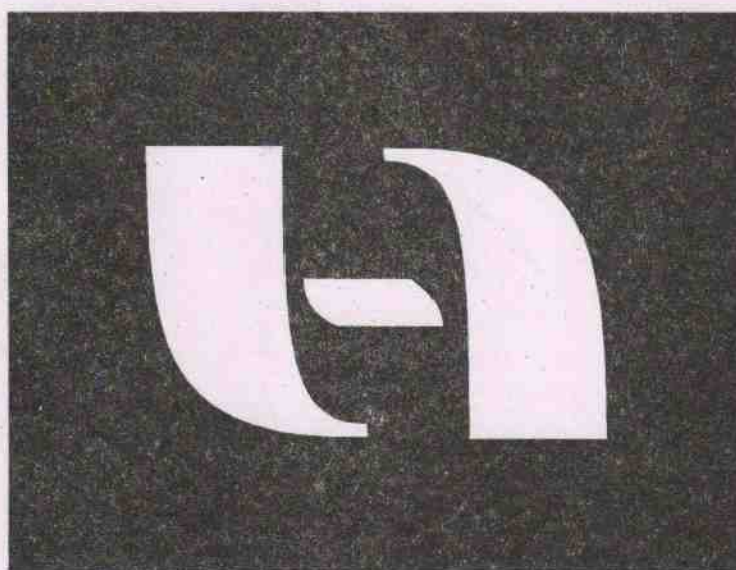




MARUTI  SUZUKI



HIRA AUTOMOBILES LTD.

ANNUAL REPORT

2010-11

BOARD OF DIRECTORS

S. Rahul Inder Singh Sidhu

Chairman

Mrs. Simran Bajwa

Whole Time Director

S. Kuldeep Singh Bhattal

Whole Time Director

S. Isher Singh

Director

Sh. Rajnish Sharma

Director

Sh. Ramesh Kumar

Director

Mrs. Neha Sidhu

Director

Sh. Nasib Chand

Director

BANKERS

PUNJAB NATIONAL BANK

AUDITORS

DALBIR & ASSOCIATES

Chartered Accountants

1969, Katra Sahib Singh, Patiala

PRINCIPAL

MARUTI SUZUKI INDIA LIMITED
PALAM-GURGAON ROAD, GURGAON

REGISTERED OFFICE

REGD OFFICE : SCO 348-349, SECTOR 34-A, CHANDIGARH

SHOWROOMS & WORKSHOPS

SHOWROOM (SALES OUTLETS):-

1. Rajbaha Road, PATIALA
2. Bhai Complex, Malout Road, MUKTSAR
3. Patiala Rajpura Road, RAJPURA.
4. Muktsar Road, MALOUT
5. Radha Swamy Satsang Road, NABHA

WORKSHOPS:

1. 13. Factory Area, PATIALA
2. Narwana Road, PATRAN (Patiala)
3. Bhai Complex, Malout Road, MUKTSAR
4. C-20, Focal Point, PATIALA.
5. Patiala Rajpura Road, RAJPURA
6. Muktsar Road, MALOUT
7. Radha Swamy Satsang Road, NABHA

22nd ANNUAL GENERAL MEETING
On Friday, the 30th day of September, 2011
At 11.00 A.M at the Registered Office.

Notice of Annual General Meeting

Notice is hereby given that the 22nd Annual General Meeting of the members of Hira Automobiles Limited, will be held on Friday, the 30th day of September, 2011 at 11:00 A.M. at the Registered Office of the Company situated at SCO 348-349, Third Floor, Sector 34-A, Chandigarh, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit & Loss Account for the year ended 31st March, 2011 and the Balance sheet as at that date together with the Report of the Directors and Auditors thereon.
2. To appoint a director in place of Mr. Isher Singh who retires by rotation in accordance with Article 149 of Articles of Association of the company and being eligible, offers himself for reappointment.
3. To appoint a director in place of Mr. Nasib Chand who retires by rotation in accordance with Article 149 of Articles of Association of the company and being eligible, offers himself for reappointment.
4. To appoint auditors and fix their remuneration.

By Order of the Board
For Hira Automobiles Limited.

Place: Chandigarh
Date: 03.09.2011

(Rahul Inder Singh Sidhu)
Chairman

SHOWROOM (SALES OUTLETS):

1. Rajpura Road, PATAJLA
2. Bhai Complex, Malton Road, MUKTAR
3. Pataja Rajpura Road, RAJPURA
4. Muktar Road, MALOUT
5. Rajpura Swamy Sanyal Road, WABHA

WORKSHOPS:

1. 11 Factory Area, PATAJLA
2. Narwan Road, PATAJLA (Patola)
3. Bhai Complex, Malton Road, MUKTAR
4. C-50, Focal Point, PATAJLA
5. Pataja Rajpura Road, RAJPURA
6. Muktar Road, MALOUT
7. Rajpura Swamy Sanyal Road, WABHA

22nd ANNUAL GENERAL MEETING
On Friday, the 30th day of September, 2011
At 11:00 A.M. at the Registered Office.

DIRECTORS' REPORT

Notes:

1. A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself / herself and the proxy need not be a member of the company. The proxy, in order to be effective, must be received by the company not less than forty eight hours before the meeting. The proxy form is enclosed.
2. The Register of Members and the Share Transfer Books of the Company shall remain closed from 28th day of September, 2011 to 30th day of September, 2011 (both days inclusive).
3. Members desiring any information as regards accounts are requested to write to the company at its Registered Office at least 10 days before the date of the Annual General Meeting so as to enable the Management to keep the information ready.
4. The copies of relevant documents can be inspected at the Registered Office of the Company on any working day from 10:30 a.m. to 12.30 p.m.

113.73	82.30	PROFIT BEFORE TAXATION
22.38	18.01	CURRENT TAX (net of last year adjustment)
88.34	64.29	PROFIT AFTER CURRENT TAX
30.08	22.40	DEFERRED TAX LIABILITY
58.26	41.89	PROFIT AFTER DEFERRED TAX

By Order of the Board
 For Hira Automobiles Limited.
 (Rahul Inder Singh Sidhu)
 Chairman

Place: Chandigarh
 Date: 03.09.2011

Fixed Assets: (i)
 Your company has also opened a new Show-room cum Workshop at Mohali. Showroom at Patiala has also been renovated and also enlarged its show-room and workshop at Patiala. To develop and expand the business in Patiala, it has made a tie-up with a party who will invest infrastructure cost and working capital investment will be on our part. In this regard, the gross fixed assets as at 31st March, 2011 have increased largely and were stood at Rs. 1138.94 lacs as compared to Rs. 821.10 lacs in the previous year. During the year, the Company added net assets amounting to Rs. 101.84 lacs, which is mainly on account of addition of fixed assets in the new dealership in building, vehicles, furniture and fixtures, computers and plant and machinery.

Working Assets: (ii)
 The Net Current Assets as on 31st March, 2011 were Rs. 1910.08 lacs as against Rs. 882.28 lacs in the previous year.

NEW SHOWROOM AND WORKSHOP
 The Company has opened one new show-room and workshop one at Mohali at Bahadurgarh. Showroom Road and Mohali show-room and workshop have been enlarged and Patiala show-room has been renovated.

DIRECTORS' REPORT

To

The Members,

The Directors of your company have pleasure in presenting the 22nd Annual Report together with Audited Accounts of the company for the year ended 31st March, 2011.

FINANCIAL RESULTS

The financial results of the company are as under:

	(Rs. In Lacs)	
	2010-11	2009-10
TURNOVER	18984.19	12615.39
OTHER INCOME	804.68	524.20
PROFIT BEFORE TAXATION	113.72	62.26
CURRENT TAX (Net of last year adjustment)	25.38	19.05
PROFIT AFTER CURRENT TAX	88.34	43.21
DEFERRED TAX LIABILITY	26.06	22.49
PROFIT AFTER DEFERRED TAX	62.28	21.65

1. REVIEW OF OPERATIONS

Your Company has achieved Sales & Other income of Rs.19788.87 Lacs as compared to Rs. 13139.59 Lacs during the previous year with a net profit of Rs.62.28 Lacs as compared to Rs.21.65 lacs in the previous year.

2. RESOURCE UTILIZATION:**(i) Fixed Assets:**

Your company has also opened a new Show-window cum Workshop at Nabha, Showroom at Patiala has also been renovated and also enlarged its Showroom and workshop at Muktsar resulting in more need of financial resources. To develop and construct the dealership infrastructure at Nabha, it has made a tie-up with a party at Nabha who will invest infrastructure cost and working capital investment will be on ours. Due to these reason, the gross fixed assets as at 31st March, 2011 have increased largely and were stood at Rs 1128.94 lacs as compared to Rs. 823.10 lacs in the previous year. During the year, the Company added net assets amounting to Rs.161.84 lacs, which is mainly on account of addition of fixed assets in the new dealership in **building, vehicles, furniture and fixtures, computers and plant and machinery.**

(ii) Working Assets:

The Net Current Assets as on 31st March, 2011 were Rs 1910.98 lacs as against Rs.889.28 lacs in the previous year.

3. NEW SHOWROOM AND WORKSHOP

The Company has opened one new showroom and workshop one at Nabha at Radhaswamy Satsang Road and Muktsar showroom and workshop have been enlarged and Patiala showroom has been renovated.

4. DIVIDEND :

Your Directors regret to recommend any dividend for this year also owing to deployment of profits for further expansion.

5. PUBLIC DEPOSITS :

The company has accepted deposits under sections 58A and 58AA of the companies Act, 1956 read with the Companies (Acceptance of Deposit) Rules, 1975 during the Financial Year under review in addition to advance against car sales / sales promotion schemes of monthly installments, hence amount of principal and interest has been accounted for outstanding as on the date of Balance Sheet. The company has also completed all the formalities for acceptance of deposits from public during the F.Y. 2011-12 with ROC. There are no over due/unclaimed deposits or interest on deposit.

6. CONTRIBUTION TO EXCHEQUER:

Your company's contribution to the Government exchequer during the year under review by way of sales tax and service tax was Rs. 2487.40 lacs.

7. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE:

Your company is an authorised dealer of Maruti Suzuki India Ltd. for selling Maruti Suzuki vehicles and spares and for providing workshop facilities to the customers. Hence there is no special requirement of energy and technology. The information under section 217 (1)e of The Companies Act, 1956 is nil.

8. PERSONNEL:

None of the employee of the company is in receipt of remuneration for whole / part of the year exceeding the limit prescribed under section 217(2 A) of the Companies Act 1956. The company has continued to follow the policy of creating healthy environment and work culture resulting into harmonious inter-personnel relations. The relations with employees remained cordial throughout the year.

9. DIRECTORS:

Mr Isher Singh and Mr. Nasib Chand retire at the forth coming Annual General Meeting pursuant to Article 149 of Articles of Association of the company and being eligible, offer themselves for reappointment.

10. LISTING:

The securities of the company are listed at Mumbai, Delhi, Ludhiana and Ahamdabad Stock Exchanges and the Listing Fees for the current period has been paid.

11. AUDITORS :

M/s Dalbir & Associates., Chartered Accountants has resigned as Statutory Auditors of the company and board has appointed Mehta Sharma & Associates as Statutory Auditors of the company in their place.

12. DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the requirement under section 217 (2AA) of the Companies Act 1956 with respect to Directors Responsibility Statement, it is hereby confirmed that:

1. In the preparation of the annual accounts for the financial year ended 31st March, 2011, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. The Directors have selected such accounting policies and applied them consistently and made judgement and estimates that were 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 or loss of the company for the year under review ;
3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities ;
4. The Directors have prepared the accounts for the financial year ended 31st March, 2011 on a going concern' basis.

14. FOREIGN EXCHANGE EARNINGS AND OUT GO

Your company has neither earned any foreign exchange nor incurred any expenditure of foreign exchange during the year under review.

15. CORPORATE GOVERNANCE

Pursuant to clause 49 of Listing Agreement with Stock Exchange(s), the Company has complied with the provisions of Clause 49 as per the schedule of implementation of Corporate Governance and Management Discussion and Analysis report on corporate governance and auditors certificate regarding compliance with corporate governance form part of the annual report.

16. COMPLIANCE CERTIFICATE:

The Company has obtained a Compliance Certificate as required u/s 383A of the Companies Act, 1956, which is attached herewith and it forms part of the Directors Report.

17. ACKNOWLEDGEMENTS :

Your directors are pleased to place on record their sincere thanks to the Maruti Suzuki India Limited, Punjab National Bank, Other financial institutions and Business Constitutes for their continued valued co-operation and support to the company. Your directors also express their deep appreciation for the devoted and sincere services rendered by workers, staff and executives at all levels of the operations of the company during the year and we are confident that your company will continue to receive such co-operation from them in future also.

By Order of the Board

For Hira Automobiles Limited.

Place: Chandigarh

(Rahul Inder Singh Sidhu)

Date: 03.09.2011

Chairman

COMPLIANCE CERTIFICATE
(In terms of Section 383A of The Companies Act, 1956)

CIN: L50101CH1989PLC009500
NOMINAL CAPITAL : RS.6,00,00,000/-
PAID UP CAPITAL : RS. 2,75,34,400/-

To,
The Members,
Hira Automobiles Limited
SCO 348-349, Sector-34 A, Chandigarh.

I have examined the registers, records, books and papers of Hira Automobiles Limited (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2011. In my/our opinion and to the best of my/ our information and according to the examinations carried out by me/us and explanations furnished to me/us by the company, its officers and agents, I/we certify that in respect of the aforesaid financial year.

1. The company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made there under and all entries therein have been duly recorded.
2. The company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under.
3. The company is a public limited company and the provisions of minimum paid up capital, restrictions on invitation to the public and to subscribe for shares /debentures and invitation or acceptance of deposits are not applicable.
4. The Board of Directors duly met Ten times on 30.04.2010,13.05.2010,31.07.2010, 03.09.2010,13.10.2010,30.10.2010,16.12.2010,31.01.11, 09.02.2011 and 11.03.2011 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the Minutes Book maintained for the purpose.
5. The company closed its Register of Members from 28.09.2010 to 30.09.2010 (both days inclusive) and necessary compliance of section 154 of the Act has been made.
6. The annual general meeting for the financial year ended on 31.03.2010 was held on 30.09.2010 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No extra ordinary general meeting was held during the financial year.
8. The company has not advanced any loan to its directors and/or persons or firms or companies referred in the section 295 of the Act.
9. The company has duly complied with the provisions of section 297 of the Act in respect of contracts specified in that section. The company has purchased services worth Rs .08 lacs.

from the company whose name is entered in the register maintained under Section 301 of The Act for cash at prevailing market prices.

10. The company has made necessary entries in the register maintained under section 301 of the Act.
11. The company was not required to obtain any approval from the Board of Directors, members and previous approval of the Central Government pursuant to section 314 of the Act.
12. The company has not issued any duplicate share certificate during the year.
13. The Company has :
 - (i) delivered all the certificates on allotment of securities and on lodgement thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act.
 - (ii) The company has not declared any dividend during the year and therefore company was not required to deposit any amount in a separate Bank Account.
 - (iii) The company was not required to pay / post warrants for dividends and was not required to transfer / unclaimed/unpaid dividend to Unpaid Dividend Account of the Company.
 - (iv) The company was not required to transfer the amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund.
 - (v) duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the company is duly constituted and the appointment of directors, additional directors, alternate directors and directors to fill casual vacancies have been duly made.
15. The appointment of Managing Director/ Whole-time Director/Manager has been made in compliance with the provisions of section 269 read with Schedule XIII to the Act.
16. The company has not appointed any sole-selling agent during the financial year.
17. The company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities under the various provisions of the Act during the financial year .
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The company has not issued any shares/debentures/other securities during the financial year.
20. The company has not bought back any shares during the financial year .
21. The company has not redeemed any preference shares/debentures during the year.
22. There were no transactions which require the company to keep in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares in compliance with the provisions of the Act.
23. The company has accepted deposits from the public u/s 58A during the financial year and due compliances have been made.
24. The amount borrowed by the Company from directors, members, public, financial institutions, banks and others during the financial year is/are within the borrowing limits of the company as per Section 293(1)(d) of the Act.

25. The company has not made any loans or advances, or given guarantees or provided securities to other bodies corporate. However, the Company has given ICD of Rs.195.43 Lacs.
26. The company has not altered the provisions of the Memorandum of Association with respect to situation of the company's registered office from one state to another during the year under scrutiny.
27. The company has not altered the provisions of the Memorandum of Association with respect to the objects of the company during the year under scrutiny.
28. The company has not altered the provisions of the Memorandum of Association with respect to name of the company during the year under scrutiny.
29. The company has not altered the provisions of the Memorandum of Association with respect to share capital of the company during the year under scrutiny.
30. The company has not altered its Articles of Association of the company during the year under scrutiny.
31. No prosecution was initiated against or show cause notices received by the company and no fines or penalties or any other punishment was imposed on the company during the financial year, for offences under the Act.
32. The balance of security received from its employees during the year is Rs. 15.25 Lacs (Net) and the same has been deposited in separate bank account.
33. The company has not constituted any provident fund under Section 418 of the Act. However, the company has deposited both employee's and employer's contribution to Provident Fund with prescribed statutory provident fund authorities.

Place: CHANDIGARH

Date : 03.09.2011

Signature :

Name of Company Secretary :RAVINDER KUMAR

C. P-. No. : 8444

Annexure A**Registers as maintained by the Company****STATUTORY REGISTERS****UNDER SECTION**

1.	Registers of members	u/s.150
2.	Copies of annual return	u/s.163
3.	Minute book of meetings of board of directors	u/s.193
4.	Minute book of meetings of shareholders	u/s193
5.	Books of Accounts	u/s209
6.	Register of particulars of companies in Which directors are interested	u/s301
7.	Register of directors ,managing directors etc	u/s303
8.	Register of directors ,managing director shareholding	u/s307
9.	Register of charge and mortgage	u/s143

Annexure B

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending on 31st March, 2011.

1.	Annual Return(Form 20B)	U/s 159
2.	Balance Sheet(Form 23AC/23ACA)	U/s 220
3.	Form 62	U/s 58A
4.	Form 66	U/s 383A

Place: CHANDIGARH

Date : 03.09.2011

Signature :

Name of Company Secretary :RAVINDER KUMAR

C. P-. No. : 8444

REPORT OF THE BOARD OF DIRECTORS ON CORPORATE GOVERNANCE

The report on Corporate Governance is requirement under Listing Agreement entered into with stock Exchange and forms part of the report of the Board of Directors to the shareholders of the Company. This report gives an insight into the organizational structure of the Company.

VISION AND PHILOSOPHY ON THE CODE OF GOVERNANCE.

The vision of the company is to be a financially sound, profitable, growth oriented company committed to building and maximizing sustainable value for all the shareholders. In its endeavour to attain the goal visualized, the company is laying maximum emphasis on the effective system of Corporate Governance.

BOARD OF DIRECTORS

Composition :

The strength of Board of Directors of the Company as on 31.03.2011 is Eight, comprising of four promoter directors and four independent directors having diversified professional experience. Out of which Five Directors are non-executive and Three Directors are whole time directors in the Company. The composition of board of directors is as below:-

Chairman of the company is **executive**.

The particulars relating to the Directors as on 31.03.2011 are given below:-

S.No.	Name	Designation	Nature of Directorship
1.	Sh. Rahul Inder Singh Sidhu	Chairman & Whole time Director	Promoter / Executive
2.	Sh. Kuldeep Singh Bhattal	Whole time Director	Promoter / Executive
3.	Mrs. Simran Bajwa	Whole time Director	Promoter / Executive
4.	Mrs. Neha Sidhu	Director	Promoter / Non Executive
5.	Sh. Rajnish Sharma	Director	Independent / Non Executive
6.	Sh. Ramesh Kumar	Director	Independent / Non Executive
7.	Sh. Isher Singh	Director	Independent / Non Executive
8.	Sh. Nasib Chand	Director	Independent / Non Executive

At present no sitting fees is being paid to any director and there are no pecuniary relationships or transactions between the company and independent directors. None of the directors on Board holds the office of directors in more than fifteen Companies or membership in more than ten committees of the board or chairmanship of more than five committees.

CONDUCT OF BOARD MEETING:

The meetings of the board of directors are held at periodical intervals. The meeting dates are decided well in advance and the agenda papers are circulated sufficiently in advance to the Directors. The

Directors have access to all the information about the Company and can suggest for inclusion of any other matter in the agenda for discussion at the Board meetings. The responsibilities, such as policy formulation, performance review and analysis & controls are handled by the Board. The Board has delegated various powers to the committee of Board of Directors of the Company.

The meetings of the Board are ordinarily required to be held at least once in quarter and four times in a year. During the year, the Board met 10 times on the following dates.

30.04.2010	13.05.2010	31.07.2010
03.09.2010	13.10.2010	30.10.2010
16.12.2010	31.01.2011	09.02.2011
11.03.2011		

The attendance of Directors at the meetings for the year 2010-11 and directorship in other companies, membership in other companies and Share holding as on 31-03-2011 is furnished below

S.NO.	Name of Director	No. of Board Meeting attended.	Nos of other Directorship	Membership in other Committees	Share holding as on 31-03-2011 in HAL
1	Sh. Kuldeep Singh Bhattal	10	2	--	272100
2	Mrs. Simran Bajwa	10	2	--	265010
3	Sh. Rahul Inder Singh Sidhu	5	3	--	270000
4	Sh. Rajnish Sharma	-----	2	--	---
5	Sh. Ramesh Kumar	-----	-----	--	---
6	Mrs.Neha Sidhu	5	2	--	1000
7	Sh. Isher Singh	-----	-----	-----	---
8	Sh. Nasib Chand	-----	-----	-----	---

The following Directors attended the last Annual General Meeting held on 30.09.2010

Sh. Kuldeep Singh Bhattal
Mrs. Simran Bajwa
Sh. Rahul Inder Singh Sidhu
Mrs. Neha Sidhu

COMMITTEES OF THE BOARD OF DIRECTORS:

The Board constituted the following committees:

1. Audit Committee to oversee audit functions of the Company.

2. Shareholders'/Investors' Grievances Committee to look into the redressal of shareholders/investors' Grievances.
3. Remuneration Committee
The minutes of each Committee are placed before the Board of Directors at their subsequent meeting.

Audit Committee:

Audit committee consists of three directors and two of them are independent and non-executive directors. Five meetings of Audit Committee were held in the year under consideration. The detail of members and their attendance is as under:

Name of Directors	Category	Designation	Attendance	Remarks
Smt. Simran Bajwa	Executive and Promotor	Member	5	
Sh. Rajnish Sharma	Non-Executive and Non Promoter	Member	5	
Sh. Ramesh Kumar	Non-Executive and Non Promoter	Chairman	5	

Shareholders/Investors Grievance Redressal Committee

During the financial year one meeting of Shareholders/Investors Grievance Committee was held to consider all the matters concerned with shareholders.

The details of members and their attendance is as under:

Name	Category	Designation	Nos. of meetings attended
Smt. Simran Bajwa	Executive and Promotor	Chairman	1
Sh. Rajnish Sharma	Non-Executive and Non Promoter	Member	1
Sh. Ramesh Kumar	Non-Executive and Non Promoter	Member	1

Remuneration of directors

There is no pecuniary relationship or transaction of the company with its independent directors other than payment of sitting fee to them for attending Board and Committee meetings. All the three Executive Directors are paid by way of monthly remuneration, and no commission on profits is paid to any of the Directors.

Remuneration Committee

The details of members of Remuneration Committee as on 31.03.2011 is as under:

Name	Category	Designation
Smt. Simran Bajwa	Executive and Promoter	Chairman
Sh. Rajnish Sharma	Non-Executive and Non Promoter	Member
Sh. Ramesh Kumar	Non-Executive and Non Promoter	Member

Compliance Officer:

Sh. Kuldeep Singh Bhattal, Director has been appointed as Compliance officer for the purpose of complying with various provisions of the Guidelines, Regulations issued by Securities & Exchange Board of India, Listing Agreement with stock exchanges, etc.

Common Agency/Share Transfer Agent:

The Company has appointed M/s Beetal Financial & Computer Services Pvt Ltd, New Delhi as Common Agency for Share Transfer work in both modes physical as well as electronically. Following is the address of Transfer Agent:

M/s Beetal Financial & Computer Services Pvt Ltd.	
Beetal House, 3 rd Floor, 99 Madangir, Behind Local Shopping Center, Near Data Harsukhdas Mandir New Delhi- 110062	
Ph.: 011-29961281/82	
Fax : 011-29961284	

Share holders complaints

Opening Balance	Nil
Received	Nil
Settled	Nil
Closing Balance	Nil

No shareholders complaint and no share transfer is pending with the company.

GENERAL BODY MEETINGS:

Detail of last 3 Annual General Meetings are given here below:-

Financial Year	Date	Time	Venue
2007-2008	25.09.2008	11.00 A.M.	Regd. Office
2008-2009	30.09.2009	11.00 A M	Regd. Office
2009-2010	30.09.2010	11.00 A M	Regd. Office

SPECIAL RESOLUTIONS:

Following Special Resolutions were passed in the past 3 Annual General Meeting:

Date of AGM	Special Resolution
25.09.2008	Yes
30.09.2009	Yes
30.09.2010	Nil

COMMUNICATION TO SHAREHOLDERS:

Company provides information relating to the company mainly through the annual reports which includes the Directors report, audited accounts, cash flow statements etc. The shareholders are also intimated the quarterly, and yearly and annual performances through intimation to stock exchanges.

GENERAL INFORMATION TO SHAREHOLDERS:**Listing on Stock Exchanges:**

The shares of the company are listed on the following stock exchanges:

1. The Stock Exchange, Mumbai.
2. The Delhi Stock Exchange.
3. The Ludhiana Stock Exchange.
4. The Ahmedabad Stock Exchange.

Annual Listing fee for the year 2010-11 has been paid to the Stock Exchanges

22nd Annual General Meeting

Date : 30.09.2011

Time : 11.00 AM

Venue : SCO 348-349, Third Floor, Sec 34- A Chandigarh.

Financial Year 2010-11

Date of Book Closure 28-09-2011- 30-09-2011 (Both Days inclusive)

Distribution of share holding of the company as on 31.03.2011—Category wise

S.No.	Category	No. of Shares Held	%age of shareholders
1.	Promoter	2635710	95.72
2.	Indian Public	117730	4.28
	Total	2753440	100.00

Distribution of share holding of the company as on 31.03.2011 value wise

Shareholding of Nominal value Rs	Shareholders		Shares	
	Number	%	Number	%
1 – 5000	132	63.16	50430	1.84
5001 – 10000	21	10.05	15200	0.55
10001 – 20000	42	20.09	43400	1.58
20001 – 30000	1	0.48	2200	0.08
30001 – 40000	1	0.48	3300	0.12
40001 – 50000	1	0.48	4200	0.15
50001 – 100000	0	0.00	0	0.00
100001 and above	11	5.26	2634710	95.68
Total	209	100.00	2753440	100.00

DEMATERIALISATION OF SHARES AND LIQUIDITY:

The Company is in the process of making application to NSDL/CDSL for issue of ISIN. The shares of the company have not been traded during the period under review.

ADDRESS FOR CORRESPONDENCE

Followings are addresses for correspondence:

REGISTERED OFFICE

Hira Automobiles Ltd.
SCO 348-349, Third Floor,
Sec 34-A, Chandigarh

SHOWROOM LOCATIONS:

Hira Automobiles Ltd.
Rajbaha Road,
Patiala.
Ph. No .0175-2309769

Hira Automobiles Ltd.
Malout Road,
Muktsar.
Ph .No 01633-262020

Hira Automobiles Ltd.
Village Bhadak ,
Rajpura.
Ph. No. 01762-244881.

Hira Automobiles Ltd.
Radha Swami Satsang Road,
Nabha.
Ph.No. 01765-505959

Hira Automobiles Ltd.
Muktsar Road,
Malout.
Ph. No.01637-263724

S No	Category	No of Shares Held	Percentage of Shareholding
1	Promoter	2832710	92.31
2	Indian Public	11740	0.36
	Total	2834400	100.00

BRIEF PROFILE OF DIRECTORS SEEKING REAPPOINTMENT/APPOINTMENT

Name	Qualification	Occupation	Age (in Years)
1. Sh. Isher Singh	Graduate	Business	61
2. Sh Nasib Chand	Graduate	Business	72

Age Group	Number	Percentage
2001 - 3000	1	0.48
3001 - 4000	1	0.48
4001 - 5000	1	0.48
5001 - 6000	0	0.00
6001 and above	11	3.56
Total	302	100.00

REGISTERED OFFICE
Hira Automobiles Ltd.
SCO 148-149, Third Floor,
Sec 14-A, Chandigarh

ADDRESS FOR CORRESPONDENCE
Following are addresses for correspondence:

The Company is in the process of making application to NEDRA for issue of DIN. The shares of the company have not been traded during the period under review.

DEMATRIALISATION OF SHARES AND LIQUIDITY:

MANAGEMENT DISCUSSION AND ANALYSIS

A. The Automobile Industry

If someone asks which was the golden year of automobiles in India we can easily say it was 2010-11. The sales zoomed skywards and the entire industry had a great time. The 'recession over' feel vibrated across the automobile companies as barring a few all went into the growth mode. Maruti Suzuki India Ltd maintained its market leader position with over 50% market share. The production was over-capacity and the closing stocks at the dealerships were low.

B. Vision 2011-12

In this financial year there might be a slow-down in the growth of the industry. With two financial years continuously in growth the growth percentage might be lower in this year. The rise which was seen because of the rise in incomes of the salaried class might get slower because there is nothing exceptional coming up. In spite of this fact the industry feels no threat as the income levels being good both in agriculture sector and salaried section the personal money coming into buying of cars will grow. The modest to good growth in industry is projected which will keep the auto industry buoyant. With all the competition making best of their efforts to make a mark in the market will result in growth in the market. Maruti Suzuki being the car of the masses will have the least of the impacts, if any. They are coming up with new models and this will help attract new customers and hence enhance sales. In the area where your company is operating the demand for diesel vehicles is on the rise and strategies are being formulated to acquire the maximum number of bookings and hence the sales of the vehicles.

C. Segment-wise performance

The Maruti Suzuki is manufacturing models which are sold across all market segments. Your company is dealing in all the models and the principals are proactive in their approach to gauge the market demand and produce vehicles as per the demand. So no segmentation has been done at our end.

D. Risks and Concerns

In spite of the few concerns the perceived growth mitigates them and the management does not see any risk to the business in the future.

E. Internal Control System

To keep a check on the working and performance of the company the system of audit and checks has been strengthened. Each department working is monitored and audits are carried out on a regular basis. The system of pre-audits and audits followed by an immediate action on the reports is and will help to keep a control on the workings.

F. Human Resources

This is an important area of focus of the management. Steps are being taken to keep the employees motivated. The employer-employee relationship is very cordial as all the employees are working with concern for the company and the management keeps a concern for them. To increase their efficiency and their self development the company is organising internal and external trainings on a regular basis. The system of induction, training and

appraisals have been fine-tuned further to screen and keep a check on each employee of the company.

G. Marketing

The automobiles is into the competition era where every company is vying to put in their best and grab the extra percent of the market share. Every dealer is being pushed to perform and carry out local marketing and sales promotional activities to enhance sales. Maruti Suzuki is active to pitch in strategies and float schemes from time to time to boost the sales. These are backed by the proper advertising campaigns to create a market pull for the intending customers. At the local level the schemes are modified to suit the customers and the time to create more attractions.

H. Dealership Strategy

The growing competition and market-conditions will try to affect the margins in the car sales but the volume increase will take care of the same. As part of the on-going strategy the stress is being laid on increasing the profits on other allied business heads and the same will be monitored on monthly basis to take remedial actions wherever required.

CEO & CFO Certification Under Clause 41 & 49(v) of the listing Agreement to be placed before the Board along with Audited Annual Accounts for the year ended 31st March 2011

It is hereby certified that;

- 1) We have reviewed financial statements and the cash flow for the year and that to the best of our knowledge and belief;
 - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) These statements together present a true and fair view of the company affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- 2) 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 volatile to the company code of Conduct.
- 3) 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 they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- 4) We have indicated to the auditors and the Audit committee:
 - a) Significant changes in internal control over financial reporting during the year if any;
 - b) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements if any;
 - c) There were no instances of fraud of which they have become aware and the involvement their in, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place : Chandigarh
Date : 03.09.2011

Kuldeep Singh Bhattal
Whole Time Director

Certificate of Compliance of Code of Conduct by Board of Directors and Senior Management Personnel

This is to certify that Board of Directors and the Senior Management Personnel have affirmed Compliance of the Code of Conduct applicable to them during the year ended 31st march 2011.

Auditors' Certificate regarding compliance of conditions of Corporate Governance

To,
The Members
Hira Automobiles Ltd.

We have examined the compliance of conditions of corporate governance by Hira Automobiles 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 is limited to a review of the procedures and implementations thereof, adopted by the company for ensuring the compliance of the conditions 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.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above mentioned 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 Dalbir & Associates
Chartered Accountants
Registration No.021454N

CA . Dalbir Singh
(Proprietor)
Membership No.096320

Place : Patiala
Date : 03-09-2011

AUDITOR'S REPORT ON ACCOUNTS

To,
The Members of Hira Automobiles Limited

1. We have audited the attached Balance Sheet of Hira Automobiles Limited as at 31st March 2011, the Profit & Loss Account and also the Cash Flow Statement of the Company for the year ended on that date annexed there to. These financial statements are the responsibility of the management of the company. Our responsibility is to express an opinion on these financial statements based on our audit.
2. 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 misstatements. An audit includes, examining on a test basis, evidence supporting the amount and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's report) order 2003(as amended) issued by the central government of India in terms of sub section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in the paragraphs 4 & 5 of the said order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that :-
 - i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit ;
 - ii) In our opinion , proper books of account as required by law have been kept by the company, so far as appears from our examination of those books ;
 - iii) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account ;
 - iv) In our opinion, the Balance Sheet and Profit & Loss Account and Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in sub-section (3c) of section 211 of the Companies Act,1956.
 - v) On the basis of written representations received from directors of the company as on 31st March, 2011 and taken on record by the board of directors, we report that none of the directors is disqualified as on 31st March 2011, from being appointment as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with significant accounting policies and other notes of accounts thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

- a) In the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2011; and
- b) In the case of Profit & Loss account, of the profit of the company for the year ended on that date; and
- c) In the case of cash flow statement, of the cash flow for the year ended on that date.

For Dalbir & Associates
Chartered Accountants
Registration No.021454N

CA . Dalbir Singh
(Proprietor)
Membership No.096320

Place : Patiala
Date : 03-09-2011

Annexure To Auditors' Report

Annexure referred to in paragraph 3 of our report of even date

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets at Corporate Office and in the process of maintaining at outlets.
- (b) We have been informed that the fixed assets of the company have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
- (c) In terms of the information and explanation given to us the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that no substantial part of fixed assets have been disposed off during year and hence our comments regarding the effect on going concern are not required.

2. (a) As informed to us, physical verification of inventory of the company has been conducted by the management at reasonable intervals. In our opinion, the Verification is reasonable.
- (b) In our opinion and according to the explanations given to us, the procedures of Physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) In our opinion and according to the explanations given to us, the Company is maintaining proper records of inventory. We have been informed that no material discrepancies have been noticed on physical verification as compared to records.

3. (a) According to the information and explanation given to us, the Company has advanced inter corporate deposits to three companies covered in the register maintain under section 301 of the Companies Act, 1956. Detail of amount of transactions and balance outstanding at year end is as under.

i)	Name of the Company	:	Bajwa Arjun Property Developers (p) Ltd.	
	Debit Summation	:	3.25 Lacs	
	Credit Summation	:	NIL	
	Balance Outstanding	:	11.49 Lacs	
	ii)	Name of the Company	:	Pacific Finlease (p) Ltd.
	Debit Summation	:	1.00 Lacs	
	Credit Summation	:	NIL	
	Balance Outstanding	:	11.46 Lacs	
	iii)	Name of the Company	:	Rahul Sidhu Enterprises (p) Ltd.
	Debit Summation	:	149.56 Lacs	
	Credit Summation	:	120.89 Lacs	
	Balance Outstanding	:	172.47 Lacs	

- (b) According to the information and explanation given to us, the rate of interest and the other terms and condition of loan given are not prima facie prejudicial to the interest of the Company.
- (c) There is no stipulation as to the time period for recovery of principal amount of unsecured loan given.
- (d) Further, as there is no stipulation as to the time period for recovery of principal amount of unsecured loan given, we are unable to comment on the overdue amount in respect of the said loan.
- (e) During the year the Company has not taken any loan, secured or unsecured from Parties covered in the Register maintained u/s 301 of the Companies Act, 1956.

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, for the purchase of the inventory, fixed assets and also for the sale of goods. During the course of our audit, no major weakness has been noticed in the internal control system in respect of these areas.
5. (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangement referred to in section 301 of the Companies Act, 1956 have been so entered in the register required to be maintained under that section and
(b) According to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market price at the relevant time.
6. According to the information and explanation given to us, the Company has accepted deposit from public u/s 58A during the financial year. The Company also accepted advance from customer for sale of vehicles and against sale promotion schemes run by the company to promote its sale.
7. In our opinion the internal audit system of the company is commensurate with its size and nature of business.
8. The maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 has not been prescribed by the Central government for the Company since it is not manufacturing Company.
9. (a) According to the information and explanations given to us, the company is generally regular in depositing all undisputed statutory dues including provident fund, investor education and protection fund, employees state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, cess and any other statutory due with appropriate authority during the year.
(b) According to the information and explanations given to us, no undisputed amount payables in respect of provident fund, investor education and protection fund, employees state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, cess and any other undisputed statutory dues were outstanding at the year end, for period of more than six months from the date they become payables.
(c) According to the information and explanations given to us, there are no disputed amount payables in respect of provident fund, investor education and protection fund, employees state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, cess by the Company.
10. The company has no accumulated losses at the end of the financial year and it has not incurred cash losses in current and immediately preceding financial year.
11. As informed to us, the company has not defaulted in repayment of dues to financial institutions or banks.
12. As informed to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures or other securities.
13. In our opinion the company is not a chit-fund, nidhi or mutual benefit fund/society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) order, 2003 (as amended) are not applicable to the Company.
14. In our opinion the company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4 (xiv) of the Companies (Auditor's Report) order, 2003 (as amended) are not applicable to the Company.

15. As informed to us, the company has not given any guarantee for loans, taken by others from bank or financial institutions, the terms and conditions whereof are prima-facie prejudicial to the interest of the Company.
16. As informed to us, the proceeds of the loans taken by the company are applied for the purpose for which the loans were obtained.
17. The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
18. The company has not issued debenture, therefore the company has not created any security on debentures.
19. The company has not raised any money from public issues during the year.
20. Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanation given by the management, we report that no fraud by the company has been noticed or reported during the course of our audit.

For Dalbir & Associates
Chartered Accountants
Registration No.021454N

CA. Dalbir Singh
(Proprietor)
Membership No.096320

Place : Patiala
Date : 03-09-2011

TOTAL

15

The auditor's report is prepared in accordance with the provisions of the Companies Act, 1956.

At Patiala on 03-09-2011

Dalbir Singh
 Chartered Accountant
 Registration No. 021454N

CA Dalbir Singh
 Proprietor
 Membership No. 096320

Place: Chandigarh
 Date: 03-09-2011

BALANCE SHEET AS AT 31 st MARCH, 2011		(Amount in Rs.)	
Particulars	Schedule	Current Year	Previous Year
SOURCES OF FUNDS			
Share Holder's Fund			
Share capital	1	27534400	27534400
Reserve & surplus	2	21316836	15088525
		<u>48851236</u>	<u>42622925</u>
Loan Funds			
Secured Loans	3	202046134	119075401
Deferred Tax Liability	4	11055468	8449959
Unsecured Loans	5	18233301	0
Shares Forfeiture Reserve		7236750	7236750
	Total	<u>287422889</u>	<u>177385035</u>
APPLICATIONS OF FUNDS			
Fixed Assets	6		
Gross Block		120250574	112894374
Less : Accumulated Depreciation		22183646	26079441
Net Block		<u>98066928</u>	<u>86814933</u>
Investments	7	1642516	1642516
Current Assets, Loan and Advances			
Inventories	8	186137489	132510889
Sundry debtors	9	49669904	32818008
Cash & Bank Balance	10	67842589	73353848
Loan & Advances	11	45160109	33320118
		<u>348810091</u>	<u>272002863</u>
Less Current Liabilities and Provisions			
Current liabilities	12	116417458	158925889
Provisions	13	44679188	24149388
		<u>161096646</u>	<u>183075277</u>
Net Current Assets		187713445	88927586
	TOTAL	<u>287422889</u>	<u>177385035</u>

Notes to Accounts

21

The schedules referred to above and notes to accounts form integral part of Balance Sheet.

As per our report of even date

For and on behalf of the Board of Directors of Hira Automobile Ltd.

For Dalbir & Associates
Chartered Accountants
Firm Registration No. 021454N

RAHULINDER SINGH SIDHU
Chairman

CA Dalbir Singh

KULDEEP SINGH BHATTAL
Whole Time Director

Proprietor
Membership No. 096320

Place : Chandigarh
Date :Sept.03.2011

KULWINDER SINGH
Manager Accounts

Profit And Loss Account for the Year Ended March 31, 2011

(Amount in Rs.)

	Schedule	Current Year	Previous year
INCOME			
Sale	14	1898418568	1261538869
Other Income	15	80468305	52419476
TOTAL		1978886873	1313958745
EXPENDITURE			
Purchases	16	1896393163	1259985528
Decrease/(Increase) in Inventories	17	(53626600)	(28415423)
Personnel Expenses	18	66735841	37584933
Administrative Expenses	19	39163264	26013100
Financial Expenses	20	13916529	8835997
Depreciation		4932358	3728927
TOTAL		1967514555	1307733062
Profit Before Tax		11372318	6225683
Less : Provision for Taxation			
Current Tax		2538498	1904729
Current Fringe Benefit Tax		0	(93245)
Deferred Tax		2605509	2248961
Net profit Carried forward to Balance Sheet		6228311	2165238
Net Profit		6228311	2165238
Earning Per Share			
Basic & Diluted		2.26	0.79
(Nominal Value of Share Rs. 10/- each)			
Notes to Accounts	21		

The schedules referred to above form an integral part of the Balance Sheet

As per our report of even date

For and on behalf of the Board of Directors of Hira Automobile Ltd.

For Dalbir & Associates
Chartered Accountants
Firm Registration No. 021454N

RAHULINDER SINGH SIDHU
Chairman

CA Dalbir Singh

KULDEEP SINGH BHATTAL
Whole Time Director

Proprietor
Membership No. 096320

Place : Chandigarh
Date : Sept.03.2011

KULWINDER SINGH
Manager Accounts

Cash Flow Statements for the period April 1, 2010 to March 31, 2011		(Amount in Rs.)	
Schedule-6		2010-11	2009-10
A. CASH FLOW FROM OPERATING ACTIVITIES			
Profit Before Tax		11372318	6225683
Adjustment For:			
Depreciation of Assets		4932358	3728927
Interest Expenses		13916529	8835997
Operating Profit Before Working Capital Change		30221205	18790607
Adjustment For:			
Inventories		(53626600)	(28415423)
Trade & Other Receivables		(16851896)	(5420737)
Trade & Other Payables		(21978631)	85609784
Other Loans & Advances		(11839991)	7838528
Cash Generated From Operations		(74075913)	78402759
Taxes Paid		(2538498)	(1811484)
Net Cash From Operating Activities (A)		(76614411)	76591275
B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets		(16184353)	(33703615)
Proceed From Sale of Fixed Assets		0	3119004
Net Cash Used In Investing Activities (B)		(16184353)	30584611
C. CASH FLOW FROM FINANCING ACTIVITIES			
Increase/(Decrease) In Borrowings		82970733	14202913
Interest Paid		(13916529)	(8835997)
Equity Capital		0	2114370
Unsecured Loan		18233301	0
Net Cash From Financing Activities (C)		87287505	7481286
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)		(5511259)	53487950
Cash & Cash Equivalents at Beginning of the Year		73353848	19865898
Cash & Cash Equivalents at the End of the Year		67842589	73353848

As per our report of even date

For and on behalf of the Board of Directors of Hira Automobile Ltd.

For Dalbir & Associates
Chartered Accountants
Firm Registration No. 021454N

RAHULINDER SINGH SIDHU
Chairman

CA Dalbir Singh
Proprietor
Membership No. 096320

KULDEEP SINGH BHATTAL
Whole Time Director

Place ; Chandigarh
Date ;Sept.03.2011

KULWINDER SINGH
Manager Accounts

Particulars	Current Year (Rs.)	Previous Year (Rs.)
Schedule-1		
SHARE CAPITAL		
Authorised		
60,00,000 (Previous year 60,00,000) Equity Share of Rs. 10/- each	<u>60000000</u>	<u>60000000</u>
Issued, Subscribed & Paid up :		
5427840 (Previous year) Equity Shares of Rs. 10/- each	54278400	54278400
Less : Allotment money yet to be received	-	-
Less : Allotment money not to be received as shares forfeited	19501870	19501870
Less : Allotment money forfeited	<u>7242130</u>	<u>7242130</u>
	<u>27534400</u>	<u>27534400</u>
Schedule-2		
RESERVE & SURPLUS		
Balance as per last Balance Sheet	15088525	12923287
Add: Transferred from Profit & Loss Account	6228311	2165238
	<u>21316836</u>	<u>15088525</u>
Schedule-3		
SECURED LOANS		
Loans and Advances from Banks		
Cash Credit Facilities	151190289	77782000
Inventory Funding	50273960	40046430
Hire Purchases Loan		
From Banks	<u>581885</u>	<u>1246971</u>
	<u>202046134</u>	<u>119075401</u>
Notes :-		
<ul style="list-style-type: none"> • Cash Credit facility from Punjab National Bank is secured against Hypothecation of Inventories and Book debts. • Hire purchase loans from Banks are secured by way of hypothecation of the respective vehicles acquired out of the proceeds thereof. 		
Schedule-4		
DÉFERRED TAX LIABILITY		
Balance as per last Balance Sheet	8449959	6200998
Add/(Less) : Transferred from P & L Account	2605509	2248961
	<u>11055468</u>	<u>8449959</u>
Schedule-5		
UNSECURED LOAN		
Deposits from shareholders	5264476	0
Deposits from Public	12968825	0
	<u>18233301</u>	<u>0</u>

**M/S HIRA AUTOMOBILES LTD.
(AS ON 31ST MARCH 2011)
FIXED ASSETS**

SCHEDULE - 6

Name of Assets	GROSS BLOCK		DEPRECIATION			NET BLOCK		
	As On 01-04-10	As On 31-03-11 Additional/ (Sale)	As on 01-04-10	During the year	Reversed During Year	Total	As on 31-03-10	As on 31-03-11
Land	5778780	0	0	0	0	0	5778780	5778780
Building	50654784	4324107	8344846	1306634	0	9651480	42309938	45327411
Computers	3858568	549858 (3208326)	3316890	146447	3209326	255011	541678	945089
Plant & Machinery	24326484	3760280	4808654	1221283	0	6029937	19551936	22056827
Furniture & Fixture	6115773	2495249	2060498	423740	0	2484238	4021160	6126784
Vehicles	22159994	5018018 (5682995)	7548553	1834255	36833 5582995	3762980	14611441	17832037
GRAND TOTAL	112894383	16147512 (8791321)	26079441	4932359	8828154	22183646	86814933	98066928
PREVIOUS YEAR	82309764	30584610	22350514	3758691	(29764)	26079441	59959250	86814933

**Schedule-7
INVESTMENT**

Redeernable Preference Share of Chadikalan Publication P. Ltd.	5000	5000
Shares of:		
Punjab National Bank	6200	6200
Bajwa Arjun Property Developer Private Limited	1100000	1100000
PNB Mutual Fund Units	531316	531316
	<u>1642516</u>	<u>1642516</u>

**Schedule-8
INVENTORIES**
Stock In Trade (As taken, valued & certified by the Management)

New Vehicles	159790686	114671693
True Value Vehicles	4909390	2775540
Spares Parts & Accessories	21437413	15063656
	<u>186137489</u>	<u>132510889</u>

**Schedule-9
SUNDARY DEBTORS**
Debt outstanding

Unsecured, considered good exceeding six months	888581	750813
Unsecured, considered doubtful		
Other Debts	48781323	3206795
	<u>49669904</u>	<u>32818008</u>

**Schedule-10
CASH & BANK BALANCES**

Cash in Hand	7365652	3418610
Balance with Banks		
(a) Current Account	41567179	19455458
(b) Fixed Deposit Accounts	18909758	50479780
	<u>67842589</u>	<u>73353848</u>

**Schedule-11
LOANS & ADVANCES**
Unsecured, considered good

Advance recoverable in cash or kind for value to be received		
Tax Deducted At Source	6442376	4114996
Security Deposits	2600000	2500000
Inter Corporate Deposits	19542563	16249786
Other Advances	16575170	10455336
	<u>45160109</u>	<u>33320118</u>

HIRA AUTOMOBILES LTD.**Schedule-12****CURRENT LIABILITIES**

Customer Advances	101347257	157569782
Sundry Creditors	15070201	1356107
	<u>116417458</u>	<u>158925889</u>

Schedule-13**PROVISIONS**

Value added tax/Sales Tax	29114852	16181213
Income Tax	2700000	0
Tax Deducted at sources	1135279	288987
Other Payables	11729057	7679188
	<u>44679188</u>	<u>24149388</u>

Schedule-14**SALES**

Vehicles Sales	1779015706	1173898272
Spare parts & Accessory	119402862	87640597
	<u>1898418568</u>	<u>1261538869</u>

Schedule-15**OTHER INCOME**

Workshop Income	46755041	33428960
Other Income	33713264	18990916
	<u>80468305</u>	<u>52419876</u>

Schedule-16**PURCHASES**

Vehicles	1775707704	1182005973
Spares & Accessories	120685459	77979555
	<u>1896393163</u>	<u>1259985528</u>

Schedule-17**DECREASE/INCREASE IN INVENTORIES****Closing Inventories :**

Vehicles	159790686	114671693
Spare Parts & Accessories	21437413	15063656
True Value Vehicles	4909390	2775540
	<u>(A) 186137489</u>	<u>132510889</u>

Opening Inventories :

Vehicles	114671693	87725067
Spare Parts & Accessories	15063656	14710865
True Value Vehicles	2775540	1659534
	<u>(B) 132510889</u>	<u>104095466</u>

Decrease/(Increase) In Inventories**(53626600)****(28415423)**

Schedule-18**PERSONNEL EXPENSES**

Salary & Wages	52862642	31250760
Commission & Incentive	11244279	4996426
Staff Welfare	1575881	827408
Training & Development	1053039	510339
	<u>66735841</u>	<u>37584933</u>

Schedule-19**ADMINISTRATIVE EXPENSES**

Generator Expenses	1333395	1181538
ISO 9002	45000	0
Legal & Professional Fee	528131	915910
Workshop Expenses	1662724	1809114
Travelling & Conveyance	5355537	2476431
Vehicle Running Expenses	730239	549136
Listing Fee	55604	46634
Postages & Telephones	2575709	1475619
Insurance Charges	1112474	579821
Printing & Stationery	1388063	1442970
Advertisement	422375	840830
Repair to Fixed Assets	1497783	1144006
Electricity Charges	3283807	2100435
Rent, Rates & Taxes	2192303	1339465
Sales Promotion	6740172	2733858
PDI Expenses	878905	584697
Sanitation Expenses	133547	113203
Other Administrative Expenses	9227496	6679633
	<u>39163264</u>	<u>26013100</u>

Schedule-20**FINANCE CHARGES**

Interest on Cash Credit	11553077	7221415
Bank Charges	2363452	1614582
	<u>13916529</u>	<u>8835997</u>

As per our report of even date

For and on behalf of the Board of Directors of Hira Automobile Ltd.

For Dalbir & Associates
Chartered Accountants
Firm Registration No. 021454N

RAHULINDER SINGH SIDHU
Chairman

CA Dalbir Singh

KULDEEP SINGH BHATTAL
Whole Time Director

Proprietor
Membership No. 096320

Place : Chandigarh
Date :Sept.03.2011

KULWINDER SINGH
Manager Accounts

SCHEDULE " 21' - NOTES TO ACCOUNT

1. Significant Accounting Policies**A) Basis of preparation of financial statements**

The financial statements are prepared on accrual basis of accounting, and in accordance with the provision of Companies Act, 1956 and comply, in all material aspects, with the Accounting Standards issued by the Institute of Chartered Accountants of India notified under section 211(3C) of the Companies Act, 1956.

B) Revenue Recognition

(i) Sale of products is recognised when the products are supplied in accordance with the terms of sale and recorded net of trade discounts and Sales Tax.

(ii) Service Income is accounted for as and when vehicles are serviced in accordance with the terms of service and recorded net of discount.

(iii) Interest income is recognized on accrual basis.

C) Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the assets to its working condition for its intended use are included to the extent they relate to the period till such assets are ready to be put to use.

D) Borrowing Costs

Borrowing Costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of the asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

E) Depreciation:

Depreciation is provided using the Straight Line Method at the rates prescribed under Schedule XIV of the Companies Act, 1956.

F) Inventories

Inventories are valued At Cost or Net Realizable value, whichever is lower. The cost is ascertained on Average basis except vehicles where cost is ascertained on specific cost basis.

G) Employee Retirement Benefits

Contribution to defined contribution schemes such as Provident Fund and ESI are charged to the profit and loss account as incurred.

H) Foreign Currency Transaction

The Company does not deal with Foreign Currency, hence AS-11 "Effect of changes in Foreign Exchanges issued by the Institute of Chartered Accountants of India is not applicable.

I) Cash Flow Statements

Cash Flow Statements has been prepared following the indirect method set out in the Accounting Standard -3 on "Cash Statements" issued by the Institute of Chartered Accountants of India.

J) Taxes on Income

(i) Income tax expenses for the period comprise of Current Tax and Deferred Tax.

(ii) Current Tax is the amount of tax payable on the taxable income for the year determined in accordance with the provision of the Income Tax Act, 1961.

(iii) Deferred Tax is recognized, on the timing differences, being the difference between accounting income and taxable income, which originates in one period and are capable of reversal in one or more subsequent accounting periods in accordance with the provisions of Accounting Standard -22 on "Accounting for Taxes on Income", issued by the Institute of Chartered Accountants of India. Deferred Tax Asset in respect of brought forward losses is recognized only if there is virtually certainly that there will be sufficient future taxable income against which such asset can be realized.

5. Legal & Professional Fees includes Payments to Auditors comprising as follows :-

i) Statutory Audit fee	Rs 240000.00
ii) Tax audit and VAT audit Fee	Rs 50000.00
iii) Other Services	Rs 40000.00

6. Related Party Disclosure in accordance with Accounting Standard - 18 :

a) **Enterprises owned or Significantly Influenced by Directors and their Relatives**

- Pacific Finlease Pvt. Ltd.
- Bajwa Arjun Property Developer Pvt. Ltd.
- Rahul Sidhu Enterprises Pvt. Ltd.
- Rahul Sidhu Business Services

b) **Detail of transaction for the financial year 2010-11**

Pacific Finlease Pvt. Ltd.

<u>Transaction</u>	<u>Amount (Rs. in Lacs)</u>
Amount Recoverable in Inter Corporate Deposit as on 31.3.2011	11.46
Interest Recovered during the financial year	1.00

Bajwa Arjun Property Developers Pvt. Ltd.

<u>Transaction</u>	<u>Amount (Rs. in Lacs)</u>
Amount Recoverable in Inter Corporate Deposit as on 31.3.2011	11.49
Interest Recovered during the financial year	1.08

Rahul Sidhu Enterprises Pvt. Ltd.

<u>Transaction</u>	<u>Amount (Rs. in Lacs)</u>
Amount Recoverable in Inter Corporate Deposit as on 31.3.2011	172.47
Interest Recovered during the financial year	17.99

7. Calculation of Earning Per Share is as follows :

Profit after Tax as per Profit & Loss Account as on 31.3.2011	6228311.00
No. of Equity Share (Face value Rs. 10/- each)	
• For Basic Earnings Per share	2753440
• For Diluted Earnings Per Share	2753440
Earning Per Share	
• Basic	2.26
• Diluted	2.26

8. Balance confirmation letters have been obtained from all the parties.

9. Figures of Previous year have been re-grouped and re classified wherever necessary, in order to conform to the current year's presentation.

As per our report of even date

For and on behalf of the Board of Directors of Hira Automobile Ltd.

For Dalbir & Associates
Chartered Accountants
Firm Registration No. 021454N

RAHULINDER SINGH SIDHU
Chairman

CA Dalbir Singh

Proprietor
Membership No. 096320

KULDEEP SINGH BHATTAL
Whole Time Director

Place : Chandigarh
Date : Sept.03.2011

KULWINDER SINGH
Manager Accounts

BALANCE SHEET ABSTRACT

Balance Sheet Abstract and company's General Business Profile Required under part IV of the Companies Act, 1956

i. Registration Details

Registration No.

5	3		0	9	5	0	0
3	1		0	3		1	1

Balance Sheet Date Date Month Year

ii Capital raised during the year (Amount in Rs. Thousands)

Public Issue

NIL

Right Issue

NIL

Bonus Issued

NIL

Private Placement

NIL

iii Position of Mobilisation and Deployment of funds (Amount in Rs. Thousands)

Total Liabilities

287423

Total Assets

287423

Source of Funds

Paid up Capital

27534

Reserve & Surplus

21317

Secured Loans

202046

Unsecured Loans

18233

Deferred Tax Liability

11055

Share Forfeiture Reserve

7236

Application of Funds

Net Fixed Assets

98067

Investments

1643

Net Current Assets

187713

Misc. Expenditure

NIL

iv Performance of Company (Amount in Rs. Thousands)

Turnover

1978887

Total Expenditure

1967515

(+)/Profit /(-) Loss Before Tax

11372

(+)/Profit/(-) Loss after tax

6228

Earning per Share in Rs.

2.26

Dividend %

NIL

v Generic name of Principal Product/ Services of Company (As per Monetary items)

a) Item code No. (ITC Code)

NIL

Product Description

MARUTI SUZUKI DEALERSHIP

As per our report of even date

For and on behalf of the Board of Directors of Hira Automobile Ltd.

For Dalbir & Associates
Chartered Accountants
Firm Registration No. 021454N

RAHULINDER SINGH SIDHU
Chairman

CA Dalbir Singh

Proprietor
Membership No. 096320

KULDEEP SINGH BHATTAL
Whole Time Director

Place : Chandigarh
Date :Sept.03.2011

KULWINDER SINGH
Manager Accounts

HIRA AUTOMOBILES LIMITED
 Regd. Office : SCO 348-349, Third Floor, Sector 34-A
 Chandigarh
 FORM OF PROXY

HIRA AUTOMOBILES LIMITED

**Regd. Office : SCO 348-349, Third Floor, Sector 34-A
Chandigarh**

Attendance Slip

22nd Annual General Meeting

Regd. Folio No. _____

I certify that I am a shareholder /proxy for the registered Shareholders of the Company. I hereby record my presence at the 22nd ANNUAL GENERAL MEETING of the Company to be held on Friday 30th September, 2011 at 11.00 A.M at SCO 348-349, Third Floor, Sector 34-A, Chandigarh.

Member's /Proxy's Name in
Block Letters

Member's / Proxy's Signature

Note: - Please fill and sign this attendance slip and hand over at the ENTRANCE OF THE MEETING HALL.

HIRA AUTOMOBILES LIMITED
 Regd. Office : SCO 348-349, Third Floor, Sector 34-A
 Chandigarh

FORM OF PROXY

I/We _____ of _____
 _____ Being a
 member (s) of Hira Automobiles Ltd. here by appoint _____
 _____ of _____ or failing
 him _____ of _____ as my / our proxy to attend and
 vote for me/us on my/our behalf at the 22nd Annual General Meeting of the company to be held on Friday, 30th
 September, 2011 at 11.00 A.M at SCO 348-349, Third Floor, Sector 34-A, Chandigarh and at adjournment thereof.
 Signed this _____ day of _____ 2011.

Affix one
 Rupees
 Revenue Stamp

Signature _____

- Note:- 1) The form to be effective, should be duly stamped, completed and signed across the stamp as per specimen signature registered with the company.
 2) The proxy form must be deposited at the Registered Office of the Company not less than 48 hours before the time fixed for holding the meeting.
 3) A proxy can not speak or vote on a show of hands at the meeting.

HIRA AUTOMOBILES LIMITED
 Regd. Office : SCO 348-349, Third Floor, Sector 34-A
 Chandigarh

SUGGESTIONS

In case you have any suggestion for the betterment of your company please do write to us.

Suggestion _____

Name _____ Folio No./Client ID _____

Address _____

Pin Code _____