



**FORM A**

**Pursuant to clause 31(a) of the Listing Agreement**

1	Name of the Company	M/s Competent Automobiles Co. Limited
2	Annual financial statements for the year ended	31st March, 2014
3	Type of Audit observation	Un-qualified
4	Frequency of observation	Not Applicable

For Competent Automobiles Co. Limited

For Dinesh Mehta & Co.,  
Chartered Accountants

Raji Chopra  
Chairman &  
Managing Director

Vijay Sharma  
CFO

R. C. Murada  
Director & Audit  
Committee  
Chairman



Hiren Mehta  
Partner  
Membership No. -  
90772

**REGD. OFFICE & SHOWROOM**

Competent House, F-14, Connaught Place, New Delhi-110001 Ph 45700000 / 45800000 Fax 23327640 Email .ho@competent-maruti.com

**SHOWROOMS:**

- Competent House, F-14, Connaught Place, New Delhi-110001. Ph.45700000 / 45800000 Fax: 23327640 Email . ho@competent-maruti.com
- 3c's Complex, 15 Feroz Gandhi Marg, Lajpat Nagar-II New Delhi-24, Ph.: 45755500, Fax: 45755508, Email: cacplp@vsnl.net.in
- Plot No. 3, Gazipur, Delhi - 110096, Ph.: 45300000, Fax: 45300039, 45300038 Email :gazipur@competent-maruti.com
- 21, SHIVA JI MARG, DELHI-15 Phone : 45790000 Fax: 45790041
- A-24 & 25, MADHU VIHAR, RAJAPURI, (DWARKA) NEW DELHI-110075 Phone : 46500000 Email : dwarka@competent-maruti.com
- Kharsa No. 11/5/1, Opp. Furniture Market, Phimi Road, South-West Distt. Najafgarh, New Delhi-43, Mob: 9582797784, 9582797893 Email : cacinajafgarh@competent-maruti.com
- A-25, Sector - 33/34, Infocity, Gurgaon-122001 (Haryana). Phone: 95-124-4500000, Fax: 4500045, Email: Cactlgrg1@competent-maruti.com
- 407, Village Islampur, Near Subhash Chowk, Sohna Road, Gurgaon-122001, Phone : 0124-22204000, 0124-22202307, Fax : 4391099 Email : cactlgrg1@competent-maruti.com
- Gutkar, Mandi (H.P.) 175021 Ph: 01905-222465, 223865 Telefax: 01905-225665
- VIII. Tikkar, P.O. Didwin Hamirpur (HP) Pin. 177001, Ph.: 01972-256281.
- Village Rensary P.O Jhalera (Amb Road) UNA (H.P) Pin Code - 174303 Phone : 9459196981, 9459196982

**WORKSHOPS:**

- 895/C-8 Near Jain Mandir, Dada Bari, Mehrauli, New Delhi-110030 Ph.: 47724700 Fax: 26644366, Email: caclmeh@vsnl.net.in
- Plot No. 3, Gazipur, Delhi-110096, Ph.: 45300000, Fax: 45300039, 45300038 Email :gazipur@competent-maruti.com
- B-83, Mayapuri Industrial Area Phase -I New Delhi - 110066, Phone: 45780000, Fax: 45780032
- 650/1A, 14, Shivaji Marg, New Delhi-110015, Phone : +91-8377007988, E-mail: shivajimargworkshop@competent-maruti.com
- A-25, Sector - 33/34, Infocity, Gurgaon-122001 (Haryana). Phone: 95-124-4500000, Fax: 4500045, Email: cactlgrg1@competent-maruti.com
- Gutkar, Mandi (H.P.) 175021 Ph: 01905-222465, 223865 Telefax: 01905-225665 Email: mandi@competent-maruti.com
- VIII. Tikkar, P.O. Didwin Hamirpur (HP) Pin. 177001, Ph.: 01972-256281
- Village Rensary P.O Jhalera (Amb Road) UNA (H.P) Pin Code - 174303 Phone : 9459196981, 9459196982

**PDI:**

Palam Farm House No. 48, Village Salahpur Khera Bijwasan, New Delhi-61, Ph : 28061566, 28061757, E-mail: cacplpdi@vsnl.net

**TRUE VALUE SHOWROOM:**

21, SHIVA JI MARG, DELHI-15 Phone : 45790000 Fax: 25113493 E-mail: cactlv@rediffmail.com



**Board of Directors**

Mr. Raj Chopra	Chairman & Managing Director
Mrs. Kavita Ahuja	Whole Time Director
Mr. K. K. Mehta	Whole Time Director
Mr. S. L. Tandon	Director
Mr. Gopi Dargan	Director
Mr. R. C. Murada	Director
Mr. Rohit Gogia	Director
Mr. O. P. Tandon	Director

**Company Secretary**

Mr. Ravi Arora

**Auditors**

Dinesh Mehta & Co.  
New Delhi

**Regd. Office**

Competent House, F-14,  
Connaught Place  
New Delhi - 110001

**Bankers**

Vijaya Bank  
State Bank of India

**Showrooms**

- Competent House, F-14, Connaught Place, New Delhi - 110001
- 3C'S Complex, 15, Firoze Gandhi Marg, Lajpat Nagar-II, New Delhi -110024
- A-24 & 25, Madhu Vihar, Rajapuri, New Delhi - 110059
- Plot No. 3, Gazipur, (East Delhi) Delhi - 110096
- 21, Shivaji Marg, New Delhi - 110015
- Khasra No. 11/5/1, Opp. Furniture Market, Phirni Road, South - West Distt., Najafgarh, New Delhi - 110043
- 21, Shivaji Marg, New Delhi - 110015 (True Value)
- A-25, Sector-33/34, Infocity, Gurgaon - 122001
- 407, Village Islampur, Near Subhash Chowk, Sohna Road, Gurgaon - 122001
- NH 21, Chandigarh Manali Highway, P.O. Gutkar, Distt. Mandi, Himachal Pradesh
- Village Tikkar, Post – Didwin, Hamirpur, Himachal Pradesh
- Gandhi Nagar Kullu, Distt. Kullu, Himachal Pradesh
- Vill. Bamta Near I.T.I. Bilaspur, Distt. Bilaspur, Himachal Pradesh
- Village Rainsary (Jhalera), Una-Amb Road, Distt. Una, Himachal Pradesh

**Workshops**

- 895/C-8, Near Jain Mandir, Dada Bari, Mehrauli, New Delhi - 110030
- Plot No. 3, Gazipur, Delhi - 110096
- B-83, Maya Puri Industrial Area, Phase - I, New Delhi - 110064
- 650/1A, 14, Shivaji Marg, New Delhi - 110015
- A-25, Sector-33/34, Infocity, Gurgaon - 122001
- NH 21, Chandigarh Manali Highway, P.O. Gutkar, Distt. Mandi, Himachal Pradesh
- Village Tikkar, Post – Didwin, Hamirpur, Himachal Pradesh
- Village Rainsary (Jhalera), Una-Amb Road, Distt. Una, Himachal Pradesh
- Opp. S.S.B. Training Centre, Shamshi, Kullu, Himachal Pradesh

**Share Transfer Agent**

M/s Skyline Financial Services (P) Limited  
D-153/A, 1st Floor, Okhla Industrial Area, Phase -I, New Delhi - 110020

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## NOTICE OF ANNUAL GENERAL MEETING

**Notice** is hereby given that the 29<sup>th</sup> Annual General Meeting of the members of Competent Automobiles Co. Limited will be held at Plot No.-3, Gazipur, Delhi-110096 on Wednesday, the 30<sup>th</sup> day of July, 2014 at 9:30 A.M. to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet of the Company as at 31<sup>st</sup> March, 2014 and the Profit & Loss Account for the year ended on that date together with reports of the Directors and the Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**“RESOLVED THAT** M/s. Dinesh Mehta & Co., Chartered Accountants (Registration No. 000220N), be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors of the Company.”

### SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:  
**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV to the said Act, Mr. S. L. Tandon (DIN : 01302856), Director of the Company whose period of office is liable to determination by retirement of directors by rotation at the Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years commencing from 30<sup>th</sup> July, 2014.”
5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:  
**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV to the said Act, Mr. Gopi Dargan (DIN : 00502215), Director of the Company whose period of office is liable to determination by retirement of directors by rotation at the Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years commencing from 30<sup>th</sup> July, 2014.”
6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:  
**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV to the said Act, Mr. R. C. Murada (DIN : 01157406), Director of the Company whose period of office is liable to determination by retirement of directors by rotation at the Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years commencing from 30<sup>th</sup> July, 2014.”
7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:  
**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV to the said Act, Mr. Rohit Gogia (DIN : 00148977), Director of the Company who retires by rotation at the Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years commencing from 30<sup>th</sup> July, 2014.”
8. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:  
**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, read with Schedule IV to the said Act, Mr. O. P. Tandon (DIN : 05359771), Director of the Company who retires by rotation at the Annual General Meeting, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years commencing



from 30<sup>th</sup> July, 2014.”

9. To consider and of thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:  
“**RESOLVED THAT** pursuant to provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder and read with Schedule V of the Companies Act, 2013 and in partial modification of the resolutions passed earlier by the members in this regard, the consent of the Company be and is hereby accorded for variation of terms of appointment of Mrs. Kavita Ahuja to make her period of office liable to determination by retirement of directors by rotation for the remaining period of her tenure of office.”
10. To consider and of thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:  
“**RESOLVED THAT** pursuant to provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder and read with Schedule V of the Companies Act, 2013 and in partial modification of the resolutions passed earlier by the members in this regard, the consent of the Company be and is hereby accorded for variation of terms of appointment of Mr. Kanwal Krishan Mehta to make his period of office liable to determination by retirement of directors by rotation for the remaining period of his tenure of office.”

**Registered Office:  
Competent House,  
F-14, Connaught Place, New Delhi 110001**

**By order of the Board  
For Competent Automobiles Co. Ltd.**

**Place: New Delhi  
Date: 29<sup>th</sup> May, 2014**

**Ravi Arora  
Company Secretary**

**NOTES:**

1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Businesses to be transacted at the Annual General Meeting (AGM) is annexed hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON HIS / HER BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report. Proxies submitted on behalf of limited companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable.
3. Shareholders are requested to bring their copy of Annual Report to the meeting, as no separate copy would be provided at the venue of the Annual General Meeting.
4. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, July 24, 2014 to Wednesday, July 30, 2014 (both days inclusive).
6. The dividend on equity shares as recommended by the Board of Directors, if declared at the Annual General Meeting, will be paid within the prescribed time after the Annual General Meeting as to those Members whose names appear in the Register of Members of the Company as on the book closure dates.
7. Brief resume of Directors including those proposed to be appointed / re-appointed, giving relevant details are provided in the Corporate Governance Report forming part of the Annual Report

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8. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
  9. Members, who are holding shares in identical order of names in more than one folio are requested to write to the Company enclosing their share certificates to consolidate their holdings in one folio.
  10. Members who hold shares in dematerialised form are requested to bring their Client ID and DPID numbers for easy identification of attendance at the meeting.
  11. The members holding shares in physical form are also requested to notify any change in their addresses immediately to the Company's Share Registrar and Transfer Agents i.e. **M/s. Skyline Financial Services Pvt. Limited, D-153/A, 1st Floor Okhla Industrial Area Phase -I, New Delhi-110020.**
  12. Members / Proxy holders are requested to produce at the entrance, enclosed attendance slip duly completed and signed.
  13. In order to provide protection against fraudulent encashment of the warrants, shareholders holding shares in physical form are requested to intimate the Company under the signature of the Sole/First joint holder, the following information to be incorporated on the Dividend Warrants:
    - i. Name of the Sole / First joint holder and the Folio Number.
    - ii. Particulars of Bank Account, viz.:
      - Account type, whether Savings (SB) or Current Account (CA)
      - Account number allotted by the Bank.
      - Name of the Bank
      - Name of Branch
      - Complete address of the bank with Pin Code Number
  14. Shareholders holding Shares in electronic form may kindly note that their Bank account details as furnished by their depositories to the Company will be used for payment by ECS or printed on their Dividend Warrants as per the applicable regulations. The Company will not entertain any direct request from such shareholders for deletion of / change in such Bank details. Further, instructions, if any, already given by them in respect of shares held in physical form will not be automatically applicable to shares held in electronic mode. Shareholders who wish to change such Bank Account details are therefore requested to advise their Depository Participants about such changes, with complete details of Bank Account.
- 15. Electronic Clearing Service (ECS) Facility**
- With respect to the payment of dividend, the Company provides the facility of ECS to all of its shareholders, holding shares in electronic form and shareholders who have opted for ECS and are holding shares in physical forms.
- Shareholders holding shares in the physical form and who wish to avail ECS facility, may authorize the Company with their ECS Mandate in the prescribed form, which is enclosed herewith or can be downloaded from Company's website (i.e. [www.competent-maruti.com](http://www.competent-maruti.com)). Requests for payment of dividend through ECS for the year 2013-14 should be lodged with M/s Skyline Financial Services Pvt. Limited.
16. Pursuant to provisions of Section 205A of the Companies Act, 1956, all unpaid or unclaimed dividends upto the year ended 31st March, 2006 have been transferred to Investor Education and Protection Fund (IEPF) established by the Central Government.
  17. Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, dividend for the financial year ended March 31, 2007 and thereafter, which remains unclaimed for a period of 7 years will be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 205 of the Companies Act, 1956.

Information in respect of such unclaimed dividend when due for transfer to the fund is given below:



<b>Financial Year</b>	<b>Type of dividend</b>	<b>Date of Declaration of Dividend</b>	<b>Date at which amount becoming due for credit to IEP Fund</b>
2006-07	Final Dividend	28-09-2007	05-11-2014
2007-08	Final Dividend	29-09-2008	06-11-2015
2008-09	Final Dividend	30-09-2009	07-11-2016
2009-10	Final Dividend	29-09-2010	06-11-2017
2010-11	Final Dividend	30-09-2011	07-11-2018
2011-12	Final Dividend	29-09-2012	06-11-2019
2012-13	Final Dividend	29-07-2013	05-09-2020

Shareholders who have not so far encashed the dividend warrant(s) are requested to seek issue of duplicate warrant(s) by writing to the Company. **Shareholders are requested to note that no claims shall lie against the Company or the said fund in respect of any amounts which were unclaimed and unpaid for a period of seven years from the dates that they first became due for payment and no payment shall be made in respect of any such claims.**

18. Non-Resident Indian Shareholders are requested to inform M/s Skyline Financial Services Pvt. Limited immediately:
  - The change in the residential status on return to India for permanent settlement.
  - The particulars of the Bank Account maintained in India with complete name, branch, account type, account number, and address of the Bank, if not furnished earlier.
19. As mandated by the Securities and Exchange Board of India (SEBI), members are requested to send copy of the PAN card along with other documents while sending their request for transfer of shares in physical form, deletion of name of the deceased shareholders, transmission or transposition of shares etc., to the Registrar & Share Transfer Agent of the Company.
20. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode to Members whose e-mail IDs are registered with the Company or the Depository Participant(s) unless the Members have registered their request for a hard copy of the same. Physical copy of the Notice of AGM, Annual Report and Attendance Slip are being sent to those Members who have not registered their e-mail IDs with the Company or Depository Participant(s). Members who have received the Notice of AGM, Annual Report and Attendance Slip in electronic mode are requested to print the Attendance Slip and submit duly filled Attendance Slip at the registration counter to attend the AGM.
21. Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on Friday, 13th June, 2014, are entitled to vote on the Resolutions set forth in this Notice. The e-voting period will commence at 9.00 a.m. on Wednesday, 23rd July, 2014 and will end at 5.00 p.m. on Friday, 25th July, 2014. The Company has appointed Mr. Vijay Kumar Singhal, Practising Company Secretary, to act as the Scrutinizer, for conducting the scrutiny of the votes cast. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.

#### **PROCEDURE FOR E-VOTING**

- I. The Company has entered into an arrangement with National Securities Depository Limited (NSDL) for facilitating e-voting for AGM. The instructions for e-voting are as under:
  - (a) In case of Members receiving an e-mail from NSDL:
    - (i) Open the PDF file 'CACL e-Voting.pdf' attached to the e-mail, using your Client ID / Folio No. as password. The PDF file contains your User ID and Password for e-voting. Please note that the Password provided in PDF is an 'Initial Password'.
    - (ii) Launch an internet browser and open <https://www.evoting.nsdl.com>
    - (iii) Click on Shareholder - Login.

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- (iv) Insert 'User ID' and 'Initial Password' as noted in step (i) above and click 'Login'.
- (v) Password change menu will appear. Change the Password with a new Password of your choice. Please keep a note of the new Password. It is strongly recommended not to share your Password with any person and take utmost care to keep it confidential.
- (vi) Home page of e-voting will open. Click on e-Voting - Active Voting Cycles.
- (vii) Select 'EVEN' of Competent Automobiles Co. Limited.
- (viii) Now you are ready for e-voting as 'Cast Vote' page opens.
- (ix) Cast your vote by selecting appropriate option and click on 'Submit'. Click on 'Confirm' when prompted.
- (x) Upon confirmation, the message 'Vote cast successfully' will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority Letter, along with attested specimen signature of the duly authorised signatory(ies) who are authorised to vote, to the Scrutinizer by an e-mail at pcsvijaysinghal@gmail.com with a copy marked to evoting@nsdl.co.in.

(b) In case of Shareholders receiving physical copy of the Notice of AGM.

- (i) Initial Password is provided, as follows, alongwith Notice of AGM.

<b>EVEN (E-Voting Event Number)</b>	<b>USER ID</b>	<b>PASSWORD</b>
-	-	-

- (ii) Please follow all steps from Sr. No. (ii) to Sr. No. (xii) above, to cast vote.
- II. In case of any queries, you may refer to the 'Frequently Asked Questions' (FAQs) and 'e-voting user manual' available in the downloads section of NSDL's e-voting website [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
  - III. If you are already registered with NSDL for e-voting then you can use your existing User ID and Password for casting vote.
  - IV. The voting rights shall be as per the number of equity share held by the Member(s) as on Thursday, 13th June, 2014. Members are eligible to cast vote electronically only if they are holding shares as on that date.
  - V. The Companies (Management and Administration) Rules, 2014 provides that the electronic voting period shall be completed three days prior to the date of AGM. Accordingly, the voting period shall commence at 9:00 a.m. on Wednesday, 23rd July, 2014 and will end at 5:00 p.m. on Friday, 25th July, 2014. The e-voting module shall be disabled by NSDL at 5.00 p.m. on the same day.
  - VI. The results shall be declared on or after the AGM. The results along with the Scrutinizer's Report, shall also be placed on the website of the Company.

**Registered Office:**  
**Competent House,**  
**F-14, Connaught Place, New Delhi 110001**

**By order of the Board**  
**For Competent Automobiles Co. Ltd.**

**Place: New Delhi**  
**Date: 29<sup>th</sup> May, 2014**

**Ravi Arora**  
**Company Secretary**



**EXPLANATORY STATEMENT**

**Item no. 4 to 8**

In accordance with the relevant provisions of the Articles of Association of the Company and the erstwhile provisions of the Companies Act, 1956, Mr. R. C. Murada and Mr. S. L. Tandon, Independent Directors were re-appointed by the Members of the Company in the 28th AGM held on 29th July, 2013. The provisions of the Companies Act, 2013 with respect to appointment and tenure of the Independent Directors have come into effect. As per the said provisions, the Independent Directors shall be appointed for not more than two terms of five years each and shall not be liable to retire by rotation at every AGM.

The Board of Directors of the Company has decided to adopt the provisions with respect to appointment and tenure of Independent Directors which is consistent with the Companies Act, 2013 and the amended Listing Agreement. Accordingly, the Independent Directors will serve for not more than two terms of five years each on the Board of the Company. In the transition to the Companies Act, 2013, which is effective 1st April, 2014, those Independent Directors who have already served for ten or more years will serve for a maximum period of one term of five years. This is consistent with the provisions of Companies Act, 2013. In effect, the transition will be managed by re-appointing such Independent Directors for a period of one more term that does not exceed five years.

Mr. Rohit Gogia and Mr. O. P. Tandon will retire by rotation at the ensuing AGM as per the erstwhile applicable provisions of the Companies Act, 1956. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, Mr. S. L. Tandon, Mr. Gopi Dargan, Mr. R. C. Murada, Mr. Rohit Gogia Mr. O. P. Tandon, being eligible, offer themselves for appointment as Independent Directors on the Board of the Company. In line with the requirements of the Companies Act, 2013, it is therefore proposed to appoint Mr. S. L. Tandon, Mr. Gopi Dargan, Mr. R. C. Murada, Mr. Rohit Gogia Mr. O. P. Tandon, as Independent Directors on the Board of the Company for a term upto five consecutive years, commencing from 30th July, 2014. A brief profile of proposed Independent Directors are included as a part of Corporate Governance Report.

Notices have been received from Members proposing candidature of the above Directors for the office of Independent Director of the Company. In the opinion of the Board, Mr. S. L. Tandon, Mr. Gopi Dargan, Mr. R. C. Murada, Mr. Rohit Gogia and Mr. O. P. Tandon, fulfils the conditions specified in the Companies Act, 2013 and the Rules made thereunder for appointment as Independent Directors of the Company. A copy of the draft Letter of Appointment for Independent Directors, setting out terms and conditions of their appointment, is available for inspection at the Registered Office of the Company during business hours on any working day.

None of the Directors or Key Managerial Personnel of the Company and their relatives, other than Independent Directors for their respective appointment, are concerned or interested, financially or otherwise, in these Resolutions. The Board commends the Ordinary Resolutions as set out at item no. 4 to 8 for approval of the Members.

**Item no. 9 & 10**

Mrs Kavita Ahuja and Mr. Kanwal Krishan Mehta was re-appointed as Whole-time Directors of the Company w.e.f. November 01, 2010 and August 23, 2009 respectively. As per terms of their appointment their office was not liable to determine to retire by rotation.

As per Section 149 of the Companies Act, 2013 read with Schedule IV thereunder, Office of Independent Directors are not liable to be determined by rotation and Section 152(6) atleast two – third of the Board excluding Independent Directors shall be of the Directors whose period of office is liable to determination by retirement of directors by rotation. Accordingly, to comply with Act, the Company has proposed to vary the terms of appointment of Mrs. Kavita Ahuja and Mr. Kanwal Krishan Mehta so that their office shall be liable to be determined retirement of Directors by rotation.

None of Directors or Key Managerial Personnel except Mr. Raj Chopra, Mrs. Kavita Ahuja and Mr. Kanwal Krishan Mehta are concerned or interested, financially or otherwise in these resolutions. The Board recommends the Ordinary resolutions as set out at item no. 9 & 10 for approval of Members.

**Registered Office:**

**Competent House,  
F-14, Connaught Place, New Delhi 110001**

**By order of the Board  
For Competent Automobiles Co. Ltd.**

**Place: New Delhi  
Date: 29<sup>th</sup> May, 2014**

**Ravi Arora  
Company Secretary**



# ANNUAL REPORT & ACCOUNTS 2013-2014

## DIRECTORS' REPORT

Dear Members,

Your directors have pleasure in presenting this 29<sup>th</sup> Annual Report together with Audited Accounts of the Company for the financial year ended 31<sup>st</sup> March, 2014.

### FINANCIAL HIGHLIGHTS

The financial performance of the Company, for the year ended 31<sup>st</sup> March, 2014 is summarised below:

Particulars	(Rs. in Lacs)	
	Year ended 31-03-2014	Year ended 31-03-2013
Gross Income	80,956.26	78,850.47
<b>Profit before Dep. &amp; Tax</b>	<b>1,723.08</b>	<b>1,540.12</b>
Less : Depreciation	361.97	391.84
Less :Provision for Taxation including deferred tax	443.59	369.31
<b>Profit after tax</b>	<b>917.52</b>	<b>778.97</b>
Add: Profits from Previous year	3,347.09	2,789.55
Profits available for appropriation	4,264.61	3,568.52
<b>Less Appropriations</b>		
Proposed Dividend including tax	71.90	71.43
Tax Adjustments	20.12	-
Transfer to General Reserves	200.00	150.00
Closing Balance	3,972.59	3,347.09

### OPERATIONAL AND FINANCIAL PERFORMANCE

The Financial Year 2013-14 was a tough year. Besides slowing down of economy, factors such as tight liquidity and generally weak sentiments led to reduced consumption. Demand growth in your Company's product also slowed down in 2013-14 thus limiting top line development. In this challenging environment, the company kept its focus on improving operational efficiencies to remain competitive in existing business.

Your Company has reported a turnover of Rs. 80956.26 Lacs in the Current Financial Year against the turnover of Rs. 78850.47 Lacs in the Previous Financial Year, registering a growth of 2.67%.

The Company's profit before tax (PBT) is Rs. 1361.11 Lacs as compared to profit before tax of Rs. 1148.28 Lacs of previous year, registering a growth of 18.53%.

During the year 2013-14, your company sold 17604 Maruti Vehicles (including 205 Vehicles under Direct Billing) as compared with 17233 Maruti Vehicles (including 200 Vehicles under Direct Billing), sold during the previous year.

### DIVIDEND

Keeping in view the current economic scenario and the future fund requirements of the Company, your directors are pleased to recommend a final dividend of Re.1.00 per Equity Share of Rs. 10/- each for the year ended 31<sup>st</sup> March, 2014, which if approved by shareholders at the forthcoming Annual General Meeting will be paid to those shareholders whose names appear on the Register of Members as on book closure dates.



## **ACHIEVEMENTS**

During the year, your Company has received following Awards & Recognition by Maruti Suzuki India Limited:

1. Platinum Dealer Award for Himachal Unit
2. Sales Growth Award for Group (Delhi & Himachal)
3. DGS & D Sales Runner-up for Delhi Unit
4. Alto & Wagon-R Category-D for Mandi
5. Best CSI Non-JDP City for Mandi

## **DIRECTORS**

As per the provisions of the Companies Act, 2013, Independent Directors are required to be appointed for a term of five consecutive years and shall not be liable to retire by rotation. Accordingly, resolutions proposing appointment of Independent Directors forms the part of the Notice of the Annual General Meeting.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

In terms of Section 217(2AA) of the Companies Act, 1956, the Board of Directors confirm that:

- a) In the preparation of the Annual Accounts for financial year ended 31<sup>st</sup> March, 2014, the applicable accounting standards have been followed along with proper explanations relating to material departures;
- b) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31<sup>st</sup> March, 2014 and of the profit for the year ended on that date;
- c) They 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 frauds and other irregularities.
- d) They have prepared the annual accounts for financial year ended 31<sup>st</sup> March, 2014 on a going concern basis.

## **CORPORATE GOVERNANCE**

Your Company reaffirms its commitment to good Corporate Governance practices. Pursuant to Clause 49 of the Listing Agreement with the BSE Limited, Corporate Governance Report and Auditors Certificate regarding compliance of conditions of Corporate Governance are enclosed and form an integral part of this report.

## **MANAGEMENT DISCUSSION & ANALYSIS REPORT**

A report on Management Discussion and Analysis, as required under Clause 49 of the Listing Agreement, is enclosed and forms an integral part of this report.

## **LISTING FEE OF SHARES**

Your Company's Equity Shares are listed with BSE Limited (BSE) and Listing Fee for the financial year 2014-15 has been paid in advance by the Company.

## **AUDITORS**

The Statutory Auditors, M/s Dinesh Mehta & Co., Chartered Accountants, retire at the forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment. Your Company has received a Certificate from the Auditors to the effect that their appointment, if made, would be within the limits of Section 224(1B) of the Companies Act, 1956.

## **AUDITORS' REPORT**

The observations made by the Auditors in their Report are self-explanatory and do not call for any further comments.

# **ANNUAL REPORT & ACCOUNTS 2013-2014**

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## **CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

Since your Company does not own any manufacturing facility, the requirements pertaining to disclosure of particulars relating to conservation of energy, research & development and technology absorption, as prescribed under Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are not applicable.

The foreign exchange earnings and expenditure of the Company during the year under review were NIL and Rs. 13.05 Lacs as compared to Rs. NIL and Rs. 10.35 lacs in the previous year respectively.

## **PARTICULARS OF EMPLOYEES**

During the year, there was no employee drawing remuneration in excess of Rs. 60,00,000/- p.a. or Rs. 5,00,000/- p.m. Accordingly, information required to be given pursuant to the provisions of Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 has not been given here.

## **DEPOSITS**

Your Company has not accepted any deposit under Section 58A and 58AA of the Companies Act, 1956, read with Companies (Acceptance of Deposits) Rules, 1975.

## **ACKNOWLEDGEMENT**

The Board wishes to place on record its appreciation to the contribution made by the employees of the Company during the year under review. Your Directors thank the customers, clients, vendors and other business associates for their continued support in the Company's growth. The Directors also wish to thank the Government Authorities, Banks, Financial Institutions and Shareholders for their cooperation and assistance extended to the Company.

**For and on behalf of the Board  
For Competent Automobiles Co. Limited**

**Place: New Delhi  
Date: 29<sup>th</sup> May, 2014**

**RAJ CHOPRA  
Chairman & Managing Director  
DIN – 00036705**

**CORPORATE GOVERNANCE REPORT**
**COMPANY'S PHILOSOPHY**

The Company maintains standards while complying with the ideology of practicing good Corporate Governance. While achieving corporate goals and creating wealth for the investors the company simultaneously endeavors to apply highest level of corporate ethics and corporate governance practices. The Board considers itself a trustee of all shareholders and acknowledges its responsibilities to the shareholders for creating and safeguarding shareholders wealth.

The Company's compliance of corporate governance guidelines of the listing agreement is as follows:

**A. COMPOSITION OF THE BOARD AND RECORD OF OTHER DIRECTORSHIPS HELD**

The Company is managed and controlled through a professional body of Board of Directors, which consists of eminent persons with considerable professional expertise and experience.

The Board of Directors comprise of an optimum combination of Executive and Non-executive Independent directors headed by the Chairman. The composition of the Board of Directors of the Company is in conformity with the provisions of clause 49 of the listing agreement with the stock exchange. The independent directors do not have any pecuniary relationship or transactions with the company, promoters and management, which may affect independence or judgment of the directors in any manner.

The composition and structure of the Board and record of other directorships and Committee memberships and Chairmanships of directors as on 31<sup>st</sup> March, 2014 is as under:

Name of the Director	Category	Designation	Inter-se relationship among directors	No. of other Director ships Held**	Total No. of Chairmanships / Memberships of Board Committees***		
					Chairman-ship	Member-ship	Total
Mr. Raj Chopra	Promoter Director	Chairman & Managing Director	Father of Mrs. Kavita Ahuja	9	Nil	Nil	Nil
Mrs. Kavita Ahuja	Promoter Director	Whole-Time Director	Daughter of Mr. Raj Chopra	2	Nil	1	1
Mr. K. K. Mehta	Executive Director	Whole-Time Director	Brother-in-law of Mr. Raj Chopra	Nil	Nil	Nil	Nil
Mr. S. L. Tandon	Independent Director	Director	*	Nil	Nil	Nil	Nil
Mr. Gopi Dargan	Independent Director	Director	*	2	Nil	1	1
Mr. R. C. Murada	Independent Director	Director	*	2	2	Nil	2
Mr. Rohit Gogia	Independent Director	Director	*	2	Nil	2	2
Mr. O P Tandon	Non Executive and Non-Independent Director	Director	*	Nil	Nil	Nil	Nil

\* There is no relationship between any of the Independent Directors

\*\* Excluding directorship of Competent Automobiles Co. Ltd.

\*\*\* In accordance with clause 49, Membership(s) / Chairmanship(s) of only the Audit Committee and Shareholder /Investor Grievance Committee of all Public Limited Companies, whether listed or not, have been considered. As per disclosure(s) received from the Directors, none of the Directors hold memberships in more than 10 Committees or Chairmanship in more than 5 Committees.

# ANNUAL REPORT & ACCOUNTS 2013-2014

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## B. BOARD MEETINGS:

### 1. Schedule of Board Meetings

Months for holding the board meetings in the ensuing year are decided in advance and most board meetings are held at the Company's registered office at 'Competent House', F-14, Connaught Place, New Delhi. The Board meets at least once in a quarter to review the quarterly results and other items on the agenda.

### 2. Number of Board Meetings

The Company's Board met Ten (10) times – on 25<sup>th</sup> April, 2013, 15<sup>th</sup> May, 2013, 30<sup>th</sup> May 2013, 12<sup>th</sup> August, 2013,, 12<sup>th</sup> November, 2013, 23<sup>rd</sup> December, 2013, 7<sup>th</sup> January, 2014, 31<sup>st</sup> January, 2014, 14<sup>th</sup> February, 2014 and 28<sup>th</sup> February, 2014 during the financial year ended 31<sup>st</sup> March, 2014. The maximum time gap between any two meetings was not more than four months.

### 3. Record of the Directors' attendance at Board Meetings and Annual General Meeting (AGM)

Name of the Director	Number of Board Meetings held during his/her tenure and attended by him/her		Attendance at last AGM held on 29 <sup>th</sup> July, 2013
	Held	Attended	
Mr. Raj Chopra	10	10	No
Mrs. Kavita Ahuja	10	10	Yes
Mr. K K Mehta	10	10	No
Mr. S. L. Tandon	10	10	Yes
Mr. Gopi Dargan	10	10	No
Mr. R. C. Murada	10	10	Yes
Mr. Rohit Gogia	10	10	No
Mr. O P Tandon	10	10	No

## C. BOARD LEVEL COMMITTEES

In accordance with listing agreement with the stock exchange on Corporate Governance, the following committees are in operation:

- Audit Committee
- Investor Grievance Committee

### 1. AUDIT COMMITTEE

#### ➤ Terms of reference

As a measure of good Corporate Governance and to provide assistance to the Board of Directors in fulfilling the Board's supervisory responsibilities, an Audit Committee has been constituted, headed by an independent director. Majority of its members are Independent Directors and each member has rich experience in financial sector.

The functions of the Audit Committee are review of periodical results and annual financial statements. The Audit Committee also oversees the Company's financial reporting process, review performance of statutory and internal auditors, adequacy and compliance of internal control systems. The Audit Committee reviews quarterly, half yearly and annual financial statements before submission to the Board, focusing primarily on changes, if any, in accounting policies and practices, compliance with accounting standards, compliance with stock exchange listing agreement requirements etc.

#### ➤ Composition and names of members

The Audit Committee, as on 31<sup>st</sup> March, 2014, consists of the following three directors and each member of the Committee possesses a strong financial and accounting background:

Chairman : Mr. R. C. Murada  
Members : Mrs. Kavita Ahuja and Mr. Rohit Gogia

**> Meetings and attendance during the year**

The Audit Committee met four times during the financial year from 1<sup>st</sup> April, 2013 to 31<sup>st</sup> March, 2014 on the following dates:

<b>1</b>	30 <sup>th</sup> May, 2013	<b>3</b>	12 <sup>th</sup> November, 2013
<b>2</b>	12 <sup>th</sup> August, 2013	<b>4</b>	14 <sup>th</sup> February, 2014

The attendance record of the audit committee members is given in following table:

Names of the Audit Committee Members	Number of Audit Committee meetings held during his/her tenure and attended by him/her	
	Held	Attended
Mr. R. C. Murada	4	4
Mrs. Kavita Ahuja	4	4
Mr. Rohit Gogia	4	4

Mr. R. C. Murada, Chairman of the Audit Committee attended the last annual general meeting of the Company to answer the shareholders' queries.

**2. INVESTORS' GRIEVANCE COMMITTEE (IGC)****> Terms of reference**

This Committee was constituted specifically to review compliance of rules and regulations, to redress shareholder's grievance and to provide suggestions. To expedite the process of share transfer, transmission etc., the Board has appointed M/s Skyline Financial Services Pvt. Ltd viz. Registrar and Share Transfer Agent to attend to all the necessary formalities of share transfer, transmission etc. at least thrice in a month.

Terms of reference of the Investor Grievance Committee are as per the guidelines set out in the listing agreement with the Stock Exchange which inter-alia include looking into the investors complaints on transfer of shares, non receipt of dividends etc. and redressal thereof.

**> Composition and names of members**

The Investor Grievance Committee (i.e. IGC) as on 31<sup>st</sup> March, 2014 is headed by an Independent director, and consists of the following three directors:

Chairman : Mr. R. C. Murada  
Members : Mr. Gopi Dargan and Mr. Rohit Gogia

**> Meetings and attendance during the year**

The Investor Grievance Committee met four (4) times during the financial year from 1<sup>st</sup> April, 2013 to 31<sup>st</sup> March, 2014 on the following dates:

<b>1</b>	30 <sup>th</sup> May, 2013	<b>3</b>	12 <sup>th</sup> November, 2013
<b>2</b>	12 <sup>th</sup> August, 2013	<b>4</b>	14 <sup>th</sup> February, 2014

The attendance record of the Investor Grievance Committee members is as follows:

Names of the IGC members	Number of IGC meetings held during his tenure and attended by him	
	Held	Attended
Mr. R. C. Murada	4	4
Mr. Gopi Dargan	4	4
Mr. Rohit Gogia	4	4

**> Compliance Officer**

The Compliance Officer for this committee is Company Secretary of the Company.

**Shareholders' Complaints etc. received during the FY-2013-14**

During the year from 1<sup>st</sup> April, 2013 to 31<sup>st</sup> March, 2014, the Company has received one complaint from Investor / Shareholder of the Company.

# ANNUAL REPORT & ACCOUNTS 2013-2014

All requests received for change of address/ change of bank account details, dividend related queries etc. were replied well within time.

## REMUNERATION PAID TO DIRECTORS

The remuneration paid to Managing and Whole time directors is decided by the Board of Directors with the approval of shareholders of the Company subject to provisions of section 198, 309, 349 & 350, Schedule XIII and all other applicable provisions of the Companies Act, 1956. Following table give the details of remuneration paid to directors. As of now, the Company does not have any Employee Stock Option Plan (ESOP):-

### The Details of Remuneration paid to Directors for the year ended 31<sup>st</sup> March, 2014

(In Rs.)			
Name of Director	Remuneration	Commission	Total
Mr. Raj Chopra	18,00,000	30,00,000	48,00,000
Mrs. Kavita Ahuja	12,00,000	-	12,00,000
Mr. K. K. Mehta	7,80,000	-	7,80,000

## D. GENERAL BODY MEETINGS:

### 1. Date, Venue and Time of previous three Annual General Meetings:

Financial Year ended	Date	Venue	Time
March 31, 2013	29.07.2013	Plot No. 3, Gazipur, Delhi 110096	9:30 a.m.
March 31, 2012	29.09.2012	Plot No. 3, Gazipur, Delhi 110096	9:00 a.m.
March 31, 2011	30.09.2011	Plot No. 3, Gazipur, Delhi 110096	9:00 a.m.

- Details of special resolutions passed in the previous three Annual General Meetings: No Special Resolution was proposed or passed in the previous three Annual General Meetings of the Company.
- Special Resolution u/s 180(1)(a) of the Companies Act, 2013 was passed through postal ballot and results were declared by the Chairman on March 13, 2014. Details of voting pattern is as under:

Sr. No.	Particulars	Item No. 1	
		No. of Postal Ballot	Votes
1	Total postal Ballot form received within the prescribed time	39	5033072
2	Less: Invalid postal ballot forms	2	200
<b>3</b>	<b>Valid Postal Ballot Forms</b>	<b>37</b>	<b>5032872</b>
4	Votes in favour of the resolution	34	5032671
5	Votes in against the resolution	3	201

- Person who conducted the Postal Ballot exercise: Mr. Praveen Kumar Bharti, Advocate, Enrl. No. D/2835/2011
- No special resolution is proposed to be conducted through Postal Ballot in ensuring Annual General Meeting.

## E. DISCLOSURES:

- Related Party Transactions:** For related party transactions please refer to note no.34 in the notes to financial statement forming part of the annual accounts.
- The Company has complied with the requirements of stock exchange or SEBI on matters related to Capital Markets, as applicable. No penalty was levied by these authorities in last three years.
- Code of Conduct:** The Company has adopted a Code of Conduct for the members of the Board of Directors and the senior management of the Company. The code of conduct is displayed on the website of the Company.

To  
The Board of Directors  
Competent Automobiles Co. Ltd.,  
Competent House, F-14, Connaught Place, New Delhi – 110001

**Annual Declaration of compliance of Code of Conduct by CEO**

I, Raj Chopra, Chairman & Managing Director, hereby declare that the Code of Conduct adopted by the Company for its Board members and senior management personnel has been duly complied by all Board members and senior management personnel of the Company for the year ended 31<sup>st</sup> March, 2014.

**Place : New Delhi**  
**Date : 29<sup>th</sup> May, 2014**

**Raj Chopra**  
**Chairman & Managing Director**

**4. Compliance with Mandatory requirements of clause 49 of the listing agreement**

The Company has complied with all the applicable mandatory requirements of clause 49 of the listing agreement.

**5. Compliance with Non-Mandatory requirements of clause 49 of the listing agreement**

The Company has not adopted any of the non-mandatory requirements of clause 49 of the listing agreement.

6. The necessary certificate from Mr. Raj Chopra, Chairman and Managing Director and Mr. Vijay Sharma, DGM-Finance & Accounts of the Company, pursuant to clause 49(V) of the listing agreement with stock exchange, was placed before the Board.

7. **Management Discussion and Analysis Report** - The Management Discussion and Analysis has been discussed in detail separately in this Annual Report on page no. 22.

**8. Disclosure regarding appointment or re-appointment of directors:**

As per the provisions of the Companies Act, 2013, Independent Directors are required to be appointed for a term of five consecutive years and shall not be liable to retire by rotation, therefore Mr. S. L. Tandon, Mr. Gopi Dargan, Mr. R. C. Murada, Mr. Rohit Gogia & Mr. O. P. Tandon, Independent Directors of the Company shall be appointed for a term upto five consecutive years commencing from 30<sup>th</sup> July, 2014.

Pursuant to the requirements of the listing agreement with the stock exchange, on Corporate Governance, the information required to be given, in case of the appointment of a new director or re-appointment of a director, is enclosed to this report.

9. **Compliance Certificate from Statutory Auditors:** Certificate from Statutory Auditors confirming compliance with conditions of corporate governance as stipulated in clause 49 of the listing agreement, is annexed to this report.

10. **Shareholding of Directors:** As on 31<sup>st</sup> March, 2014, details of shareholding of all the directors (i.e. Executive as well as Non-Executive Directors) are given below:

**i. Executive Directors:**

<b>Name of the Director</b>	<b>Number of Shares Held</b>
Mr. Raj Chopra	Nil
Mrs. Kavita Ahuja	37,78,680
Mr. K K Mehta	Nil

**ii. Non - Executive Directors:**

<b>Name of the Director</b>	<b>Number of Shares Held</b>
Mr. S. L. Tandon	Nil
Mr. Gopi Dargan	Nil
Mr. R. C. Murada	Nil
Mr. Rohit Gogia	15,000
Mr. O P Tandon	500

11. Other disclosures as required under clause 49 has been given at relevant places in the Annual Report.



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## F MEANS OF COMMUNICATION

The Company normally publishes its quarterly / half yearly / yearly Unaudited/audited financial results in Business Standard / Financial Express / Jansatta (English & Hindi) newspapers. The Company also ensures that these Results are promptly and prominently displayed on the Company's website [www.competent-maruti.com](http://www.competent-maruti.com).

## G. INFORMATION TO SHAREHOLDERS

### 1. REGISTERED OFFICE

Competent House, F-14, Connaught Place, New Delhi – 110001  
Phone: +91 11 45700000, 45800000  
Fax: +91 11 23327640

### 2. ANNUAL GENERAL MEETING

The date, time & venue of the forthcoming Annual General Meeting and the Book Closure dates are as per the Notice calling the Annual General Meeting.

### 3. FINANCIAL CALENDER

Financial Year starts from 1<sup>st</sup> April and ends at 31<sup>st</sup> March of succeeding year and tentative schedule for approval of the quarterly / half yearly / yearly financial results is given below:

Particulars	Month (Tentative and subject to change)
Un-audited Financial results for the 1 <sup>st</sup> quarter ended June 30, 2014	August, 2014
Un-audited Financial results for the 2 <sup>nd</sup> quarter and half year ending September 30, 2014	November, 2014
Un-audited Financial results for the 3 <sup>rd</sup> quarter ending December 31, 2014	February, 2015
Audited Financial results for the last quarter and whole year ending March 31, 2015	May, 2015

### 4. WEBSITE

The address of the Company's website is [www.competent-maruti.com](http://www.competent-maruti.com)

### 5. DIVIDEND PAYMENT DATE

Your Directors have recommended a dividend of Re. 1/- per equity share. The total amount to be paid to equity shareholders as dividend is Rs. 61.46 Lakh.

Dividend on equity shares as recommended by the Board of directors for the year ended 31<sup>st</sup> March, 2014, if approved at the forthcoming Annual General Meeting, will be paid within the specified time period.

Following table gives the dividend history of Company in the last three years:

Year	Dividend (%)
2012-13	10
2011-12	10
2010-11	10

### 6. LISTING ON STOCK EXCHANGE

As on 31<sup>st</sup> March, 2014, the Company's shares are listed on BSE Limited and Scrip Code is **531041**.

### 7. INTERNATIONAL SECURITIES IDENTIFICATION NUMBER (ISIN)

ISIN is a unique identification number of traded scrip. This number has to be quoted in each transaction relating to the dematerialised equity shares of the company. The ISIN number of the shares of Competent Automobile Co. Ltd. is **INE823B01015**.

### 8. ANNUAL LISTING FEE

Annual Listing Fee for the financial year 2014-15 has been paid to the BSE Limited in advance. There are no arrears of listing fees with the said stock exchange till date.

**9. DISTRIBUTION OF SHAREHOLDING AS ON 31<sup>ST</sup> MARCH, 2014**

Following tables give the data on shareholding according to types of shareholders and class of shareholders.

**Distribution of the shareholdings according to type of shareholders**

Particulars	31 <sup>st</sup> March, 2014	
	No. of Shares	%
<b>Promoter and Promoter Group</b>		
Individuals	46,04,305	74.92
<b>Total (A)</b>	<b>46,04,305</b>	<b>74.92</b>
<b>Public Shareholding</b>		
Mutual Funds	100	0.00
Bodies Corporate	3,94,450	6.42
Individuals	11,14,115	18.13
Others (NRIs/HUF/Clearing Member / House etc.)	33,030	0.54
<b>Total (B)</b>	<b>15,41,695</b>	<b>25.08</b>
<b>Grand Total (C=A+B)</b>	<b>61,46,000</b>	<b>100</b>

**Distribution of shareholding according to the number of shares**

No. of Equity Shares held	31 <sup>st</sup> March, 2014			
	No. of Shareholders	% of Shareholders	No. of Shares	% of Share Capital
Upto 500	2005	90.72	231601	3.77
501-1000	94	4.25	81110	1.32
1001-2000	38	1.72	58912	0.96
2001-3000	18	0.81	49819	0.81
3001-4000	6	0.27	21096	0.34
4001-5000	10	0.45	47099	0.77
5001-10000	17	0.77	122181	1.99
10001 and above	22	1.00	5534182	90.05
<b>TOTAL</b>	<b>2,210</b>	<b>100.00</b>	<b>61,46,000</b>	<b>100.00</b>

**10. MARKET PRICE DATA**

Monthly high and low prices of equity shares of the Company traded at the BSE Limited during financial year 2012-13 are given below:

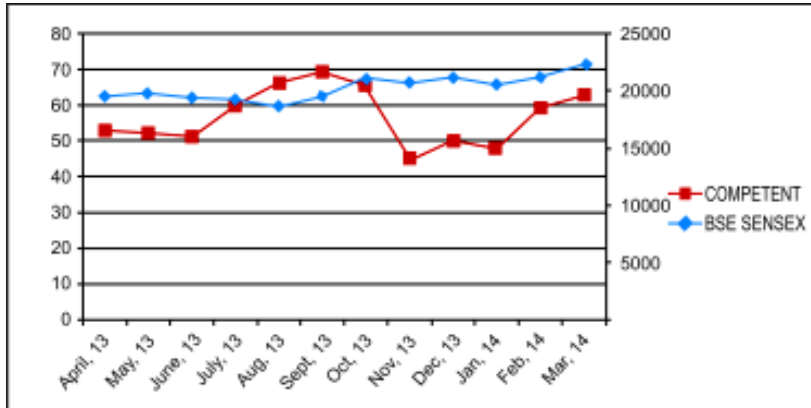
Month	BSE	
	High (Rs.)	Low (Rs.)
Apr-13	57.00	42.00
May-13	60.65	49.00
Jun-13	57.70	44.35
Jul-13	64.90	49.80
Aug-13	71.55	57.05
Sep-13	78.00	60.85

Month	BSE	
	High (Rs.)	Low (Rs.)
Oct-13	75.55	61.80
Nov-13	67.00	44.70
Dec-13	54.00	44.75
Jan-14	62.50	44.75
Feb-14	62.80	46.60
Mar-14	62.80	56.00

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## 11. SHARE PERFORMANCE IN COMPARISON TO BSE SENSEX

### a. COMPANY'S SHARE PRICE (MONTHLY CLOSING PRICE) MOVEMENT VIS A VIS BSE SENSEX



## 12. DEMAT

Your Company's equity shares are compulsorily traded in dematerialisation form by all categories of investors. Equity shares of your Company are available for trading in the depository systems of both the Depositories viz. National Securities Depositories Limited (NSDL) and Central Depositories Service (India) Limited (CDSL).

As on 31<sup>st</sup> March, 2014, 89.60 % (i.e. 55,06,548 equity shares) of the total paid-up equity share capital of the Company were held in demat form.

## 13. REGISTRAR AND SHARE TRANSFER AGENT AND SHARE TRANSFER SYSTEM

The Company has appointed a common Registrar & Share Transfer Agent i.e. Skyline Financial Services Private Limited for share transfer and dematerialisation of shares. Their contact details are as follows:

Skyline Financial Services Private Limited  
Unit: M/s Competent Automobiles Co. Limited  
D-153/A, 1<sup>st</sup> Floor, Okhla Industrial Area, Phase-I, New Delhi – 110020  
Ph: +91 11 26812682 Fax: +91 11 26812683  
Contact Person: Mr. Virender Rana / Mr. Parveen Sharma  
Email: admin@skylinerta.com

## 14. OUTSTANDING STOCK OPTIONS

There are no outstanding GDRs / ADRs / Warrants / Convertible Instruments as on 31<sup>st</sup> March, 2014.

## 15. PLANT LOCATIONS

The addresses of the Company's units are mentioned at the first page of this Annual Report.

## 16. ADDRESS FOR CORRESPONDENCE:

i. **Investors' Correspondence** may be addressed to the following:

The Company Secretary,  
Competent Automobiles Co. Limited,  
"Competent House",  
F-14, Connaught Place, New Delhi 110001  
Email: cs@competent-maruti.com

**OR**

to the Registrar and Share Transfer Agent i.e. : Skyline Financial Services Private Limited as stated at point no.-13.



## COMPETENT AUTOMOBILES CO. LTD.

PURSUANT TO THE REQUIREMENTS OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGE, ON CORPORATE GOVERNANCE, THE INFORMATION REQUIRED TO BE GIVEN, IN CASE OF THE APPOINTMENT OF A NEW DIRECTOR OR RE-APPOINTMENT OF A DIRECTOR, IS GIVEN AS FOLLOWS:

<b>Name of the Director</b>	Mr. Rohit Gogia	Mr. O. P. Tandon
<b>Date of Birth</b>	27/04/1972	10/12/1940
<b>Qualification</b>	B.Com	B.A.
<b>Expertise in Specific functional area</b>	He is an entrepreneur having rich business experience and profound knowledge about the food flavours and fragrances Industry.	He has expertise in Hospitality and food industry. He has experience of working in several leading Companies like Shipping Corporation of India, Dolphin Shipping Company etc. and at present is heading the purchase function of Competent Hotels Pvt. Ltd.
<b>Date of Appointment</b>	31/10/2011	14/08/2012
<b>Name of the other Companies in which he holds Directorship</b>	M/s Gogia Chemical Ind. Pvt. Ltd. M/s Gogia Flavour & Fragrances Pvt. Ltd.	NIL
<b>Name of the Committees* of the Companies of which he holds Membership / Chairmanship</b>	Competent Automobiles Co. Ltd.: Audit Committee – Member Investor Grievance Committee – Member	NIL
<b>Shareholding in the Company</b>	15000	500

<b>Name of the Director</b>	Mr. Gopi Dargan
<b>Date of Birth</b>	15/07/1942
<b>Qualification</b>	B.E.-Mechanical
<b>Nature of Expertise in Specific functional area</b>	He is a leading Businessman. In the past, he had held various prominent positions in various organizations like Banks, Educational Institutions and Companies.
<b>Date of Appointment</b>	25/04/2005
<b>Name of the other Companies in which he holds Directorship</b>	M/s Taksal Theaters Pvt. Limited M/s Dargan Properties Pvt. Ltd.
<b>Name of the Committees* of the Companies of which he holds Membership / Chairmanship</b>	<b>Competent Automobiles Co. Ltd.</b> Investor Grievance Committee – Member
<b>Shareholding in the Company</b>	NIL

\* For this purpose, Membership(s) / Chairmanship(s) of only the Audit Committee and Shareholder Investor Grievance Committee of all Public Limited Companies have been considered.

## ANNUAL REPORT & ACCOUNTS 2013-2014

<b>Name of the Director</b>	Mr. R C Murada	Mr. S L Tandon
<b>Date of Birth</b>	11/08/1941	01/02/1930
<b>Qualification</b>	B.A. Diploma in Marketing from NSIC, Delhi Diploma in PCC (Personal Contract Campaign) from Times of India Diploma in Times Management from Times Education	B.Sc
<b>Expertise in Specific functional area</b>	Mr. Murada has expertise in fields of sales and marketing. He has more than three decades of experience in the Print Media and Newspaper industry. He has worked at many senior positions in big corporate such as Times of India, Amar Ujala and Reliance Group (The Observer) and has played important roles thereat.	Group Captain S L Tandon is a retired Indian Air Force Officer. He has immense experience of more than two decades in the Technical (Automobile) field.
<b>Date of Appointment</b>	02/11/2006	25/04/2005
<b>Name of the other Companies in which he holds Directorship</b>	M/s Competent Hotels Pvt. Limited M/s Competent Films Pvt. Ltd.	NIL
<b>Name of the Committees* of the Companies of which he holds Membership / Chairmanship</b>	<b>Competent Automobiles Co. Ltd.</b> Audit Committee- Chairman Investor Grievance Committee – Chairman	NIL
<b>Shareholding in the Company</b>	NIL	NIL

\* For this purpose, Membership(s) / Chairmanship(s) of only the Audit Committee and Shareholder Investor Grievance Committee of all Public Limited Companies have been considered.



**AUDITORS' CERTIFICATE  
AS PER CLAUSE 49 OF THE LISTING AGREEMENT**

To the Members of M/s Competent Automobiles Co. Limited

We have examined the compliance of conditions of Corporate Governance by Competent Automobiles Co. Limited for the year ended on 31<sup>st</sup> March 2014 as stipulated in clause 49 of the listing agreement of the said Company with BSE Limited.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in clause 49 of the above mentioned listing agreement.

We state that no investor grievance(s) is / are pending for a period exceeding one month against the Company as per the records maintained by the Investors Grievance Committee.

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

**For Dinesh Mehta & Co.,  
Firm Registration No.-000220N  
Chartered Accountants**

**Place: New Delhi  
Date: 29<sup>th</sup> May, 2014**

**Hiren Mehta  
Partner  
Membership No. - 90772**

# ANNUAL REPORT & ACCOUNTS 2013-2014

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## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### OVERALL VIEW

Year 2013-14 began with slow economic growth of India because of a tight monetary policy, intended to address persistent inflation, and a decline in investment caused by investor pessimism about domestic economic reforms and about the global situation. The economic environment was tough and the growth in India moderated for a year. There were various internal and external factors that played a role. High international crude prices have exacerbated the government's fuel subsidy expenditures, contributing to a higher fiscal deficit and a worsening current account deficit. The effect of the uncertainty and recession trends in the global economies was compounded by the complexities in the domestic environment. The economic sentiment remained subdued as government policy and measures were keenly watched for their impact on fiscal deficit and interest rates.

The Indian automotive industry has emerged as a 'sunrise sector' in the Indian economy. India is emerging as one of the world's fastest growing passenger car markets. After a slump during the economic crisis of 2008-09, Automobile Industry had a dream run for the next two years. But, stubborn inflation, rising finance and fuel costs and a slowdown in industrial activity have taken a toll on domestic automobile sales since then. In the immediate term these are areas of serious concern but despite that the general consensus remains optimistic about medium and long term growth.

Faced by slowdown in growth and risk of credit down rating, the Government of India announced some reforms over the last few months to revive investments and sentiments. These reforms though are unlikely to lead to the sharp economic recovery in short term but will have positive effect in medium and long term.

### INDUSTRY OVERVIEW, STRUCTURE AND DEVELOPMENT

The automobile sector is one of the key segments of the economy having extensive forward and backward linkages with other key segments of the economy. The Indian automobile industry comprises of a number of Indian-origin and multinational players, with varying degree of presence in different segments.

Automobile dealer Industry plays the vital role of link between the manufacturer of the automobile and the consumer. With large inventories of cars, dealers provide consumers with a wide array of vehicles to meet their needs at different price points.

The sales of most of automobiles today are subject to changing consumer tastes, the popularity of the manufacturer's vehicle models, and the intensity of competition with other dealers. Along with the sale of the car, most dealers also sell additional automobile-related services to potential buyers. These services include extended warranties, undercoating, insurance, and financing. After market sales departments sell these services and other merchandise after vehicle salespersons have closed a deal. Sales of these packages greatly increase the revenue generated for each vehicle sold. Because sales of automobiles fluctuate significantly, automotive dealers offer generous incentives, rebates and financing deals during slow periods to maintain high sales volumes and to reduce inventories.

Performing repair work on vehicles is another profitable service provided in this industry. Service departments at motor vehicle dealers provide repair services and sell accessories and replacement parts. Although most service departments perform repairs only, some dealers also have body shops to do collision repair, refinishing and painting. The work of the service department has a major influence on customers' satisfaction and willingness to purchase future vehicles from the dealer.

**Industry Structure:** The automobile dealer industry is comprised of two segments. New car dealers, often called franchised dealers, primarily sell new cars, sport utility vehicles (SUVs), and passenger and cargo vans. These franchised dealers sell vehicles manufactured by a particular company, which may include several brands. Used car dealers comprise the other segment of the industry, and are sometimes referred to as independent dealers. These dealers sell a variety of vehicles that have been previously owned or formerly rented and leased. Improvements in technology have increased the durability and longevity of new cars, raising the number of high-quality used cars that are available for sale. Used car dealers by definition do not sell new cars, but most new car dealers do sell some used cars.

New vehicle sales account for more than half of total sales revenue at franchised new car dealers. These sales also generate additional revenue in other departments of new car dealers, which are more profitable to the dealer. By putting new vehicles on the road, dealers can count on new repair and service customers and future trade-ins of used vehicles.



## **Developments**

Prior to liberalisation of Indian Economy there were only three players in the Automobile Industry and Maruti was dominating the numbers by a fair margin. Cars were on the waiting list as the Demand far exceeded the Supply and choice was limited for the customers. Liberalisation of the Indian economy in 1991 had put the Indian automobile industry on a new growth trajectory. It attracted international giants to set up their production facilities in the country. In the present times, we have almost all major manufacturers of the world here in India and the numbers are only increasing. Customers are spoiled for choice and dealerships are willing to go that extra mile to make that ever so crucial “sale”. From a seller’s market it has turned into a buyers’ market. Today, India has one of the fastest growing automobile industries in the world.

In an effort to achieve greater financial and operational efficiency and flexibility in the automobile dealer industry, greater emphasis is being placed on after sale services, such as financing and vehicle maintenance and repair, at both new and used car dealers. These services remain less susceptible to economic downturns. They are also part of an effort to enhance customer loyalty and overall customer service.

In recent years, the sale of used cars has become another useful business area for many new car dealers in the wake of shrinking margins on new cars. To make them acceptable to more customers, some dealers promote “certified pre-owned” vehicles to customers who want a warranty on their used vehicle. This often raises the price, but in return provides customers with peace of mind. In economic downturns, the relative demand for these and other used cars often increases as sales of new cars decline.

The increased use of the Internet to market, new and used cars has also had a significant impact on automobile dealers. Through the Internet, consumers can easily access vehicle reviews, view pictures of vehicles and compare models, features, and prices. Many websites allow consumers to research insurance, financing, leasing and warranty options. As a result, consumers are generally better informed and spend less time meeting with salespersons.

## **OPPORTUNITIES AND THREATS**

### **Opportunities**

Over the last few months, Indian Government has taken some measures to stabilise the economy by containing fiscal and current account deficit. These stability measures will ensure that economic growth will slowly yet steadily return. We thus expect year 2014-15 to be a year of economic stability with growth at higher rates may return in the years coming afterwards.

One of the largest automobile markets in the world, India has some remarkable facts to credit which make it world renowned. The Indian automobile industry has a bright future because of several factors like rapid urbanisation, Car buyers getting younger, growing middle class, overall growth of other industries, infrastructure development and the improved road infrastructure. This along with rising disposable income, aspirations for a better lifestyle and a slew of new product launches lined up by companies would aid overall increase in sales volumes. The Company, with its wide portfolio is expected to benefit from the same. This growing consumerism is expected to lead to an increase in car penetration.

Further, there has been continuing shift in rural spending in terms of its growth and it is less dependent on farm income. Income remittances from migrant rural population, increase in land prices and increase in non-farm activities and increased government spending in rural areas, have helped to reduce rural under-employment and raised rural income levels. This indicates a potential growth opportunity in this market. The Company is poised to benefit from the same.

### **Threats**

In developed markets, engine capacity and wheel base are the basis of segmentation of passenger cars, price does play a role but only upto a point. Since affordability is the most important demand driver in India, the domestic car market has until now been segmented on the basis of vehicle price. Price based competition also takes place in a continuum than in segments since nearly all the models are launched in multiple versions at different price points. As a result higher end variant compete with lower-end-variant of a car in a segment above it.

Further, intensity of competition has increased in almost all the segments of the Indian automobile dealers market whether it’s a competition for sales of cars from dealers of same brand or of competing brands or competition in after-sales service business from other dealers of same brand or from organised (branded) franchised service network or from unorganised local garages.



## **ANNUAL REPORT & ACCOUNTS 2013-2014**

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Moreover, in the automobile dealer industry, vehicles cannot be kept in the store for long unlike consumer durables, as automobiles lose value with time. The model gets old and the customer would not be willing to pay for it. The damage due to handling, if they are in the showroom or warehouse for too long, is another factor.

Other factors like affordability, innovation, infrastructure facilities and price of fuel, stringent emission norms and safety regulations and interest rates affect the demand for automobiles to a larger extent. These factors and challenges always keep the automakers and dealers on their toes.

### **OUTLOOK**

The financial year 2013-14 sales figures are not enthralling, to say the least. Automobile dealer fraternity was banking a lot on the advent of 2014-15 to bring the much needed buoyancy back in the market.

Despite offering various schemes, the showroom traffic has come down drastically and enquiry conversions are also not taking place. Customers shying away from the showrooms and whatever footfalls are there in the showrooms are not getting fully converted into sales. The market sentiment continues to remain subdued due to poor economic conditions and various other factors. The issues, such as, depressed economic environment, inflation and high fuel prices & interest rates continue to dog the auto market. The external factors, particularly, slowdown and subdued economic activity in Europe, leading to India's widening trade gap, are not helping either.

The long term outlook for the automobile industry is bright and robust, though outlook for the Indian auto industry in near term is expected to remain stable and a muted growth in both passenger vehicles segments is expected due to structural weaknesses and over-capacity among other factors.

### **RISKS AND CONCERNS**

Indian car industry is one of the most promising car industries across the globe. It has gradually strengthened its foothold in the international area as well. The country is dealing with many car manufacturers, dealers, and associations in various countries including U.S. From some countries, India import cars and car components and to some India exports. With this, global recession is obvious to have its impact on the Indian Car Industry.

Though India has witnessed a growing customer base, it has not inoculated them from the global crisis. The crippling liquidity and high interest rates have slowed down the vehicle demand.

Rising Input costs of commodities, significant increase in Crude Oil prices, availability of credit and affordable interest rates are important facilitators for automobile sales. The uncertain exchange rates and a sudden increase in dollar value against Indian rupee have contributed to slowdown. Increasing Dollar value has raised the landed cost of imported machine, tools and even raw materials required for production.

In addition, rising cost of dealership operations, limited availability of trained and untrained manpower, increasing labour and wage rates, prospects of accelerated career growth and better training & development opportunities have kept the margins of dealership operations under immense pressure.

Intensity of competition has increased in almost all the segments of the Indian automotive market due to entry of new players and appointment of new dealers by Maruti. Launch of new models by different players have also increased market competition. This increasing level of competition would also translate into higher selling and distribution costs. The Company is aware of the increasing competition and is taking measures to remain competitive in the market place.

### **SEGMENT WISE BUSINESS PERFORMANCE**

Competent Automobiles Co. Ltd. is mainly in the business of trading and servicing of Maruti Suzuki vehicles. The Company operates in two segments, namely, Showroom and Services & Spares. The Showroom segment deals with purchase and sales of vehicles manufactured by Maruti Suzuki India Limited. The Service and Spares segment includes servicing of Maruti vehicles and sale of their spare parts. For Segment wise business performance of the Company, please refer to note no. 36 in the notes to financial statement forming part of the annual accounts.



**OPERATIONAL & FINANCIAL PERFORMANCE**

The details of the operational & financial performance are appearing in the financial statements separately. For highlights, please refer to Directors' Report forming a part of this Annual Report.

**HUMAN RESOURCES/ INDUSTRIAL RELATIONS**

During the year, the Company has taken several initiatives to further strengthen its human resource base to meet its current & future growth plans. There was unity of purpose among the employees to continuously strive for all round improvements in work practices & productivity. Industrial relations were cordial throughout the year at all locations. As on 31<sup>st</sup> March, 2014, there were 1207 employees on the roll of the Company.

**INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY**

The Company has proper and adequate systems of internal control in order to ensure that assets are safeguarded and transactions are duly authorized, recorded and reported correctly.

Internal Audit function is looked after by team of in house internal Auditors appointed by the Company, who conduct regular audit at all units/locations. Both the statutory as well as Internal Auditors independently evaluate the adequacy of internal control system. Based on the audit observations & suggestions, follow up & remedial measures are being taken on a regular basis.

**CAUTIONARY STATEMENT**

Certain statements in the Management Discussion & Analysis describing the company's views about the Industry's expectations/ predictions, objectives etc. may be forward looking within the applicable laws and regulations. Actual results may differ materially from those expressed in the statements. Company's operations may be affected with the demand and supply situations, input prices and their availability, changes in Government regulations, tax laws and other factors such as industrial relations and economic developments etc. Investors should bear the above, in mind.

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## INDEPENDENT AUDITOR'S REPORT

To,

**The Members of  
COMPETENT AUTOMOBILES COMPANY LIMITED**

We have audited the accompanying financial statements of **COMPETENT AUTOMOBILES COMPANY LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2014, and the Statement of Profit & Loss Account and the Cash Flow Statement for the year ended 31<sup>st</sup> March 2014, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 of India (the "Act"), read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act 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 March 31, 2014;
- b) In the case of the Statement of Profit & Loss, of the Profit of the Company for the Period ended on that date.
- c) In the case of the Cash Flow Statement, of the Cash Flows of the Company for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

- I. As required by the Companies (Auditor's Report) order, 2003 ("the order") 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 Paragraph's 4 and 5 of the Order.
- II. As required by section 227 (3) of the Act, we report that:
  - 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 proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
  - c) The Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standards notified under the Act read with the General Circular 15/2013 dated September 13, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;



- e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of Sub Section (1) of Section 274 of the Companies Act, 1956.

**For Dinesh Mehta & Co.,  
Firm Registration No.-000220N  
Chartered Accountants**

**Place: New Delhi  
Date: 29<sup>th</sup> May, 2014**

**Hiren Mehta  
Partner  
Membership No. - 90772**

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**ANNEXURE TO AUDITOR'S REPORT  
(Referred to in paragraph – 1 of our report of even date  
on the accounts for the year ended on 31st March, 2014  
of COMPETENT AUTOMOBILES COMPANY LIMITED.**

1. In respect to its Fixed Assets:
    - a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets on the basis of available information.
    - b) As explained to us, the management during the year has physically verified the fixed assets, which in our opinion is reasonable having regard to the size of the company and the nature of its fixed assets. We are informed that, no material discrepancy has been noticed by the management on such verification.
    - c) In our opinion, the company has not disposed off a substantial part of its fixed assets during the year and the going concern status of the company is not affected.
  2. In respect of its Inventories :
    - a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
    - b) The procedure of physical verification of inventories followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
    - c) On the basis of our examination of the inventory records, we are of the opinion that the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records are not material. The discrepancies noted on such verification have been properly dealt with in the books of accounts.
  3. The Company has not granted/taken any secured or unsecured loan to/from companies, firms and other parties covered in the register maintained under section 301 of the Companies Act, 1956 except loans taken from two directors ( Mr. Raj Chopra and Mrs. Kavita Ahuja) of the company. The rate of interest and other terms and conditions of the loans taken are not prima facie prejudicial to the interest of the company. The principal amount outstanding as on 31<sup>st</sup> March 2014 under both accounts is NIL. Maximum amount outstanding during the year were Rs. 30 lacs and Rs. 225 lacs in respect of loan taken from Mrs Kavita Ahuja and Mr. Raj Chopra respectively.
  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 regard to purchase of inventory, fixed assets and for the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal control systems.
  5. Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that no transactions that need to be entered into the register maintained u/s 301 have taken place during the year.
  6. According to the information and explanation given to us, the company has not accepted any deposits from the public within the meaning of Section 58A and 58AA of the Companies Act, 1956 and the rules framed there under.
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7. In our opinion the company has internal audit system, commensurate with its size and nature of the business.
8. The provision of maintaining Cost records under Section 209(1)(d) of the Companies Act, 1956 are not applicable to the company.
9. In respect of statutory dues:
  - a) According to the records of the company, the company has been regular in depositing with the appropriate authorities, undisputed statutory dues including Provident Fund, Investor Education Protection Fund, ESIC contribution, Income-Tax, Sales- Tax, Wealth-Tax, Custom duty, Excise duty, Cess, Service tax and other statutory dues applicable to it. According to the information and explanation given to us, no undisputed amounts payable in respect of Income-Tax, Wealth-Tax, Sales Tax, Service Tax, Excise Duty & Custom Duty were outstanding as at March 31<sup>st</sup> 2014, for a period of more than six months from the date they became payable.
  - b) According to the records of the Company, the disputed sales tax demand of Rs.287.56 lacs in respect of financial year 1991-92 under Central Sales Tax Act,1956 has not been deposited on account of disputed matters pending before appropriate authorities. Against this, the Company has filed an appeal before Additional Commissioner of Sales Tax (Appeals) -I, New Delhi.
10. The Company does not have any accumulated losses at the end of the year. The company has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.
11. Based on our audit procedures and the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to banks. The company did not have any outstanding debentures or any outstanding loans from any financial institutions except vehicle and term loans.
12. The Company has not granted any loans or advances on the basis of securities by way of pledge of shares, debentures, and other securities.
13. The Provision of any special statute applicable to Chit Fund/ Nidhi /Mutual Benefit Fund/ Societies are not applicable to the company.
14. In our opinion, the company is not a dealer or trader in shares, securities, debentures, or other investments.
15. According to information and explanation given to us, the company has not given any guarantee for loans taken by others from bank or financial Institutions.
16. According to the information and explanation given to us, the term loans have been applied for the purpose for which they were raised.
17. 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. The Company has availed cash credit facility from the bank, which is used for working capital requirement.
18. Based on our examination of records and the information provided to us by management, we report that the Company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
19. According to information and explanation given to us, the company has not issued any debentures during the year.
20. The Company has not raised any money by public issue.
21. According to information and explanation given to us and on an overall examination of the balance sheet of the company, no fraud on or by the company has been noticed or reported during the year.

**FFor Dinesh Mehta & Co.,**  
**Firm Registration No.-000220N**  
**Chartered Accountants**

**Place: New Delhi**  
**Date: 29<sup>th</sup> May, 2014**

**Hiren Mehta**  
**Partner**  
**Membership No. - 90772**



# COMPETENT AUTOMOBILES CO. LTD.

## BALANCE SHEET AS AT 31ST MARCH 2014

(Amount in ₹)

	Notes to Accounts	Figures as at the end of Current Reporting Period	Figures as at the end of Previous Reporting Period
<b>I EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	6,27,84,500	6,27,84,500
Reserves and Surplus	3	74,21,74,717	65,96,25,494
		<u>80,49,59,217</u>	<u>72,24,09,994</u>
<b>Non-Current Liabilities</b>			
Long-Term Borrowings	4	5,18,72,007	7,19,71,747
Other Long-Term Liabilities	5	21,06,093	24,53,446
		<u>5,39,78,100</u>	<u>7,44,25,193</u>
<b>Current Liabilities</b>			
Short-Term Borrowings	6	23,03,09,603	14,96,46,548
Trade Payables	7	25,31,75,552	24,25,29,594
Other Current Liabilities	8	23,74,04,898	18,44,47,511
Short-Term Provisions	9	3,49,99,771	3,04,82,056
		<u>75,58,89,824</u>	<u>60,71,05,709</u>
<b>TOTAL</b>		<u><u>1,61,48,27,141</u></u>	<u><u>1,40,39,40,898</u></u>
<b>II ASSETS</b>			
<b>Non-Current Assets</b>			
<b>Fixed Assets</b>			
-Tangible Assets	10	43,09,45,767	44,38,15,408
-Capital Work-in-Progress	11	9,15,81,465	6,10,12,089
-Non Current Investments	12	7,50,00,000	-
Deffered Tax Assets (Net)	13	44,07,224	57,65,732
Long-Term Loans and Advances	14	6,63,22,832	4,55,21,106
Other Non current Assets	15	62,41,288	31,13,018
		<u>67,44,98,576</u>	<u>55,92,27,353</u>
<b>Current Assets</b>			
Inventories	16	63,52,95,951	53,88,69,024
Trade Receivables	17	17,70,13,958	19,93,89,435
Cash and Bank Balances	18	7,52,97,024	6,92,65,137
Short-Term Loans and Advances	19	5,02,65,966	3,46,98,179
Other Current Assets	20	24,55,663	24,91,769
		<u>94,03,28,562</u>	<u>84,47,13,544</u>
<b>TOTAL</b>		<u><u>1,61,48,27,141</u></u>	<u><u>1,40,39,40,898</u></u>

Significant Accounting policies Notes to Accounts form part of Financial Statements.

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As Per our report of even date attached

For Dinesh Mehta & Co.

Firm Registration No: 000220N

Chartered Accountants

For and on behalf of the Board of Directors

(Hiren Mehta)

Partner

Membership No. -90772

(Raj Chopra)

Chairman & Managing Director

DIN-00036705

(Kavita Ahuja)

Whole Time Director

DIN-00036803

Place: New Delhi

Date : 29<sup>th</sup> May, 2014

(Ravi Arora )

Company Secretary

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## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2014

(Amount in ₹)

	Note No.	Figures For the Current Reporting Period	Figures For the Previous Reporting Period
<b>A Revenue</b>			
I Revenue from Operations	21	<b>8,08,18,27,458</b>	7,87,87,09,911
II Other Income	22	<b>1,37,98,552</b>	63,37,468
III <b>Total Revenue (I+II)</b>		<b>8,09,56,26,010</b>	7,88,50,47,379
<b>IV Expenses</b>			
Purchases of Stock in Trade	23	<b>7,38,86,82,759</b>	7,20,36,06,142
Changes in Inventories of Stock in Trade	24	<b>(9,64,26,927)</b>	(7,87,39,206)
Employee Benefit Expenses	25	<b>20,82,88,676</b>	19,19,85,067
Finance Cost	26	<b>4,61,33,347</b>	4,62,78,308
Depreciation and Amortization Expense	27	<b>3,61,97,061</b>	3,91,83,985
Other Expenses	28	<b>37,66,40,272</b>	36,79,04,826
<b>Total Expenses</b>		<b>7,95,95,15,188</b>	7,77,02,19,122
V <b>Profit before extraordinary items and Tax (V) = (III)-(IV)</b>		<b>13,61,10,822</b>	11,48,28,257
VI Exceptional Items		-	-
VII <b>Profit / (Loss) before extraordinary items and Taxes VI = (V-VI)</b>		<b>13,61,10,822</b>	11,48,28,257
IX <b>Profit / (Loss) before Tax (VII-VIII)</b>		<b>13,61,10,822</b>	11,48,28,257
X <b>Less : Tax Expenses</b>			
- Current Tax		<b>4,30,00,000</b>	3,85,00,000
- Deferred Tax		<b>13,58,508</b>	(15,68,629)
- (Excess)/Short provision for taxation and tax payments			
<b>Profit after Tax for the Year (IX-X)</b>		<b>9,17,52,314</b>	7,78,96,886
<b>Earnings per Equity share (In ₹)</b>			
<b>(Nominal Value per Share ₹ 10/-)</b>		<b>14.93</b>	12.67

Basic and Diluted

**Significant Accounting policies Notes to Accounts form part of Financial Statements.**

As Per our report of even date attached

**For Dinesh Mehta & Co.**  
**Firm Registration No: 000220N**  
**Chartered Accountants**

**(Hiren Mehta)**  
**Partner**  
**Membership Np. -90772**

**Place: New Delhi**  
**Date : 29<sup>th</sup> May, 2014**

**For and on behalf of the Board of Directors**

**(Raj Chopra)**  
**Chairman & Managing Director**  
**DIN-00036705**

**(Kavita Ahuja)**  
**Whole Time Director**  
**DIN-00036803**

**(Ravi Arora )**  
**Company Secretary**



# COMPETENT AUTOMOBILES CO. LTD.

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2014

(All Figures in ₹)

	Year ended 31 March 2014	Year ended 31 March 2013
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Net profit before tax</b>	<b>13,61,10,822</b>	11,48,28,256
Adjustments for :		
Depreciation and Amortisation	<b>3,61,97,061</b>	3,91,83,985
Profit on Sale of Tangible Assets	<b>(57,10,004)</b>	(5,93,521)
Provisions no longer required written back		
Provision for Gratuity		
Provision for Doubtful Debts		
Financial Expenses	<b>4,61,33,347</b>	4,62,78,308
Interest Income	<b>7,66,20,404</b>	8,48,68,772
<b>Operating gain before working capital changes</b>	<b>21,27,31,225</b>	19,96,97,028
Changes in working capital		
(Increase)/Decrease in Inventories	<b>(9,64,26,925)</b>	(7,87,39,206)
(Increase)/Decrease in Trade Receivables	<b>2,24,11,582</b>	(5,56,16,535)
(Increase)/Decrease in Loans and Advances	<b>(3,63,69,514)</b>	4,99,60,098
Increase in Current Liabilities and Provisions	<b>6,77,73,707</b>	8,22,22,225
	<b>(4,26,11,149)</b>	(21,73,418)
<b>Cash generated from Operating activities before Taxes</b>	<b>17,01,20,076</b>	19,75,23,610
Direct Taxes paid (net of refunds)	<b>(4,81,87,868)</b>	(3,63,13,946)
<b>Net cash generated from/ (used in) Operating activities</b>	<b>12,19,32,208</b>	16,12,09,664
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	<b>(5,67,41,490)</b>	(12,59,10,035)
Purchase of Investments	<b>(7,50,00,000)</b>	-
Proceeds from Sale of Investments		
Proceeds from Sale of Tangible Assets	<b>85,54,237</b>	58,47,978
Interest received		
<b>Net cash generated from / (used in) investing activities</b>	<b>(12,31,87,253)</b>	(12,00,62,057)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Bank Borrowings	<b>6,05,63,315</b>	87,52,968
Proceeds from Long Term Bank Borrowings		
Repayment of Long Term Borrowings		
Financial expenses paid	<b>(4,61,33,347)</b>	(4,62,78,308)
Dividend paid	<b>(71,43,035)</b>	(71,42,881)
<b>Net cash generated from/ (used in) financing activities</b>	<b>72,86,933</b>	(4,46,68,221)
<b>INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>60,31,887</b>	(35,20,615)
<b>Cash and Bank balance at the beginning of the year</b>	<b>6,92,65,137</b>	7,27,85,751
<b>Effect of exchange gain on cash and cash equivalents</b>		
<b>Cash and Bank balance at the end of the year</b>	<b>7,52,97,024</b>	6,92,65,137
<b>Component of Cash and Bank balance</b>		
Cash and cash equivalents include :		
Cash on hand	<b>2,15,39,976</b>	2,71,03,462
Cheques on hand	<b>81,48,139</b>	97,09,764
Balances with Banks:		
Deposit accounts		
Current accounts	<b>3,53,22,128</b>	2,25,01,654
<b>Cash and cash equivalents at the end of the year</b>	<b>6,50,10,243</b>	5,93,14,880
<b>Add:</b>		
Fixed deposits with original maturity of more than 90 days	<b>1,02,86,781</b>	99,50,256
<b>Cash and Bank balances at the end of the year</b>	<b>7,52,97,024</b>	6,92,65,137

**Notes** 1 The Cash Flow Statement has been prepared in accordance with the 'Indirect Method' specified in Accounting Standard 3, Cash Flow Statement, notified under 'Section 211(3C) of the Companies Act, 1956.  
2 Figures in brackets represents cash out flow.

As per our report of even date

**For Dinesh Mehta & Co.**  
Firm Registration No: 000220N  
Chartered Accountants

For and on behalf of the Board of Directors

(Hiren Mehta)  
Partner  
Membership No. -90772

(Raj Chopra)  
Chairman & Managing Director  
DIN-00036705

(Kavita Ahuja)  
Whole Time Director  
DIN-00036803

Place: New Delhi  
Date : 29<sup>th</sup> May, 2014

(Ravi Arora )  
Company Secretary



# ANNUAL REPORT & ACCOUNTS 2013-2014

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## SIGNIFICANT ACCOUNTING POLICIES

### 1. Accounting Convention

The company adopts the historical cost convention on the accrual basis in preparing the accounts in accordance with generally accepted accounting principles in India and applicable statutes and comply with the Accounting Standards referred in Section 211 (3C) Companies (Accounting Standards) Rules 2006, as amended and the other relevant provisions of The Companies Act, 1956.

All Assets and liabilities have been classified as Current and Non Current as per Company's normal operating cycle and other criteria set out in the Revised Schedule VI of The Companies Act, 1956.

#### 1.1 Tangible Assets

- a) Fixed Assets are stated at their original cost of acquisition including taxes, duties, freight and other incidental expenses related to acquisition and installation of the concerned assets. The amount of capital expenditure which has not been attributed to the assets and pending for capitalization are shown as Capital Work in progress.
- b) Depreciation on fixed assets is provided on written down value method at the rates prescribed in the schedule XIV of The Companies Act, 1956 on pro rata basis.
- c) The vehicles purchased for the purpose of test drive are treated as an asset of the Company and depreciation is charged accordingly.

#### 1.2 Inventories

Cost of the Inventories are valued on the basis given below:

- (i) Cost of finished goods are measured at cost or market value which ever is lower.
- (ii) Cost of Spare Parts and Accessories, Oils and Lubricants are measured at cost on FIFO basis.

#### 1.3 Investments

Investments are valued at cost of acquisition, less provisions for diminution, as necessary, if any.

#### 1.4 Segment Accounting

The accounting policies adopted for segment reporting are in accordance with the Accounting Standards -17 "Segment Reporting" issued by The Institute of Chartered Accountants of India. Segment revenue and expenses include amounts which can be directly identifiable to the segment or on reasonable basis.

#### 1.5 Taxation

Provision for Income Tax comprises of the current tax and deferred tax charge or release. Current income tax is measured on the basis of taxable profits computed for current accounting period at the applicable rate of tax in accordance with The Income Tax Act, 1961. Deferred tax is recognized subject to consideration of prudence on timing difference between taxable profits and book profit that originate in one period and are capable of reversal in one or more subsequent periods(s). Deferred tax assets are represented by unabsorbed depreciation and carry forward business losses are not recognized unless there is "Virtual certainty" that sufficient future taxable income will be available against which such deferred tax assets can be realized.

#### 1.6 Foreign Exchange Transactions

Transactions denominated in foreign exchange, if any, are recorded at the exchange rate prevailing on the date of the transaction. Monetary items are translated at the exchange rate prevailing at the end of the year.



## **1.7 Employee Benefits**

In respect of payment of gratuity to employees, the contributions are being made to the trust established under the Group Gratuity Scheme of Life Insurance corporation of India. The premium and the contribution paid every year are charged to the revenue. Leave encashment is provided on the basis of earned leave standing to credit of employees and the same is discharged by the Company by the end of the year and accounted for on actual payment basis. Ex-Gratia is accounted for on actual payment basis.

## **1.8 Revenue Recognition**

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations include sale of goods and services adjusted for discount (Net). Interest income is recognized on time proportion basis taking in to account the amount outstanding and applicable.

## **1.9 Impairment of Assets**

Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset carrying amount exceeds its recoverable amount. The recoverable amount is the higher of the assets fair value minus the cost to sell and value in use.

## **1.10 Borrowing Cost**

Borrowing cost that is attributable to the acquisition, construction or production of qualifying assets is capitalized as part of cost of such asset. A qualifying asset is an asset that necessarily requires a substantial period of time to get ready for its intended use. All other borrowing cost is recognized as an expense in the Profit and Loss Account in the period in which they are incurred.

## **1.11 Earning per Share**

The earnings considered in ascertaining the Earnings per Share (EPS) comprise the net profit after tax. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares.

## **1.12 Provisions, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an out flow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.

# ANNUAL REPORT & ACCOUNTS 2013-2014

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

(Amount in ₹)

	Figures as at the end of Current Reporting Period	Figures as at the end of Previous Reporting Period		
<b>2 Share capital</b>				
<b>Authorized</b>				
1,00,00,000 Equity shares of ₹10 each (Previous Year 1,00,00,000 Equity shares of ₹ 10 each)	<u>10,00,00,000</u>	<u>10,00,00,000</u>		
<b>Issued, Subscribed</b>				
64,09,500 Equity shares of ₹10 each (Previous Year 64,09,500 Equity shares of ₹10 each )	<u>6,40,95,000</u>	<u>6,40,95,000</u>		
<b>Paid-Up</b>				
61,46,000 Equity Shares of ₹ 10/ each (Previous Year 61,46,000 Equity Shares of ₹ 10/ each)	<u>6,14,60,000</u>	<u>6,14,60,000</u>		
Add : Amount paid up on Forfeited 2,63,500 Equity Shares (Previous year : Amount Paid up on forfeited 2,63,500 Equity Shares)	<u>13,24,500</u>	<u>13,24,500</u>		
	<u><u>6,27,84,500</u></u>	<u><u>6,27,84,500</u></u>		
	<b>Number of Shares</b>	<b>Number of Shares</b>		
Equity Shares outstanding at the beginning of the year and at the end of the year	<u>61,46,000</u>	<u>61,46,000</u>		
<b>Name of the Share Holder</b>	<b>%</b>	<b>Number of Shares</b>	<b>%</b>	<b>Number of Shares</b>
Mrs. Kavita Ahuja	61.48%	<b>37,78,680</b>	61.48%	37,78,680
Mrs. Geeta Chopra	9.02%	<b>5,54,525</b>	9.02%	5,54,525
<b>3 Reserves and Surplus</b>				
<b>i. General Reserve</b>				
As per last Balance Sheet		<b>18,17,51,195</b>		16,67,51,195
Add : Balance Transferred from Profit and Loss Account		<u>2,00,00,000</u>		<u>1,50,00,000</u>
		<b>20,17,51,195</b>		<b>18,17,51,195</b>
<b>ii Securities Premium Account</b>				
As per last Balance Sheet		<b>14,31,65,000</b>		14,31,65,000
<b>iii Surplus in Statement of Profit and Loss</b>				
As per last Balance Sheet		<b>33,47,09,299</b>		27,89,55,450
Add : Net Profit for the Year		<u>9,17,52,315</u>		<u>7,78,96,884</u>
<b>Amount available for Appropriations</b>		<b>42,64,61,613</b>		<b>35,68,52,334</b>
<b>Less:</b>				
Proposed Dividend on Equity Shares		<b>61,46,000</b>		61,46,000
Dividend tax		<b>10,44,515</b>		9,97,035
Tax adjustments for earlier years		<b>20,12,576</b>		
Transferred to General Reserve		<u>2,00,00,000</u>		<u>1,50,00,000</u>
		<b>39,72,58,522</b>		<b>33,47,09,299</b>
<b>Total</b>		<u><u>74,21,74,717</u></u>		<u><u>65,96,25,494</u></u>



# COMPETENT AUTOMOBILES CO. LTD.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

(Amount in ₹)

	Figures as at the end of Current Reporting Period		Figures as at the end of Previous Reporting Period	
	Non - Current	Current	Non - Current	Current
<b>4 Long Term Borrowings</b>				
<b>Term Loan</b>				
<b>Secured Loans:</b>				
From Vijaya Bank- Goa *	88,72,007	83,20,870	1,77,21,747	74,00,000
From Vijaya Bank- Noida**	4,30,00,000	63,00,000	5,42,50,000	-
	<b>5,18,72,007</b>	<b>1,46,20,870</b>	7,19,71,747	74,00,000
<b>5 Other long-Term Liabilities</b>				
Others:				
Security Deposits		21,06,093		24,53,446
		<b>21,06,093</b>		<b>24,53,446</b>
<b>6 Short-Term Borrowings</b>				
<b>Loan repayable on Demand</b>				
<b>From Banks</b>				
<b>Secured</b>				
- Cash Credit Facility From Vijaya Bank *		5,22,50,131		81,28,990
- Cash Credit Facility From State Bank of India *		3,17,87,153		4,61,30,096
- Inventory Funding From HDFC Bank**		13,41,58,415		8,74,63,721
<b>From Others</b>				
<b>Unsecured</b>				
Due to Directors ***		6,74,160		-
<b>Other loans</b>				
- Vehicle Loan		1,14,39,743		79,23,741
		<b>23,03,09,603</b>		<b>14,96,46,548</b>

\* Cash credit from Banks is secured by hypothecation of stock in trade, mortgage of immovable property and personal guarantees of Directors. The cash credit is repayable on demand and carries interest at Base rate +2.5% P.A.

\*\* Inventory funding is repayable on demand and carries interest of 11%. P.A.

\*\*\* Loans from Directors is repayable on demand and carries interest rate of 10% P.A.

# ANNUAL REPORT & ACCOUNTS 2013-2014

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

(Amount in ₹)

	Figures as at the end of Current Reporting Period	Figures as at the end of Previous Reporting Period
<b>7 Trade Payables</b>		
Micro, Small and Medium Enterprises	-	-
Others	<b>25,31,75,552</b>	24,25,29,594
	<b><u>25,31,75,552</u></b>	<u>24,25,29,594</u>

The Company has not received any intimation from its Vendors regarding the status under the Micro & Small Enterprise Development Act, 2006 and hence disclosures under the said Act have not been made.

### 8 Other Current Liabilities

Current Maturities of Long Term Debts	<b>1,46,20,870</b>	74,00,000
Advance from Customers	<b>5,76,48,575</b>	8,42,82,716
Advance against sale of Land	<b>10,00,00,000</b>	-
<b>Other Payables:</b>		
- Expenses Payable	<b>99,20,303</b>	86,99,291
- Sales Tax Payable	<b>5,35,13,446</b>	8,26,53,611
- T.D.S. Payable	<b>17,01,704</b>	14,11,892
	<b><u>23,74,04,898</u></b>	<u>18,44,47,511</u>

### 9 Short-Term Provisions

#### Provision for Employees Benefits :

Salary and Bonus	<b>2,78,09,256</b>	2,33,39,021
<b>Other :</b>		
Proposed Dividend	<b>61,46,000</b>	61,46,000
Provision for Tax on Dividend	<b>10,44,515</b>	9,97,035
	<b><u>3,49,99,771</u></b>	<u>3,04,82,056</u>

Dividend proposed by the Board of Directors amounting to Rs. 61,46,000 is provided in the books of accounts, will be paid, subject to the approval in the Annual General Meeting.



10 FIXED ASSETS		(All Amount in ₹)									
		GROSS BLOCK				DEPRECIATION			NET BLOCK		
PARTICULARS	AS AT 01.04.2013	ADDITIONS	SALE/TRF.	AS AT 31.03.2014	UPTO 31.03.2013	FOR THE YEAR	ADJUST- MENT	UPTO 31.03.2014	AS AT 31.03.2014	AS AT 31.03.2013	
Tangible Assets											
LAND	24,36,15,739			24,36,15,739	-			-	24,36,15,739	24,36,15,739	
BUILDING	13,68,43,550		5,50,000	13,62,93,550	7,75,37,281	54,80,286	3,49,607	8,26,67,960	5,36,25,590	5,93,06,269	
PLANT & MACHINERIES	12,30,39,398	40,99,724		12,71,39,122	7,64,70,517	81,79,096		8,46,49,613	4,24,89,509	4,65,68,881	
ELECTRIC INSTALLATIONS	1,41,39,301	-		1,41,39,301	93,23,176	7,14,691		1,00,37,867	41,01,434	48,16,125	
OFFICE EQUIPMENTS	5,79,76,755	34,71,888		6,14,48,643	4,01,99,643	33,61,378		4,35,61,021	1,78,87,622	1,77,77,112	
FURNITURE & FIXTURES	3,97,20,927	17,68,167		4,14,89,094	2,85,92,712	21,32,119		3,07,24,831	1,07,64,263	1,11,28,215	
VEHICLES	11,84,06,909	1,68,32,335	96,00,091	12,56,39,153	5,78,04,253	1,63,29,491	69,56,251	6,71,77,493	5,84,61,660	6,06,02,656	
<b>TOTAL</b>	<b>73,37,42,579</b>	<b>2,61,72,114</b>	<b>1,01,50,091</b>	<b>74,97,64,602</b>	<b>28,99,27,582</b>	<b>3,61,97,061</b>	<b>73,05,858</b>	<b>31,88,18,785</b>	<b>43,09,45,767</b>	<b>44,38,14,408</b>	
PREVIOUS YEAR	61,33,26,793	13,33,83,691	1,29,67,905	73,37,42,579	25,84,57,045	3,91,83,987	77,13,448	28,99,27,582	44,38,15,408	35,48,69,700	

# ANNUAL REPORT & ACCOUNTS 2013-2014

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

(Amount in ₹)

	Figures as at the end of Current Reporting Period	Figures as at the end of Previous Reporting Period
<b>11 Capital Work in progress</b>		
- Exp. Pending Capitalisation GOA	8,03,04,586	6,10,12,089
- Exp. Pending Capitalisation NOIDA	67,19,852	-
- Exp. Pending Capitalisation SHIVAJI MARG W/S	28,74,995	-
- Exp. Pending Capitalisation JOGINDER NAGAR	16,82,032	-
	<u>9,15,81,465</u>	<u>6,10,12,089</u>
As Stipulated in AS-28 of the ICAI, the Company assessed potential generation of economic benefits from its business units and is of the opinion the assets employed in continuing businesses are capable of generating adequate returns over their useful lives in the usual course of business, there is no indication to the contrary and accordingly the management is of the view that no impairment provision required to be provided in the books of accounts.		
<b>12 Non Current Investments</b>		
Share Application Money (Investment in Equity Shares of Raj Chopra & Company Pvt. Ltd.)	7,50,00,000	-
	<u>7,50,00,000</u>	<u>-</u>
<b>13 Deferred tax Liability/Assets (net)</b>		
Deferred Tax Assets (on account of timing difference of depreciation on Fixed Assets )	44,07,224	57,65,732
	<u>44,07,224</u>	<u>57,65,732</u>
<b>Deferred tax Assets (Net)</b>	<u>44,07,224</u>	<u>57,65,732</u>
<b>14 Long Term Loans and Advances (Unsecured considered Good)</b>		
<b>i) Capital Advances</b>	2,10,20,000	10,20,000
<b>ii) Security Deposits</b>		
- Security Deposit to MSIL	1,52,50,000	1,52,50,000
- Security Deposits for Showrooms	2,02,99,166	1,97,62,940
- Other Security Deposits	97,53,666	94,88,166
	<u>6,63,22,832</u>	<u>4,55,21,106</u>
<b>15 Others Non current Assets</b>		
Advance Income Tax and Tax Deducted at Source (Net of Provision)	62,41,288	31,13,018
	<u>62,41,288</u>	<u>31,13,018</u>
<b>16 Stock in Trade</b> (At cost or net realisable value whichever is lower)		
Vehicles	51,03,21,850	45,50,18,842
Spare Parts, Accessories, Oil & Lubricants	4,75,75,086	5,20,61,545
- Goods in Transit	7,73,99,015	3,17,88,637
	<u>63,52,95,951</u>	<u>53,88,69,024</u>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014**

(Amount in ₹)

	Figures as at the end of Current Reporting Period	Figures as at the end of Previous Reporting Period
<b>17 Trade Receivables</b>		
<b>Debts outstanding for a period exceeding six months from the date they are due for payment.</b>		
- Unsecured and considered good	-	-
- Unsecured and considered doubtful	-	-
<b>Other Debts</b>		
considered good	<b>17,70,13,958</b>	19,93,89,435
considered doubtful	-	-
	<b>17,70,13,958</b>	19,93,89,435
Less: Provision for Doubtful Debts	<b>17,70,13,958</b>	19,93,89,435
	<b>17,70,13,958</b>	19,93,89,435
Some of the outstanding balances as at 31st March 2014 in respect of Sundry Debtors, Creditors, Loans and Advances and Deposits are subject to confirmation.		
<b>18 Cash and Bank Balances</b>		
<b>Cash and Cash Equivalents:</b>		
Cash on hand	<b>2,15,39,976</b>	2,71,03,462
<b>Balances with banks</b>		
- In Current Accounts	<b>3,53,22,128</b>	2,25,01,654
-Cheque in Hand	<b>81,48,139</b>	97,09,764
<b>Other Bank Balances</b>		
- In Fixed Deposits (More than 3 months & less than 12 months maturity)	<b>1,02,86,781</b>	99,50,256
	<b>7,52,97,024</b>	6,92,65,136
<b>19 Short Term Loans and Advances</b>		
<b>(Unsecured and considered good)</b>		
Advance Recoverable in Cash or in Kind	<b>4,86,70,770</b>	3,28,24,724
<b>Others:</b>		
Advance For Expenses	-	71,389
Staff Advances	<b>7,14,978</b>	4,30,714
Staff Imprest	<b>8,80,218</b>	13,71,352
	<b>5,02,65,966</b>	3,46,98,179
<b>20 Other Current Assets</b>		
Interest accrued but not due on Fixed Deposits	<b>16,44,990</b>	12,57,634
Interest Recoverable from MSIL	<b>1,30,191</b>	2,76,079
	<b>6,80,482</b>	9,58,055
Prepaid Expenses	<b>24,55,663</b>	24,91,768



# ANNUAL REPORT & ACCOUNTS 2013-2014

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

(Amount in ₹)

	Figures For the Current Reporting Period	Figures For the Previous Reporting Period
<b>21 Revenue from Operations</b>		
<b>Sale of products</b>		
Vehicles	6,99,22,31,061	6,94,54,24,023
Spare Parts & Accessories	48,28,55,645	42,36,28,212
Number Plates	9,75,647	6,81,752
<b>Services Rendered</b>		
- Logistic Charges	8,26,58,856	7,45,00,915
- Services & Labour Charges	26,47,01,225	23,57,02,976
<b>Incentive Received :</b>		
From Maruti Suzuki India Ltd.	16,78,28,898	13,48,07,062
<b>Commission Received</b>		
- Extended Warranty	76,63,779	36,43,619
- Insurance Business	5,94,35,072	4,03,01,385
- Direct Billing	5,76,675	15,31,198
- Sourcing Fees	1,92,81,066	1,34,60,816
- Interest Income	36,19,534	50,27,952
other non operating income	-	-
	<b>8,08,18,27,458</b>	<b>7,87,87,09,911</b>
<b>22 Other income</b>		
Net Gain on Sale of Tangible Fixed Assets	57,10,004	5,93,521
Booking Cancellation Charges	9,51,474	7,29,086
Miscellaneous income	71,37,074	50,14,861
	<b>1,37,98,552</b>	<b>63,37,468</b>
<b>23 Purchase of Stock in Trade</b>		
<b>Purchases during the year</b>		
- Vehicle	6,98,11,39,622	6,84,48,30,472
- Spare Parts & Accessories	41,50,49,765	36,23,53,288
- Number Plates	4,09,815	2,33,021
<b>Less:</b>		
- Spares issued against Warranty	(79,16,443)	(38,10,639)
	<b>7,38,86,82,759</b>	<b>7,20,36,06,142</b>
<b>24 Changes in Inventories of Stock in Trade</b>		
<b>Inventories at the end of the year:</b>		
- Vehicles	51,03,21,850	45,50,18,842
- Spare Parts & Accessories	4,75,75,086	5,20,61,545
- Goods in Transit	7,73,99,015	3,17,88,637
	<b>63,52,95,951</b>	<b>53,88,69,024</b>
<b>Less:</b>		
<b>Inventories at the beginning of the year:</b>		
- Vehicles	45,50,18,842	41,63,51,702
- Spare Parts & Accessories	5,20,61,545	4,37,78,116
- Goods in Transit	3,17,88,637	
	<b>53,88,69,024</b>	<b>46,01,29,818</b>
	<b>(9,64,26,927)</b>	<b>(7,87,39,206)</b>



# COMPETENT AUTOMOBILES CO. LTD.

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

(Amount in ₹)

	Figures For the Current Reporting Period	Figures For the Previous Reporting Period
<b>25 Employee Benefit Expenses</b>		
Salaries, Wages and Bonus	17,04,13,557	15,41,13,079
Directors Remuneration	37,80,000	36,20,000
Commission paid to Directors	30,00,000	30,00,000
Contribution to Provident Fund and Other Funds	1,25,39,705	1,64,36,681
Staff Welfare Expenses	1,85,55,414	1,48,15,307
	<u>20,82,88,676</u>	<u>19,19,85,067</u>
<b>26 Finance Cost</b>		
Interest on Term Loan	9,64,236	69,19,984
Interest on Working capital	1,15,82,982	1,28,42,939
Interest on Inventory Funding	1,42,88,115	66,31,797
Interest Paid To MSIL	1,82,92,294	1,90,28,202
Interest Paid to others	1,18,468	890
Other Finance charges	8,87,251	8,54,496
	<u>4,61,33,347</u>	<u>4,62,78,308</u>
<b>27 Depreciation and Amortization Expenses</b>		
Depreciation on Tangible Assets	3,61,97,061	3,91,83,985
	<u>3,61,97,061</u>	<u>3,91,83,985</u>
<b>28 Other Expenses</b>		
Consumable Stores	2,59,06,826	2,42,64,317
Jobwork & Labour Charges	3,33,78,407	3,41,94,864
Security Services Charges	1,15,47,469	1,09,87,539
Services Charges	2,37,56,762	2,29,54,264
Petrol For New Car	72,24,620	73,77,346
Delivery Charges	83,16,649	80,93,737
Insurance	63,79,001	64,51,969
<b>Repair &amp; Maintainance</b>		
- Building	3,70,85,268	3,85,50,463
- Plant & Machinery	1,06,82,090	1,59,64,187
- Others	36,68,973	26,72,909
Legal & Professional Charges	86,86,844	1,22,82,671
Rent	5,21,35,913	4,41,68,601
Rates & Taxes	63,07,316	52,50,482
Facilitiy Charges	79,15,000	72,00,000
Communication Expenses	99,35,058	82,13,052
Charity & Donation	1,44,119	1,41,502
Power & Fuel	2,32,87,079	1,73,54,951
Printing & Stationery	64,27,280	72,32,360
Travelling & Conveyance	1,40,26,901	1,09,53,020
Auditors Remuneration (Refer Note No. 30)	9,25,000	8,50,000
Miscellaneous Expenses	37,39,386	41,27,701
Advertising & Publicity	46,71,663	54,07,381
Discount	6,25,39,413	6,72,68,946
Sales Promotion	79,53,234	59,42,564
	<u>37,66,40,272</u>	<u>36,79,04,826</u>

# ANNUAL REPORT & ACCOUNTS 2013-2014

## NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014

(Amount in ₹)

Particulars	2013-14	2012-13
<b>29 Contingent Liabilities</b>		
(i) Bank Guarantee obtained from Banks	2,50,00,000	2,50,00,000
(ii) Letter of Credit obtained from Banks	16,00,00,000	16,00,00,000
(iii) Disputed Sales Tax Demand (This demand pertains to F.Y. 1991-92 against which an appeal before Commissioner of Sales Tax (Appeals)-I has been filed and pending for disposal)	2,87,56,000	2,87,56,000
<b>30 Auditors Remuneration*</b>		
(i) Audit Fees	5,50,000	5,00,000
(ii) Tax Audit Fees	75,000	50,000
(iii) Other Matters	3,00,000	3,00,000
	<u>9,25,000</u>	<u>8,50,000</u>
*Excluding Service Tax		
<b>31 Expenditure in Foreign Currency</b>		
Tours and Travelling	13,05,007	10,34,820
<b>32 Managerial Remuneration</b>		
Salary	37,80,000	36,20,000
Commission on Net Profit	30,00,000	30,00,000
	<u>67,80,000</u>	<u>66,20,000</u>
<b>33 Computation of Net Profit in accordance with Section 349 and commission under Section 198 (1) of The Companies Act, 1956</b>		
Net Profit after Tax as per Profit and Loss Accounts	9,17,52,314	7,78,96,885
Add:		
Income Tax	4,43,58,508	3,69,31,371
Director Remuneration	67,80,000	66,20,000
Less:		
Profit on Sale of Fixed Assets	57,10,004	5,93,521
	<u>13,71,80,818</u>	<u>12,08,54,735</u>
<b>Maximum Remuneration payable including commission @ 11%</b>	<b>1,50,89,890</b>	<b>1,32,94,021</b>
<b>34 Other Payments to Directors</b>		
<b>Facility Charges</b>		
- Ms. Kavita Ahuja	79,15,000	72,00,000
<b>Interest</b>		
- Mr. Raj Chopra	-	5,82,328
- Ms. Kavita Ahuja	10,9,315	3,49,316
<b>Rent</b>		
- Mr. Raj Chopra	1,53,00,000	1,53,00,000
- Ms. Kavita Ahuja	15,00,000	15,00,000
	<u>2,48,24,315</u>	<u>2,49,31,644</u>

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2014****(Amount in ₹)****35 Unclaimed /Unpaid Dividend**

Dividends that are not encashed or claimed, within seven years from the date of its transfer to the unpaid dividend account, will, in terms of the provisions of Section 205 A of The Companies Act, 1956, will be transferred to the Investors Education and Protection Fund (IEPF) established by the Government of India. In terms of the provisions of Section 205 C of The Companies Act, 1956, no claim shall lie against the Company or IEPF after the said transfer. Total amount of Rs. 6,89,189/- as on 31st March, 2014 is lying in unclaimed / unpaid dividend account.

	<b>2013-14</b>	2012-13
<b>36 Information about Business Segment</b>		
<b>Segment Revenue</b>		
(a) Showroom Revenue	7,33,25,04,002	7,21,73,23,332
(b) Service & Spares	74,93,23,456	66,13,86,578
<b>Total</b>	<b>8,08,18,27,458</b>	<b>7,87,87,09,910</b>
<b>Segment Results</b>		
(a) Showroom Revenue	11,42,05,158	10,57,64,200
(b) Service & Spares	5,42,40,460	4,90,04,895
<b>Total</b>	<b>16,84,45,618</b>	<b>15,47,69,095</b>
<b>Less:</b>		
Interest and Financial Charges	4,61,33,347	4,62,78,308
<b>Add:</b>		
Un-Allocated Income	1,37,98,552	63,37,468
<b>Profit before Tax</b>	<b>13,61,10,822</b>	<b>11,48,28,257</b>
Less :Taxation Expenses including Deferred Tax	4,43,58,508	3,69,31,371
<b>Profit after Tax</b>	<b>9,17,52,314</b>	<b>7,78,96,886</b>
<b>Total Capital Employed</b>	<b>1,08,92,46,920</b>	<b>94,65,03,435</b>

Capital employed in the Company business are common in nature and cannot be attributed to a specific segment i.e. showroom, service and spares. It is not practical to provide segmental distribution of the capital employed since segregation of available data could be erroneous.

The segment report of the Company as stated above has been prepared in accordance with Accounting Standards 17 “ Segment Reporting “ issued by the institute of The Chartered Accountants of India.

The segment wise revenue and result’s figures related to the respective heads are directly identifiable to each of the segments. Un-allocable income includes income on common services at corporate level and relates to the Company as whole.

The definitions of the business segmentation and the activities encompassed therein are as follows:

- (i) Showroom:- Purchase and sales of vehicles manufactured by Maruti Suzuki India Ltd.
- (ii) Service & Spares: Servicing of Maruti Vehicles and Sale of their Spare parts.

# ANNUAL REPORT & ACCOUNTS 2013-2014

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## 37 Related party Disclosure (Accounting Standard AS-18)

### (a) Enterprises over which Directors/key management personnel of the Company were able to exercise significant influence during the year :

- Competent Hotels Private Limited
- Competent Builders Private Limited
- Competent leasing Private Limited
- Competent Films Private Limited
- Competent International Tradex Company Private Limited
- Competent International Resorts and Hotels Limited
- Raj Chopra & Co. Pvt .Ltd.
- Liqui Moly Products (India) Pvt Ltd .
- Servensure Solutions (India) Limited
- Competent Infrapromoters Private Limited
- Competent Construction Company
- Competent Exporters
- Competent Fabricators
- Competent Leasing & Finance
- Competent Film Enterprises

### (b) Key Managerial Personnel

Mr. Raj Chopra	-	Chairman and Managing Director
Mrs. Kavita Ahuja	-	Whole Time Director
Mr. K K Mehta	-	Whole Time Director

### (c) For related party transactions - Please refer note No 32 & 34.

38 The previous year figures have been regrouped, rearranged and reclassified, wherever deemed necessary to make them comparable with current year figures.

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As per our report of even date annexed.

For Dinesh Mehta & Co.  
Firm Registration No: 000220N  
Chartered Accountants

For and on behalf of the Board of Directors

(Hiren Mehta)  
Partner  
Membership No. - 90772

(Raj Chopra)  
Chairman & Managing Director  
DIN-00036705

(Kavita Ahuja)  
Whole Time Director  
DIN-00036803

Place: New Delhi  
Date : 29<sup>th</sup> May, 2014

(Ravi Arora)  
Company Secretary

## **COMPETENT AUTOMOBILES CO. LTD.**

Registered Office: Competent House, F-14, Connaught Place, New Delhi - 110001

Dear Investor,

### **Payment of dividend through Electronic Clearing Service (ECS)**

In order to provide the best of services to our valued investors, we have extended the ECS facility, so as to enable you to receive your dividend through electronic mode through credit in your bank account directly, without physical instrument/warrant. The ECS facility provides protection against fraudulent encashment of dividend warrants and eliminates loss/damage of dividend warrants in transit. Thus, ECS eliminates unwarranted correspondence for revalidation/issuance of duplicate dividend warrants. This facility is free to the recipient.

To avail the ECS facility, the shareholders are requested to fill and sign the enclosed ECS mandate form and send to:

In case of shareholder holding shares in Physical Mode to -

**Skyline Financial Services (P) Limited** (Unit - Competent Automobiles Co. Ltd.)  
D-153/A, 1st Floor, Okhla Industrial Area, Phase -I, New Delhi-110020

In case of shareholder holding shares in Electronic Mode/ Dematerialised form to -

**The Depository Participant** with whom your account is maintained.

All information should be accurate and complete so that you get the credit of dividend in time. To verify accuracy of the MICR code no. indicated at the bottom of the cheque, kindly attach a photocopy of a cheque from your cheque book issued by your bank for verification. Please note that these instructions will supersede all your previous bank mandates/details including those that may have been incorporated at the time of opening a beneficiary account with the Depository Participant.

In view of the advantages of the ECS facility for payment of dividend, it is advised that the shareholders avail the facility.

**DULY COMPLETED & ACCURATELY FILLED ECS MANDATE FORMS RECEIVED BY THE REGISTRAR/ DP UPTO JULY 24, 2014 SHALL BE CONSIDERED FOR ECS CREDIT WHILE EFFECTING DIVIDEND PAYMENT FOR THE YEAR 2013-2014. ECS MANDATE FORMS RECEIVED AFTER JULY 24, 2014 SHALL BE PAID DIVIDEND THROUGH PHYSICAL WARRANTS FOR THE YEAR 2013-2014.**

Thanking You,

Yours truly,  
For **Competent Automobiles Co. Ltd.**

**Ravi Arora**  
**Company Secretary**



## COMPETENT AUTOMOBILES CO. LTD.

Registered Office : Competent House, F-14, Connaught Place, New Delhi - 110 001

### ATTENDANCE SLIP

Please complete this attendance slip and hand it over at the entrance counter at Plot No. 3, Gazipur, Delhi-110096

<b>NAME OF MEMBER</b>			
<b>FOLIO NUMBER</b>		<b>NO. OF SHARES</b>	
<b>DP ID No.</b>		<b>CLIENT ID No.</b>	

I/We hereby record my/our presence at the **29<sup>th</sup> ANNUAL GENERAL MEETING** of the Company to be held on Wednesday, the 30<sup>th</sup> day of July 2014 at 9:30 am at Plot No. 3, Gazipur, Delhi-110096 or at any adjournment thereof

<b>NAME OF THE PROXY</b>		<b>SIGN. OF MEMBER/PROXY</b>	
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## COMPETENT AUTOMOBILES CO. LTD.

Registered Office : Competent House, F-14, Connaught Place, New Delhi - 110 001

### PROXY FORM

<b>DP ID No.</b>		<b>CLIENT ID No.</b>	
<b>FOLIO NUMBER</b>		<b>NO. OF SHARES</b>	

I/We.....

R/o.....

being a Member/Members of the above mentioned Company, hereby appoint Sh./Smt.....

R/o.....

failing him, Sh./Smt.....

R/o.....

as my/our Proxy to attend and vote for me/us in the event of Poll on my/our behalf at the **29<sup>th</sup> ANNUAL GENERAL MEETING** of the Company to be held on Wednesday, the 30<sup>th</sup> day of July 2014 at 9:30 am at Plot No. 3, Gazipur, Delhi-110096 or at any adjournment thereof.

Signed this.....day of.....2014.

Signature.....

Affix Re 1/- Revenue Stamp
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#### NOTE :

- The Proxies must reach the Registered Office of the Company at least 48 hours before the time fixed for holding the aforesaid meeting.
- Proxy need not be a member.
- Proxy cannot speak at the meeting or vote on show of hands.



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