Piston Pin Nos.	15,935 (81,324)	224.79 (153.79)	31,364 (15,935)	354.47 (224.79)	8,233,347 (6,434,558)	6749.53 (5701.69)
Piston Rings Nos.	899,143 (854,363)		1,417,889 (899,143)		25,420,109 (19,902,821)	

Note: Figures in brackets pertains to previous period.

	2010-2011			2009-2010		
	Qty Nos.	Rs. in Lacs	%	Qty Nos.	Rs. in Lacs	%
10. Particulars of Raw Materials Consumption:						
Alloy Elements (Kgs)	2259764	3126.66		1552505	2069.90	
Pin Steel (Kgs)	661321	459.56		405215	299.38	
Pig Iron (Kgs)	717230	227.89		438165	114.34	
Stop Pegs & Circlips (Nos)	22018321	126.54		17522028	52.00	
11. Value of Raw Materials Components & Spare Parts Calculated on CIF Value						
Raw Material		496.81			150.15	
Components & Spare Parts		Nil			Nil	
Capital Goods		Nil			Nil	
12. Expenditure in Foreign Currency Traveling (On payment basis)		15.06			16.55	
13. Earnings in Foreign currency (On receipt basis)		2815.85			2250.77	
14. Value of Raw Materials, Spares & Components Consumed						
A) Indigeneous		5691.73	85.85%		3544.37	94.81%
B) Imported		938.43	14.15%		193.88	5.18%

15. Segment reporting under Accounting Standard-17

The Company operates in single primary business segment namely manufacture of Auto Components - Piston Assemblies, Hence no separate disclosure is required.

16. Related Party Disclosures:

The disclosure pertaining to the related party transactions as required by the Accounting Standards (As - 18) issued by the Institute of Chartered Accountants of India, as applicable are indicated below:

RELATED PARTIES TRANSACTIONS FOR THE YEAR ENDED 31.03.2011

Sl. No.	Names of related parties & Description of relationship	Nature of Transaction	Amount Rs.	Balance Outstanding (TO)/ FROM Rs.
1	Shri S.D.M. RAO - Chairman & M.D	Unsecured Loan	-	(1,95,00,000)
2	Shri S. KARUNAKAR - Director	Rent paid / payable	11,40,000	
3	Shri S. KISHORE - Director	Rent paid / payable	10,20,000	
4	Smt. S. SARASWATHI - W/o CMD	Rent paid / payable	12,00,000	
5	SARASWATHI ENTERPRISES (FIRM)	Rent paid / payable	34,80,000	
6	Smt. S. SARASWATHI - W/o CMD	Unsecured Loan		(2,50,00,000)
7	Key Management Personnel			
	- Shri S.D.M. RAO - Chairman & M.D	Remuneration &	30,00,000	
	- Shri S. KARUNAKAR - Director	commission paid	48,00,000	
	- Shri S. KISHORE - Director		48,00,000	

c) Transactions with Executive Directors consists of remuneration as detailed in Note 7 of Schedule 20 and rent paid to the house taken on lease.

17. The company is taking steps to transfer balance funds in un-paid dividend account to Investors Education Protection Fund.
18. Figures for the previous year has been regrouped/reclassified wherever necessary to be conformity with the current year.
19. Figures are rounded off to the nearest rupee.
20. Additional information pursuant to provisions of Part IV of Schedule VI of the Companies Act, 1956 is furnished in Annexure "A"

Signature to Schedule 1 to 20

As per our report attached
 for **M/s. Ravi & Keshav**
 Chartered Accountants,
 Firm Registration No. : 0031875

for and on behalf of the Board of Directors

K.K.Kesavan
 Partner
 Membership No. 17489

S.D.M.Rao
 Chairman & Managing Director

M.N.Thakkar
 Director

Place : Hyderabad
 Date : 16th May 2011

1. ANNEXURE - A

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE AS AT 31.03.2011

1. Registration Details

Registration No. State Code

Balance Sheet Date

2. Capital Raised during the year (Amount in Rs. 000)

Public Issue Rights Issue

Bonus Issue Private Placement

3. Position of Mobilisation and Deployment of Funds (Amount in Rs.000)

Total Liabilities Total Assets

Sources of Funds

Paid -up Capital Reserves and Surplus

Secured Loans Unsecured Loans

Deferred Tax Liability

Application of Funds

Net Fixed Assets Investments

Net Current Assets Misc. Expenditure

Accumulated Losses

4. Performance of Company (Amount in Rs.000)

Total Income Total Expenditure

Profit Before Tax (Before Extraordinary item) Profit After Tax

Earning per share (Rs.) . Dividend Rate %

5. Generic Names of Three Principal Products/Services of Company (as per Monetary Terms):

Item Code No. (ITC Code)

Product: Parts & Accessories of Vehicles of Headings Nos.87.11 to 87.13 of Motor Cycles (Including Mopeds).

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2011

Particulars	Rs in Lacs	
	Year Ended 31st March 2011	Year Ended 31st March 2010
A. CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit Before Tax and extraordinary items	1467.15	1011.85
Adjustments For:		
Depreciation	910.11	912.38
Sales tax Deferment	106.36	89.27
Interest	249.80	196.67
Interest Earned	-8.15	-7.84
Gratuity-provision	18.41	2.47
Operating Profit Before Working Capital Changes	2743.68	2204.80
Adjustments For:		
Receivables	-173.84	-644.20
Inventories	-198.81	-180.69
Loans & Advances	-451.94	194.41
Payables	226.36	790.27
Cash generated from Operations	2145.45	2364.59
Interest Paid	249.80	196.67
Taxes Paid	563.17	684.39
Payment of Gratuity	3.19	1.14
NET CASH FLOW FROM OPERATING ACTIVITIES	1329.29	1482.39
Net Increase Cash Flow	1329.29	1482.39
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Sale of Fixed Asset	-1.30	-
Purchase of Fixed Assests	1870.65	1114.68
Interest received	-8.15	-7.84
Term Loan From SBI (including vehilce loan)	-300.96	130.74
NET CASH USED IN INVESTING ACTIVITIES	1560.24	1237.58
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from Unsecured Loans	-355.00	55.01
Increase(Decrease) in Working capital loan (net of payments)	-	-
Dividend and Dividend Tax	-459.61	344.71
Net Increase In Bank Borrowings	835.39	542.15
NET CASH USED IN FINANCING ACTIVITIES	20.78	142.43
NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS	-210.17	387.24
CASH AND CASH EQUIVALENTS AS AT THE COMMENCEMENT OF THE YEAR	420.12	32.88
CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR	209.95	420.12

Notes: The above cash flow statement has been prepared under the indirect method as set out in the accounting standard - 3 on cash flow statements.

This is the Cash Flow Statement referred to in our report of even date

for and on behalf of the Board of Directors

for **M/s. Ravi & Keshav**
 Chartered Accountants,
 Firm Registration No. : 0031875

K.K.Kesavan
 Partner
 Membership No. 17489

S.D.M.Rao
 Chairman & Managing Director

M.N.Thakkar
 Director

Place : Hyderabad
 Date : 16th May 2011

This page is intentionally left blank



ELECTRONIC CLEARING SERVICES (ECS) MANDATE FORMAT

To
SAMKRG PISTONS AND RINGS LTD.
M/S. XL SOFTECH SYSTEMS LTD
3, SAGAR SOCIETY, ROAD NO.2
BANJARA HILLS,
HYDERABAD - 500034.

Dear Sirs,

FORM FOR ELECTRONIC CLEARING SERVICES FOR PAYMENT OF DIVIDEND / INTEREST.

Please fill-in the information in CAPITAL LETTERS in ENGLISH ONLY. Please wherever is applicable.

For Shares held in physical form

FOR OFFICE USE ONLY

Master Folio No.

--	--	--	--	--	--	--	--	--	--

ECS Ref. No.

For Shares held in electronic form

DP. Id

--	--	--	--	--	--	--	--	--	--

Client Id

--	--	--	--	--	--	--	--	--	--

Name of First Holder											
Bank Name											
Branch Name											
Branch Code	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="width: 20px; height: 20px;"></td><td style="width: 20px; height: 20px;"></td><td style="width: 20px; height: 20px;"></td><td style="width: 20px; height: 20px;"></td><td style="width: 20px; height: 20px;"></td><td style="width: 20px; height: 20px;"></td><td style="width: 20px; height: 20px;"></td><td style="width: 20px; height: 20px;"></td><td style="width: 20px; height: 20px;"></td><td style="width: 20px; height: 20px;"></td></tr></table> <small>(9 Digits Code Number appearing on the MICR Bank of the cheque supplied by the Bank). Please attach a xerox copy of a cheque or blank cheque of your bank duly cancelled for ensuring accuracy of the banks name, branch name and code number.</small>										

Account type	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="width: 50px; padding: 2px;">Savings</td><td style="width: 20px; height: 20px;"></td></tr></table>	Savings		<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="width: 50px; padding: 2px;">Current</td><td style="width: 20px; height: 20px;"></td></tr></table>	Current		<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td style="width: 50px; padding: 2px;">Cash Credit</td><td style="width: 20px; height: 20px;"></td></tr></table>	Cash Credit	
Savings									
Current									
Cash Credit									

A/c. No. (as appearing in the cheque book)

--	--	--	--	--	--	--	--

Effective date of this mandate

--	--	--	--	--	--	--	--

I, hereby, declare that the particulars given above are correct and complete. If any transaction is delayed or not effected at all for reasons of incompleteness or incorrectness of information supplied as above, M/s. XL Softech Systems Ltd., will not be held responsible. I agree to avail the ECS facility provided by RBI, as and when implemented by RBI/ Samkrg Pistons and Rings Limited.

I further undertake to inform the Company any cheque in my Bank / branch and account number.

Dated: _____ (Signature of First holder)

Note: Once dematerialisation of existing physical shares, for which you have availed ECS facility, the above form needs to be re-submitted.



This page is intentionally left blank



SAMKRG PISTONS AND RINGS LIMITED

Regd. Office : 1-201, Divyashakti Complex, 7-1-58, Ameerpet, Hyderabad - 500 016.

Name of Member in Capital Letter
Folio Number:
No.of Shares:

ATTENDANCE SLIP
PLEASE HAND OVER THIS ADMISSION SLIP AT THE ENTRANCE OF THE MEETING HALL

25th ANNUAL GENERAL MEETING
30th August, 2011 at 10.30 a.m.
HOTEL ATHITHI INN
Dharam Karam Road, Ameerpet, Hyderabad.

<input type="checkbox"/> MEMBER <input type="checkbox"/> PROXY
NAME OF THE PROXY IN CAPITAL LETTER

I hereby register my presence at the meeting

Signature of the Member/Proxy



SAMKRG PISTONS AND RINGS LIMITED

Regd. Office :1-201, Divyashakti Complex, 7-1-58, Ameerpet, Hyderabad - 500 016.

I/We
.....
.....
.....
.....

PROXY FORM	
FOLIO	NO.OF SHARES

in the district of being a member / members of SAMKRG PISTONS AND RINGS LIMITED hereby appoint of or failing him as my / our Proxy to vote for me / us and on my / our behalf at the 25th ANNUAL GENERAL MEETING of the Company to be held on Tuesday, the 30th August, 2011, at 10.30 a.m. or any adjournment thereof at HOTEL ATHITHI INN, Dharam Karam Road, Ameerpet, Hyderabad.

Signed this day of 2011

PROXY FORM MUST REACH COMPANY'S REGISTERED OFFICE NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING
--

AFFIX REVENUE STAMP

FOR OFFICE USE ONLY	
PROXY NO.	DATE OF RECEIPT

