

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	31 st March, 2015
3	Type of Audit observation	Un-qualified
4	Frequency of observation	Not Applicable

For Competent Automobiles Co. Limited

For Dinesh Mehta & Co.,
Chartered Accountants

Raj Chopra
Chairman &
Managing Director

Vijay Sharma
C.F.O.

R. C. Murada
Director & Audit
Committee
Chairman

Hiren Mehta
Partner
Membership No. -
90772



SHOWROOMS :

- Competent House, F-14, Connaught Place, New Delhi-110001. Phone: 011-45700000 / 45800000 Fax: 011-23327640, Email: ho@competent-maruti.com
- 3C'S Complex, 15 Feroz Gandhi Marg, Lajpat Nagar-II, New Delhi-110024, Phone: 011-45755500, Email: cacplp@competent-maruti.com
- Plot No. 3, Gazipur, Delhi-110096, Phone: 011-45300000, Fax : 011-45300039, Email : gazipur@competent-maruti.com
- 21, Shivaji Marg, Delhi-110015, Phone : 011-45790000
- A-24 & 25, Madhu Vihar, Rajapuri, (Dwarka) New Delhi-110075, Phone: 011-46500000, Email : dwarka@competent-maruti.com
- Kharsa No. 11/5/1, Opp. Furniture Market, Phimi Road, Najafgarh, New Delhi-110043, Phone: 011-43505000, Email: najafgarh@competent-maruti.com
- A-25, Sector-33/34, Infocity, Gurgaon-122001, Phone: 0124-4500000, Fax: 0124-4500045, Email: cacldrg1@competent-maruti.com
- 407, Village Islampur, Near Subhash Chowk, Sohna Road, Gurgaon-122001, Phone: 0124-2201000, Email : cacldrg@competent-maruti.com
- NH-21 Gutkar Mandi (H.P.)-175021 Phone : 01905-222465, 223865, 225465, 226465, 226565, Fax: 01905-225665, Email: mandi@competent-maruti.com
- Ghandi Nagar Kullu (H.P.)-175101, Phone: 01902-226365, 226465, Fax: 01902-225665, E-mail: caclkullu@competent-maruti.com
- Village Bamta Near ITI Bilaspur (H.P.)-174401, Phone 01978-224465, 224465, 223565, E-mail: caclbilaspur@competent-maruti.com
- Vill. Dhog P.O. Dhalu Teh. Joginder Nagar Distt. Mandi (H.P.)-175015 Phone: 9418263465, 9418160965, Email: jogindernagar@competent-maruti.com
- NH-88 Tikkar P.O. Didwin Distt. Hamirpur (H.P.)-177001, Phone: 01972-256281, 82, 83, 84, 85, Email: hamirpur@competent-maruti.com
- Rainsary Nichali Jhalera Teh. & Distt. Una (H.P.)-174303, Phone: 8894784268, 8894784269, 8894784265, Email una_sales@competent-maruti.com

**TRUE VALUE SHOWROOM :
WORKSHOPS :**

- 21, Shivaji Marg, Delhi-110015, Phone: 011-45790000
- 895/C-8 Near Jain Mandir, Dada Bari, Mehrauli, New Delhi-110030, Phone: 011-47724700, Email: cacldmeh@vsnl.net
- Plot No. 3, Gazipur, Delhi-110096, Phone: 011-45300000, Fax: 011-45300039, Email : gazipur@competent-maruti.com
- B-83, Mayapuri Industrial Area, Phase-I, New Delhi-110066, Phone: 011-45780000, Fax: 011-45780032, Email: mayapuri@competent-maruti.com
- 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, Phone: 0124-4500000, Fax: 0124-4500045, Email: cacldrg1@competent-maruti.com
- NH-21 Gutkar Mandi (H.P.)-175021, Ph.: 01905-222465, 223865, 225465, 226465, 226565 Fax: 01905-225665, Email:- competent.mnd.srv1@marutidealers.com
- Opp. SSB Training Center Shamshi Kullu (H.P.)-175126, Phone: 01902-260465, 260665, Email: kulluworkshop@competent-maruti.com
- NH-88 Tikkar P.O. Didwin Distt. Hamirpur (H.P.)-177001, Phone: 01972-256281, 82, 83, 84, 85, Email: competent.hmp.srv1@marutidealers.com
- Rainsary Nichali Jhalera Teh. & Distt. Una (H.P.)-174303 Phone: 8894784268, 8894784269, 8894784265, Email: una_service@competent-maruti.com
- 48, Palam Farm House, Village Salahpur Khara Bijwasan, New Delhi-110061, Phone: 011-28061757, E-mail: pdi@competent-maruti.com

PDI :



COMPETENT AUTOMOBILES CO. LTD.

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

Ph. : 011-45700000, 45800000, Fax : 011-23327640, Website : www.competent-maruti.com

CIN NO. : L34102DL1985PLC020668

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 30th Annual General Meeting of the members of Competent Automobiles Co. Limited will be held at Avalon Hall, Mapple Exotica, Chattarpur Mandir Road, Satbari, New Delhi - 110074 on Friday, the 31st day of July, 2015 at 10:00 A.M. to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statement of the Company for the Financial Year ended on 31st March, 2015 together with reports of the Directors and the Auditors thereon.
2. To declare dividend on equity shares.
3. To appoint a Director in place of Mrs. Kavita Ahuja, who retires by rotation and being eligible, offers herself for re-appointment.
4. 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

5. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and Rules made thereunder and read with Schedule V of the Companies Act, 2013, the approval of the Company be and is hereby accorded to the re-appointment of Mr. Raj Chopra as the Chairman and Managing Director of the Company for a period of 5 years w.e.f. 1st September, 2014, on following terms and conditions and that he shall be key Managerial Personnel of the Company:

- 1) Subject to superintendence, control and direction of the Board, he shall have general control, management and superintendence of the business of the Company with power to appoint and to dismiss employees and to enter into contracts, on behalf of the Company, in ordinary course of the Company and to do and perform all other acts, deeds and things, which are in ordinary course of business.
- 2) Remuneration:
 - a) Salary
Basic Salary: Rs. 1,50,000/- p.m.
 - b) Commission
Commission, as may be decided by the Board of Directors, based on the net profits of the company in each financial year, subject to the overall limits laid down in Section 197 read with Schedule V of the Companies Act, 2013.
 - c) Perquisites
 - a. Housing: The expenditure on hiring unfurnished accommodation will be subject to the ceiling of 60% of the salary over and above 10% payable to him in case of Metropolitan cities, otherwise 50% of the salary over and above 10% payable to him
 - b. The expenditure on gas, electricity, water and furnishings shall be valued as per Income Tax Rules, 1962, subject however to the ceiling of 10% of the salary.
 - c. Medical Reimbursement: Expenses incurred for self and family to meet medical/hospitalization expenses in India or abroad including expenditure on stay abroad for undergoing the treatment.
 - d. Leave Travel Concession for self and family once in a year in accordance with the rules of the Company.
 - e. Club Fees for clubs subject to a maximum of two clubs provided that no life membership or admission fee will be allowed.
 - f. Personal Accident Insurance Premium not to exceed Rs.25,000/- p.a.
 - g. Company's contribution towards pension / superannuation funds as and when introduced as per rules of the Company for the time being in force.
 - h. Company's contribution towards P.F. as per rules of the Company for the time being in force.
 - i. Gratuity not exceeding ½ month salary for each complete year of service.
 - j. Free use of Company's car with the driver for both personal & business use of the Company.
 - k. Free use of mobile/telephone at residence
 - l. Earned/Privilege Leave: One month leave with full pay and allowance for every 11 Months of service with encashment benefits.

FURTHER RESOLVED THAT the Board of Directors shall have right to alter and vary the terms and conditions of the said appointment and/or remuneration so as not to exceed the limits specified in Schedule V to the Companies Act, 2013 including any statutory modification or re-enactment thereof, for the time being in force."

6. To consider and if thought fit, to pass with or without modification (s), the following resolution as an Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 196, 197 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder and read with Schedule V of the Companies Act, 2013, the approval of the Company be and is hereby accorded to the re-appointment of Mr. Kanwal Krishan Mehta as the Whole-Time Director of the Company for a period of 5 years w.e.f. 23rd August, 2014, on following terms and conditions:

- 1) Subject to superintendence, control and direction of the Board, he shall have general control, management and superintendence of the business of the Company with power to appoint and to dismiss employees and to enter into contracts, on behalf of the Company, in ordinary course of the Company and to do and perform all other acts, deeds and things, which are in ordinary course of business.
- 2) Remuneration:
 - a) Salary
Basic Salary: Rs. 80,000/- p.m.
 - b) Commission
Commission as may be decided by the Board of Directors based on the net profits of the company in each financial year, subject to the overall limits laid down in Section 197 read with Schedule V of the Companies Act, 2013.
 - c) Perquisites
 - a. Housing: The expenditure on hiring unfurnished accommodation will be subject to the ceiling of 60% of the salary over and above 10% payable to him in case of Metropolitan cities, otherwise 50% of the salary over and above 10% payable to him
 - b. The expenditure on gas, electricity, water and furnishings shall be valued as per Income Tax Rules, 1962, subject however to the ceiling of 10% of the salary.
 - c. Medical Reimbursement: Expenses incurred for self and family to meet medical/hospitalization expenses in India or abroad including expenditure on stay abroad for undergoing the treatment.
 - d. Leave Travel Concession for self and family once in a year in accordance with the rules of the Company.
 - e. Club Fees for clubs subject to a maximum of two clubs provided that no life membership or admission fee will be allowed.
 - f. Company's contribution towards pension / superannuation funds as and when introduced as per rules of the Company for the time being in force.
 - g. Company's contribution towards P.F. as per rules of the Company for the time being in force.
 - h. Gratuity not exceeding ½ month salary for each complete year of service.
 - i. Free use of Company's car with the driver for business of the Company.
 - j. Free use of mobile/telephone at residence
 - k. Earned/Privilege Leave: One month leave with full pay and allowance for every 11 Months of service with encashment benefits.
 - l. His office will be liable to be determine to retire by rotation.

FURTHER RESOLVED THAT the Board of Directors shall have right, to alter and vary the terms and conditions of the said appointment and/or remuneration so as not to exceed the limits specified in Schedule V to the Companies Act, 2013 including any statutory modification or re-enactment thereof, for the timing in force."

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an Special Resolution:

"RESOLVED THAT pursuant to section 180(1)(c) of the Companies Act, 2013 (hereinafter referred as 'the Act') read with the Companies (Management and Administration) Rules, 2014, and other applicable provisions, if any of the Act and Rules made thereunder, as amended or restated from time to time, the consent of Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as 'the Board', which term shall be deemed to include any committee thereof) to borrow, from time to time, such moneys whether fund based or non-fund based; from any bank, financial institution, non-banking financial company, body corporate or any other person; either in Indian rupees or in foreign currency as they may deem requisite or appropriate for the purposes of the business of the Company provided that the aggregate amount up to which the moneys may be borrowed, and remaining outstanding at any point in time, shall not exceed a sum of Rs. 1,25,00,00,000/- (Rupees One Hundred Twenty Five Crores only), exclusive of interest, notwithstanding that the moneys to be borrowed, together with the moneys already borrowed by the Company (apart from temporary loans obtained by the Company in ordinary course of business), may exceed the aggregate of the paid-up capital of the Company and its free reserves.

RESOLVED FURTHER THAT the Board be and is hereby authorized on behalf of the Company to do all such acts, deeds, things and matters, as it may at its discretion deem appropriate, necessary or desirable for the purposes of the business of the company while exercising the powers conferred upon it hereinunder this resolution and to settle any question(s), difficulty(s), or matter(s) that may arise in interpretation, implementation or execution of the intent of the aforesaid resolution."

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: 30th May, 2015

Ravi Arora
Company Secretary

NOTES:

- An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 relating to the Special Business to be transacted at the Annual General Meeting (AGM) is annexed hereto.
- 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.
- 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.
- 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.
- The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, July 25, 2014 to Friday, July 31, 2014 (both days inclusive).
- 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.
- 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
- 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.
- 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.
- 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.
- 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.
- Members / Proxy holders are requested to produce at the entrance, enclosed attendance slip duly completed and signed.
- 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:
 - Name of the Sole / First joint holder and the Folio Number.
 - 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
- 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.
- 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).
- Pursuant to provisions of Section 124 of Companies Act, 2013 (erstwhile Section 205A of the Companies Act, 1956), all unpaid or unclaimed dividends upto the year ended 31st March, 2007 have been transferred to Investor Education and Protection Fund (IEPF) established by the Central Government.
- Pursuant to the provisions of Section 124 of Companies Act, 2013 (erstwhile Section 205A of the Companies Act, 1956), dividend for the financial year ended March 31, 2008 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. Information in respect of such unclaimed dividend when due for transfer to the fund is given below:

Financial Year	Type of dividend	Date of Declaration of Dividend	Date at which amount becoming due for credit to IEP Fund
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	06-11-2020
2013-14	Final Dividend	30-07-2014	07-11-2021

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.

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. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.
21. 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 a duly filled in Attendance Slip at the registration counter to attend the AGM.
22. Voting Through Electronic Means
- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
 - II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
 - III. The members who have cast their vote by remote e-voting prior to the AGM, may also attend the AGM but shall not be entitled to cast their vote again.
 - IV. The remote e-voting period commences on 28th July, 2015 (9:00 A.M.) and ends on 30th July, 2015 (5:00 P.M.). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 24th July, 2015, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
 - V. The process and manner for remote e-voting are as under:
 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:
 - (i) Open email and open PDF file viz: "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
 - (vii) Select "EVEN" of "CACL".
 - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
 - (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "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 etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to fcs.ppa@gmail.com with a copy marked to evoting@nsdl.co.in
 - B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:
 - (i) Initial password is provided along with Notice of the AGM
 - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
 - VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
 - VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
 - VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
 - IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 24th July, 2015.
 - X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 24th July, 2015, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or Issuer/RTA. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
 - XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
 - XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
 - XIII. Mr. Pramod Prasad Agarwal, Company Secretary has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
 - XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "remote e-voting" or "Ballot Paper" or "Poling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
 - XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
 - XVI. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.competent-maruti.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

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: 30th May, 2015

Ravi Arora
Company Secretary

EXPLANATORY STATEMENT

Item no. 5

Mr. Raj Chopra, aged 71 years, is a promoter and Chairman & Managing Director of the Company and having over 30 years of industry experience in the field of automobiles dealership. Under his leadership the company has grown from mere start in 1983 to one of the leading Maruti Suzuki dealer. He has excellent grasp and thorough knowledge and experience of general management and various aspects relating to the Company's affairs and has long business experience. The Board of Directors is of the considered opinion that for smooth and efficient running of the business, the services of Mr. Raj Chopra should be available to the Company for a further period of Five years with effect from September 01, 2014. In terms of the provisions of the Companies Act, and the

Articles of Association of the Company, the Nomination and Remuneration Committee of the Board and the Board of Directors have, at their meeting held on August 12, 2014, has recommended him for re-appointment as Chairman & Managing Director of the Company for a further period of Five years with effect from September 01, 2014 on the current remuneration of Rs. 1,50,000/- (Rupees One Lac Fifty Thousand only) per month plus various other perquisite as enumerated hereinunder. In case, the Company has no profits or its profits are inadequate, then the remuneration shall be paid to him in accordance with the provisions of the Companies Act, 2013 read with Schedule V of the Act.

Following are the details of the annual salary (payable monthly) proposed to be paid to Mr. Raj Chopra, Chairman & Managing Director: -

- a) Salary
Basic Salary: Rs. 1,50,000/- p.m.
- b) Commission
Commission, as may be decided by the Board of Directors, based on the net profits of the company in each financial year, subject to the overall limits laid down in Section 197 read with Schedule V of the Companies Act, 2013.
- c) Perquisites
 - a. Housing: The expenditure on hiring unfurnished accommodation will be subject to the ceiling of 60% of the salary over and above 10% payable to him in case of Metropolitan cities, otherwise 50% of the salary over and above 10% payable to him
 - b. The expenditure on gas, electricity, water and furnishings shall be valued as per Income Tax Rules, 1962, subject however to the ceiling of 10% of the salary.
 - c. Medical Reimbursement: Expenses incurred for self and family to meet medical/hospitalization expenses in India or abroad including expenditure on stay abroad for undergoing the treatment.
 - d. Leave Travel Concession for self and family once in a year in accordance with the rules of the Company.
 - e. Club Fees for clubs subject to a maximum of two clubs provided that no life membership or admission fee will be allowed.
 - f. Personal Accident Insurance Premium not to exceed Rs.25,000/- p.a.
 - g. Company's contribution towards pension / superannuation funds as and when introduced as per rules of the Company for the time being in force.
 - h. Company's contribution towards P.F. as per rules of the Company for the time being in force.
 - i. Gratuity not exceeding ½ month salary for each complete year of service.
 - j. Free use of Company's car with the driver for both personal & business use of the Company.
 - k. Free use of mobile/telephone at residence
 - l. Earned/Privilege Leave: One month leave with full pay and allowance for every 11 Months of service with encashment benefits.

Save and except Mr. Raj Chopra, being appointee, Mrs. Kavita Ahuja and Mr. K. K. Mehta, Whole-Time Directors of the Company and their relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

Accordingly, the Board recommends the passing of the special resolution as set out in the item no. 5 of the Notice.

ITEM NO. 6

Mr. K. K. Mehta, aged 68 years, working as Whole-time Director of the Company and having over 18 years of industry experience in the field of automobiles dealership. Under his leadership the company has grown in Himachal Pradesh state and is one of the leading Maruti Suzuki dealer in the state. He has excellent grasp and thorough knowledge and experience of general management and various aspects relating to the Company's affairs and has long business experience. The Board of Directors is of the considered opinion that for smooth and efficient running of the business, the services of Mr. K. K. Mehta should be available to the Company for a further period of Five years with effect from August 23, 2014. In terms of the provisions of the Companies Act, and the Articles of Association of the Company, the Nomination and Remuneration Committee of the Board and the Board of Directors have, at their meeting held on August 12, 2014, has recommended him for re-appointment as Whole-Time Director of the Company for a further period of Five years with effect from August 23, 2014 on the current remuneration of Rs. 80,000/- (Rupees Eighty Thousand only) per month plus various other perquisite as enumerated hereinunder. In case, the Company has no profits or its profits are inadequate, then the remuneration shall be paid to him in accordance with the provisions of the Companies Act, 2013 read with Schedule V of the Act.

Following are the details of the annual salary (payable monthly) proposed to be paid to Mr. Raj Chopra, Chairman & Managing Director: -

- a) Salary
Basic Salary: Rs. 80,000/- p.m.
- b) Commission
Commission as may be decided by the Board of Directors based on the net profits of the company in each financial year, subject to the overall limits laid down in Section 197 read with Schedule V of the Companies Act, 2013.
- c) Perquisites
 - a. Housing: The expenditure on hiring unfurnished accommodation will be subject to the ceiling of 60% of the salary over and above 10% payable to him in case of Metropolitan cities, otherwise 50% of the salary over and above 10% payable to him
 - b. The expenditure on gas, electricity, water and furnishings shall be valued as per Income Tax Rules, 1962, subject however to the ceiling of 10% of the salary.
 - c. Medical Reimbursement: Expenses incurred for self and family to meet medical/hospitalization expenses in India or abroad including expenditure on stay abroad for undergoing the treatment.
 - d. Leave Travel Concession for self and family once in a year in accordance with the rules of the Company.
 - e. Club Fees for clubs subject to a maximum of two clubs provided that no life membership or admission fee will be allowed.
 - f. Company's contribution towards pension / superannuation funds as and when introduced as per rules of the Company for the time being in force.
 - g. Company's contribution towards P.F. as per rules of the Company for the time being in force.
 - h. Gratuity not exceeding ½ month salary for each complete year of service.
 - i. Free use of Company's car with the driver for business of the Company.
 - j. Free use of mobile/telephone at residence
 - k. Earned/Privilege Leave: One month leave with full pay and allowance for every 11 Months of service with encashment benefits.
 - l. His office will be liable to be determine to retire by rotation.

Save and except Mr. K. K. Mehta, being appointee, Mrs. Kavita Ahuja, Whole-Time Directors and Mr. Raj Chopra, Chairman and Managing Director of the Company and their relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

Accordingly, the Board recommends the passing of the special resolution as set out in the item no. 6 of the Notice.

ITEM NO. 7

In terms of Section 180(1)(c) of the Companies Act, 2013, the Board of the company cannot, expect with the consent of the Company in General Meeting, borrow monies (apart from temporary loans obtained by the Company in ordinary course of the business) in excess of the aggregate of paid-up share capital and free reserves. In view of the overall increase of business activities of the Company and to meet the capital expenditure requirements, if any, and for additional working capital, if required, it is considered desirable that the Company's be allowed to borrow to the extent of Rs. 125 Crores in excess of the aggregate of paid-up share capital and free reserves.

None of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested in the said resolutions either financially or otherwise, except to the extent of their equity holding in the Company.

Accordingly, the Board recommends the passing of the special resolution as set out in the item no. 7 of the Notice.

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: 30th May, 2015

Ravi Arora
Company Secretary



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. 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
- 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
- Vill. Dhog, P.O. Dhalu, Teh. Joginder Nagar, Distt. Mandi (H.P.) – 175015

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
- Vill. Dhog, P.O. Dhalu, Teh. Joginder Nagar, Distt. Mandi (H.P.) – 175015

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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DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting this 30th Annual Report together with Audited Accounts of the Company for the financial year ended 31st March, 2015.

FINANCIAL HIGHLIGHTS

The financial performance of the Company, for the year ended 31st March, 2015 is summarised below:

(Rs. in Lacs)

Particulars	Year ended 31-03-2015	Year ended 31-03-2014
Gross Income	92564.34	80956.26
Profit before Dep. & Tax	2240.81	1723.08
Less : Depreciation	630.07	361.97
Less : Provision for Taxation including deferred tax	449.81	443.58
Profit after tax	1160.92	917.53
Add: Profits from Previous year	3972.59	3347.09
Profits available for appropriation	5133.50	4264.61
Less Appropriations		
Proposed Dividend including tax	73.75	71.90
Tax Adjustments	5.56	20.12
Transfer to General Reserves	250.00	200.00
Closing Balance	4804.19	3972.59

PERFORMANCE

Your Company has reported a turnover of Rs. 92564.34 Lacs in the Current Financial Year against the turnover of Rs. 80956.26 Lacs in the Previous Financial Year, registering a growth of 14.34%.

The Company's profit before tax (PBT) is Rs. 1610.73 Lacs as compared to profit before tax of Rs. 1361.11 Lacs of previous year, registering a growth of 18.34%.

During the year 2014-15, your company sold 20066 Maruti Vehicles (including 847 Vehicles under Direct Billing) as compared with 17604 Maruti Vehicles (including 205 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 Rs.1.00 per Equity Share of Rs. 10/- each for the year ended 31st March, 2015, 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.

TRANSFER TO RESERVES

An amount of Rs. 2.50 Crores has been transferred to the reserves.

ACHIEVEMENTS

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

1. Platinum Dealer Award - for Himachal
2. DGS & D Highest Sales Award - for Delhi



DIRECTORS AND KEY MANAGERIAL PERSONS

The following three persons were formally appointed as Key Managerial Personnel of the Company in compliance with provisions of section 203 of the Companies Act, 2013:

- a) Mr. Raj Chopra, Chairman & Managing Director
- b) Mr. Vijay Kumar Sharma, Chief Financial Officer
- c) Mr. Ravi Arora, Company Secretary.

Mr. Gopi Dargan, Independent Director, has resigned from his office w.e.f. November 12, 2014. The Board acknowledged the contribution given by him to the Board and the Directors wishes him the best wishes for all his future endeavors. Your Company have sufficient numbers of Independent Directors, as required under Listing Agreement and Companies Act, 2013, even after resignation of Mr. Gopi Dargan and hence, the Company has not appointed any other director in his place.

The Independent Directors have confirmed and declared that they are not disqualified to act as an Independent Director in compliance with the provisions of section 149 of the Companies Act, 2013 and the Board is also of the opinion that the Independent Directors fulfill all the conditions specified in the Companies Act, 2013 making them eligible to act as Independent Directors.

In terms of appointment of Mrs. Kavita Ahuja, as amended, and as required under Companies Act, 2013, Mrs. Kavita Ahuja shall retire by rotation, and being eligible, she offers herself for re-appointment. The Board recommends her re-appointment.

The Board, upon recommendation of Nomination and Remuneration Committee, had re-appointed Mr. K. K. Mehta, Whole – Time Director and Mr. Raj Chopra, Chairman & Managing Director w.e.f. August 23, 2014 and September 01, 2014 respectively, subject to the approval of members in foregoing general meeting. The Board recommends their re-appointments.

The Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which includes criteria for performance evaluation of the non-executive directors and executive directors. Based upon the Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors, a process of evaluation was followed by the Board for its own performance and that of its Committees and individual Directors.

CODE OF CONDUCT

All Directors, Key Managerial Personnel and Senior Management of the Company have confirmed the Compliance with the Code of Conduct applicable to the Directors and employees of the Company and the declaration in this regard made by the Chairman & Managing Director of the Company which forms the part of this Report of the Directors. The Code of Conduct is available on the Company's website at the link : <http://www.competent-maruti.com/investorsarea/code-ethics.html>

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors acknowledges the responsibility for ensuring compliance with provisions of section 134(3)(c) read with section 134(5) of the Companies Act, 2013 and clause 49(III)(D)(4)(a) of the Listing Agreement in the preparation of the annual accounts for the year ended on March 31, 2015 and state that:

- a) In the preparation of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures
- b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit for the year ended on that period;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities.
- d) The Directors had prepared the annual accounts on a going concern basis.
- e) The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

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- f) The Directors has devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

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 as **Annexure A & B** 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 as **Annexure C** and forms an integral part of this report.

AUDIT COMMITTEE

The Audit Committee comprises of Mr. R. C. Murada, Chairman; Mr. Rohit Gogia and Mrs. Kavita Ahuja as members. All the recommendations made by the Audit Committee were accepted by the Board.

CORPORATE SOCIAL RESPONSIBILITY

The CSR Committee comprises of Mr. R. C. Murada as Chairman and Mr. Rohit Gogia and Mrs. Kavita Ahuja as members of the Committee. The CSR policy may be accessed on the Company's website at the link : <http://www.competent-maruti.com/investorsarea/CSR-Policy.pdf> and is attached as **Annexure D** and forms the part of this Report of the Directors.

As per CSR Policy adopted by the Company, the Company intends to undertake different types of activities for CSR implementation. During the year, the Company has identified the areas of Development of Sports and education of Children & Women for its CSR activities and have contributed Rs. 23,00,000/- to Tug of War Federation of India, Child Help Foundation and Manav Rachna Educational Trust, implementing agencies. Since, the Company could not identify the appropriate implementing agency for the other CSR activities, as mentioned in CSR policy, there is shortfall of Rs. 1,73,045/- in contribution of CSR. Annual Report on CSR is enclosed herewith as **Annexure E**

VIGIL MECHANISM

The Vigil Mechanism of the Company, which also incorporates a whistle blower policy in terms of the Listing Agreement. Protected disclosures by a whistle blower should be addressed to the Managing Director (MD) at the Registered Office of the Company. The MD shall submit a report about all Protected Disclosures cases annually to the Audit Committee of the Company. The Policy on vigil mechanism and whistle blower policy may be accessed on the Company's website at the link : <http://www.competent-maruti.com/investorsarea/Vigil-Mechanism.pdf>

NOMINATION AND REMUNERATION COMMITTEE

The Committee is comprised of Mr. R. C. Murada as Chairman and Mr. Rohit Gogia and Mr. S. L. Tandon as members of the Committee. The Policy of Nomination and Remuneration is available on Company's website www.competent-maruti.com and is enclosed as **Annexure F**.

STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Company has duly constituted Investors' Grievances Committee and to comply with requirements of Companies Act, 2013 and Listing Agreement, the said committee was renamed as Stakeholders' Relationship Committee. The Stakeholders' Relationship Committee shall consider and resolve the grievances of security holders of the company.

RISK MANAGEMENT

During the year, your Directors have constituted a Risk Management Committee which has been entrusted with the responsibility to assist the Board in risk management framework. The Committee manages, monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives.



EXTRACT OF ANNUAL RETURN

Extract of Annual Return of the Company is annexed herewith as **Annexure G** to this Report.

MEETINGS OF THE BOARD

Nine meetings of the Board of Directors were held during the year. For further details, please refer report on Corporate Governance of this Annual Report.

PARTICULARS OF LOANS, INVESTMENTS, GUARANTEES AND SECURITIES

During the year the Company has invested Rs. 4.25 Crores (Rupees Four Crores Twenty Five Lacs only) in equity shares of Raj Chopra & Company Private Limited. The shares having face value of Rs. 10/- each were issued at a premium of Rs. 30/- each.

The Company has not given any loan to other body corporates or given any guarantees or provided any security in connection with a loan to any other body corporate or person.

INVESTOR EDUCATION AND PROTECTION FUND

In compliance with provisions of Section 124 of Companies Act, 2013 (erstwhile section 205A of the Companies Act, 1956), the Company has transferred Rs. 1,27,590/- to IEPF, being unpaid and unclaimed dividend for the FY 2006-07.

LISTING FEE OF SHARES

Your Company's Equity Shares are listed with BSE Limited (BSE) and Listing Fee for the financial year 2015-16 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 as required under Sections 139 & 141 of the Companies Act, 2013.

AUDITORS' REPORT

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

SECRETARIAL AUDITOR

The Board has appointed M/s P. P. Agarwal & Co., Practicing Company Secretaries Firm, to conduct Secretarial Audit for the financial year 2014-15. The Secretarial Audit Report for the financial year ended March 31, 2015 is annexed herewith marked as **Annexure H** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark, except the company has not filed two forms. This was mainly due to ambiguity in interpretation. However, the company would ensure in future that all the provisions are complied to the fullest extent.

INFORMATION PURSUANT TO SECTION 134 OF THE COMPANIES ACT, 2013

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 134(3)(m) of the Companies Act, 2013, read with the Rule 8(3) of the Companies (Accounts) Rules, 2013 are not applicable.

The foreign exchange earnings and expenditure of the Company during the year under review were Nil and Rs. 9.83 Lacs respectively as compared to Rs. Nil and Rs. 13.05 lacs in the previous year respectively.

The prescribed particulars of employees required under section 134(3)(q) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as **Annexure I** and forms the part of this Report of the Directors.

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 134(3)(q) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has not been given here.

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DEPOSITS

The Company has not accepted any deposit from Public and shareholders.

MATERIAL CHANGES AND COMMITMENTS AFTER THE END OF FINANCIAL YEAR

There are no material changes and commitments affecting financial position of the company which have occurred between the end of the financial year of the company and date of the report.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weaknesses in the design or operation were observed.

DETAILS OF SUBSIDIARIES AND THEIR PERFORMANCE

The company has no subsidiary, associate or joint venture company as defined under Companies Act, 2013.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link: <http://www.competent-maruti.com/investorsarea/Related-Party-Transaction-Policy.pdf>

Your Directors draw attention of the members to Note no. 32 & 38 to the financial statement which sets out related party disclosures.

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

The Company has in place an Anti-Sexual Harassment Policy in line with requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Anti-Sexual Harassment Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The Following is a summary of sexual harassment complaints received and disposed off during the year 2014-15

- No. of complaints received : NIL
- No. of complaints disposed : NIL

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: 30th May, 2015**

**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 31st March, 2015 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	1	1
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	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.

[#] Mr. Gopi Dargan has resigned as Director w.e.f. November 12, 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 Nine (9) times – on 29th May, 2014; 18th June, 2014; 25th July, 2014; 12th August, 2014; 12th November, 2014; 16th December, 2014; 12th January, 2015; 14th February, 2015 and 26th March, 2015 during the financial year ended 31st March, 2015. 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 30 th July, 2014
	Held	Attended	
Mr. Raj Chopra	9	9	Yes
Mrs. Kavita Ahuja	9	8	Yes
Mr. K. K. Mehta	9	9	No
Mr. S. L. Tandon	9	7	Yes
Mr. Gopi Dargan*	5	3	No
Mr. R. C. Murada	9	9	Yes
Mr. Rohit Gogia	9	4	No
Mr. O. P. Tandon	9	9	No

*Mr. Gopi Dargan ceased to be Director w.e.f. 12.11.2014.

C. BOARD LEVEL COMMITTEES

The Board of Directors has already constituted the Audit Committee and Investors' Grievances Committee. In compliance with the revised Corporate Governance requirements under Clause 49 of the Listing Agreement with the stock exchange, the Board has constituted on May 29, 2014 the Nomination and Remuneration Committee and the Investors' Grievances Committee was renamed as Stakeholders' Relationship Committee.

The composition, terms of reference, attendance and other details of these Committees are mentioned hereunder.

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 31st March, 2015, 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 1st April, 2014 to 31st March, 2015 on the following dates:

1	29 th May, 2014	3	12 th November, 2014
2	12 th August, 2014	4	14 th February, 2015

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	3
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. STAKEHOLDERS' RELATIONSHIP COMMITTEE (SRC)

➤ **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 Stakeholders' Relationship Committee (i.e. SRC) as on 31st March, 2015 is headed by an Independent director, and consists of the following three directors:

Chairman : Mr. R. C. Murada
Members : Mr. S. L. Tandon and Mr. Rohit Gogia

➤ **Meetings and attendance during the year**

The Stakeholders' Relationship Committee met four (4) times during the financial year from 1st April, 2014 to 31st March, 2015 on the following dates:

1	29 th May, 2014	3	12 th November, 2014
2	12 th August, 2014	4	14 th February, 2015

The attendance record of the Stakeholders' Relationship Committee members is as follows:

Names of the SRC members	Number of SRC meetings held during his tenure and attended by him	
	Held	Attended
Mr. R. C. Murada	4	4
Mr. Gopi Dargan*	3	3
Mr. Rohit Gogia	4	4
Mr. S. L. Tandon#	1	0

* Mr. Gopi Dargan resigned as Director of the Company w.e.f. November 12, 2014. 3 meeting were held during his tenure.

Mr. S. L. Tandon was appointed as committee member on November 12, 2014. One meeting was held during his tenure.

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➤ **Compliance Officer**

The Compliance Officer for this committee is Mr. Ravi Arora, Company Secretary of the Company.

Shareholders' Complaints etc. received during the FY 2014-15

During the year from 1st April, 2014 to 31st March, 2015, the Company has not received any complaint from Investors / Shareholders of the Company.

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

3. NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee was constituted on May 29, 2014 in compliance with provisions of section 178 of the Companies Act, 2013 and Clause 49(IV) of the revised Listing Agreement with the stock exchange.

➤ **Terms of reference**

The terms of reference of the Nomination and Remuneration Committee covers all the areas mentioned under Clause 49(IV) of the revised Listing Agreement with stock exchange and section 178 of the Companies Act, 2013. The Board terms of reference include recommending a policy relating to remuneration and employment terms of Managing Director, Whole-Time Director and senior management personnel, adherence to the remuneration/employment policy as finally approved by the Board of Directors, preparing the criteria and identify persons who may be appointed as directors or senior management.

➤ **Composition and names of members**

The Nomination and Remuneration Committee (i.e. NRC) as on 31st March, 2015 is headed by an Independent director, and consists of the following three directors:

Chairman : Mr. R. C. Murada
Members : Mr. S. L. Tandon and Mr. Rohit Gogia

➤ **Meetings and attendance during the year**

The Nomination and Remuneration Committee met four (4) times during the financial year from 1st April, 2014 to 31st March, 2015 on the following dates:

1	12 th August, 2014	3	14 th February, 2015
2	12 th November, 2014	4	26 th March, 2015

The attendance record of the Nomination and Remuneration Committee members is as follows:

Names of the NRC members	Number of NRC meetings held during his tenure and attended by him	
	Held	Attended
Mr. R. C. Murada	4	4
Mr. Rohit Gogia	4	4
Mr. S. L. Tandon	4	3

Remuneration Policy

The Remuneration Policy and recommended by the Nomination and Remuneration policy has been accepted by the Board of Directors. The Remuneration Policy is attached as **Annexure F** to the report of Directors.

The Details of Remuneration paid to Directors for the year ended 31st March, 2015

(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	8,88,920	5,00,000	13,88,920



D. GENERAL BODY MEETINGS:

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

Financial Year Year ended	Date	Venue	Time
March 31, 2014	30.07.2014	Plot No. 3, Gazipur, Delhi 110096	9:30 a.m.
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.

- 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.
- No Postal Ballot was conducted during the year. No special resolution requiring postal ballot is being proposed at the forthcoming Annual General Meeting.
- Appointment of Mr. Raj Chopra as Chairman & Managing Director for a period of Five years, is proposed special resolution is proposed to be conducted through Postal Ballot in ensuring Annual General Meeting.

E. DISCLOSURES:

- 1. Related Party Transactions:** For related party transactions please refer to note no. 32 & 38 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.
- The Company has in place Whistle Blower-cum-Vigil Mechanism Policy which is also available on the Company's website www.competent-maruti.com. No personnel has been denied access to the Audit Committee to lodge their grievances.
- 4. 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 31st March, 2015.

New Delhi
May 30, 2015

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.
- The necessary certificate from Mr. Raj Chopra, Chairman and Managing Director and Mr. Vijay Sharma, Chief Financial Officer 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. __.
- 8. Disclosure regarding appointment or re-appointment of directors:**
 - Mr. Raj Chopra has been re-appointed, as Chairman and Managing Director, by the Board w.e.f. September 01,

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2014, subject to approval of members in the forthcoming Annual General Meeting

- b) Mr. K. K. Mehta has been re-appointed, as Whole-Time Director, by the Board w.e.f. August 23, 2014, subject to approval of members in the forthcoming Annual General Meeting
- c) Mrs. Kavita Ahuja, Whole-time director of the Company, retire by rotation and being eligible offer herself for reappointment at the forthcoming Annual General Meeting;

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 31st March, 2015, details of shareholding of all the directors (i.e. Executive as well as Non-Executive Directors) are given below:

i. Executive Directors:

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

ii. Non - Executive Directors:

Name of the Director	Number of Shares Held
Mr. S. L. Tandon	Nil
Mr. Gopi Dargan*	Nil
Mr. R. C. Murada	Nil
Mr. Rohit Gogia	15,000
Mr. O. P. Tandon	NIL

* Mr. Gopi Dargan was ceased to be Director w.e.f. 12.11.2014.

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

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.

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 1st April and ends at 31st 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 st quarter ended June 30, 2015	August, 2015
Un-audited Financial results for the 2 nd quarter and half year ending September 30, 2015	November, 2015
Un-audited Financial results for the 3 rd quarter ending December 31, 2015	February, 2016
Audited Financial results for the last quarter and whole year ending March 31, 2016	May, 2016

4. WEBSITE

The Company's website is 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 31st March, 2015, if approved at the forthcoming Annual General Meeting, will be paid with in the specified time period.

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

Year	Dividend (%)
2013-14	10
2012-13	10
2011-12	10

6. LISTING ON STOCK EXCHANGE

As on 31st March, 2015, 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 2015-16 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 31ST MARCH, 2015

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	31st March, 2015	
	No. of Shares	% (Holding)
Promoter and Promoter Group		
Individuals	46,04,305	74.92
Total (A)	46,04,305	74.92
Public Shareholding		
Mutual Funds	100	0.00
Bodies Corporate	3,87,317	6.30
Individuals	11,06,797	18.01
Others (NRIs/HUF/Clearing Member / House etc.)	47,481	0.77
Total (B)	15,41,695	25.08
Grand Total (C=A+B)	61,46,000	100

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Distribution of shareholding according to the number of shares

No. of Equity Shares held	31 st March, 2015			
	No. of Shareholders	% of Shareholders	No. of Shares	% of Share Capital
Upto 500	2959	92.15	276591	4.50
501-1000	115	3.58	97680	1.59
1001-2000	53	1.65	79359	1.29
2001-3000	30	0.93	80676	1.31
3001-4000	8	0.25	28844	0.47
4001-5000	8	0.25	38346	0.62
5001-10000	17	0.53	128784	2.10
10001 and above	21	0.65	5415720	88.12
TOTAL	3211	100.00	61,46,000	100.00

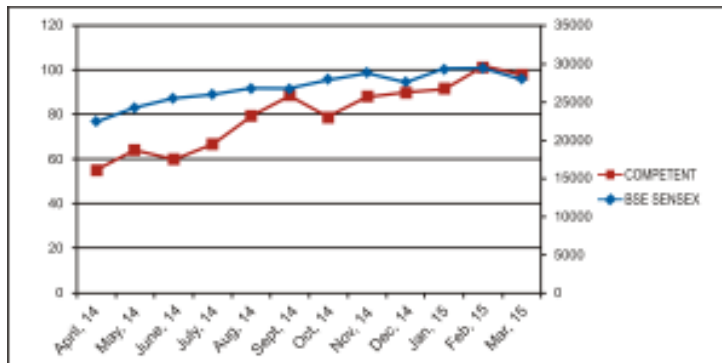
10. MARKET PRICE DATA

Monthly high and low prices of equity shares of the Company traded at the BSE Limited during financial year 2014-15 are given below:

Month	BSE	
	High (Rs.)	Low (Rs.)
Apr-14	62.80	51.00
May-14	66.60	45.00
Jun-14	78.00	56.00
Jul-14	75.00	56.25
Aug-14	82.40	61.00
Sep-14	103.40	76.45
Oct-14	93.90	71.00
Nov-14	108.60	79.10
Dec-14	111.55	78.00
Jan-15	106.95	87.00
Feb-15	118.90	81.25
Mar-15	110.50	89.00

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 31st March, 2015, 90.86% (i.e. 55,84,372 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. 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. Their contact details are as follows:

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

14. OUTSTANDING STOCK OPTIONS

There are no outstanding GDRs / ADRs / Warrants / Convertible Instruments as on 31st March, 2015.

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.

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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:

Name of the Director	Mr. Raj Chopra	Mr. K. K. Mehta	Mrs. Kavita Ahuja
Date of Birth	17/03/1944	08/09/1947	22/01/1972
Qualification	Bachelor in Arts	Bachelor in Science	Bachelor of Arts
Expertise in Specific functional area	Mr. Raj Chopra is a pioneer in the field of Construction, Automobile, Hospitality and Entertainment industry.	Mr. K. K. Mehta is an expert in day to day operations of automobiles industry.	Mrs. Kavita Ahuja have a rich experience in automobile industry with specialization in auto finance and day to day operations.
Date of Appointment	11/04/1985	15/03/1999	01/04/1991
Name of the other Companies in which he/she holds Directorship	- Competent Builders Pvt. Ltd. - Competent Leasing Pvt. Ltd. - Competent Films Pvt. Ltd. - Competent International Tradex Company Pvt. Ltd. - Competent International Resorts and Hotels Limited - Raj Chopra & Co. Pvt .Ltd. - Servensure Solutions (India) Limited - Competent Infrapromoters Pvt. Ltd.	Nil	- Competent International Resorts & Hotels Limited - Liqui Moly Products (India) Private Limited
Name of the Committees* of the Companies of which he/she holds Membership / Chairmanship	Nil	Nil	a) Audit Committee - member
Shareholding in the Company	Nil	Nil	61.48%

* For this purpose, Membership(s) / Chairmanship(s) of only the Audit Committee and Stakeholders' Relationship 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 31st March 2015 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: 30.05.2015**

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

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

OVERALL VIEW

Year 2014-15 started on a high note with double-digit forecasts, but is likely to end with an abysmal sub 2-3% growth. Reduced excise duty earlier in the year and the formation of a stable government did give the sentiment a push, but sporadic sales growth were driven by only a few players. The automobile industry has pinned its hopes on falling fuel prices and interest rates, and stalled infrastructure projects getting the go-ahead — all of which may pump up the economy

Fuel prices are on their way down, and for the first time in five years, running cost has come down in 2014.

Global crude prices have fallen by 40% from the highs in June, compelling oil marketing companies in India to pass on the benefits. The result: The cost of vehicle ownership has fallen by 3% this fiscal, according to an ET Intelligence Group analysis.

Historically, a decline in the cost of ownership has led to a spike in passenger car volume growth. In FY04, FY07 and FY10, the cost of car ownership dropped by 9% on an absolute basis, resulting in passenger car volume growth growing by over 20%.

The price difference between petrol and diesel has almost halved to Rs 10.82 in Delhi in December 2014 from the peaks of Rs. 19.91 at the beginning of January 2013. The switch in favour of petrol-driven cars has already begun.

For now, overall fuel economics looks good and is expected to drive demand, but the decreasing price gap between petrol and diesel fuel is bringing strains to car manufacturers for what direction to choose from here.

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 spoilt 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

Fuel prices are on their way down, and for the first time in five years, running cost has come down in 2014. The result: The cost of vehicle ownership has fallen by 3% this fiscal, according to an ET Intelligence Group analysis.

Historically, a decline in the cost of ownership has led to a spike in passenger car volume growth. In FY04, FY07 and FY10, the cost of car ownership dropped by 9% on an absolute basis, resulting in passenger car volume growth growing by over 20%.

Launch of new models by Maruti Suzuki will provide the required boost for the sales and revenue growth. We thus expect year 2015-16 to be the year of growth.

India being one of the largest automobile markets in the world, 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

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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.

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 2014-15 marks the growth in passenger car category.

The effects of government's decision not to extend the excise benefit were reduced by car maker's offers of discounts for pushing sales. However, with the costs moving upwards, the prices may increase from present level and this may dissuade customers waiting to close their purchase. The chances of any re-looking at reduction in excise rates are slim and tradeoff between tax collection and industrial growth will be difficult.

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 growth.

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.

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, 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 31st March, 2015, there were 1424 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.

CORPORATE SOCIAL RESPONSIBILITY POLICY

PHILOSOPHY:

Competent Automobiles Co. Ltd. (CACL) is committed to social development and empowerment. CACL views Corporate Social Responsibility as a way of conducting business which enables creation and distribution of wealth for the betterment of local populace, its stakeholders and society at large, through implementation and integration of ethical systems and sustainable management practices.

We appreciate the importance of working for the inclusive growth of the society. Through various socially relevant initiatives we strive to create a positive impact on the society. Efficient implementation of such interventions, which involve different partners for various activities, requires a robust process to maximize the intended impact.

Through CSR our focus shall be on addressing social, environmental and economic needs of the marginalized/underprivileged section of the society and creating Social Capital.

Purpose:

The key purpose of this policy is to:

- Define what CSR means to us and the approach adopted to achieve our Good & Green goals
- Define the kind of projects that will come under the ambit of CSR
- Identify broad areas of intervention in which the company will undertake projects
- Serve as a guiding document to help execute and monitor CSR projects
- Elucidate criteria for partner implementation agencies
- Explain the manner in which the surpluses from CSR projects will be treated

CSR committee:

CACL will have a Board Level Sub-Committee herein after referred to as CSR Committee consisting of three or more Directors out of which at least one shall be an independent director.

The role/responsibilities of the CSR Committee include:

1. Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013.
2. Recommend the amount of budgeted expenditure to be incurred on the activities referred to in clause (1) above.
3. Monitor the Corporate Social Responsibility Policy of the company from time to time
4. Institute a transparent monitoring mechanism for implementation of the CSR projects/programs/activities
5. Monitor implementation of CSR activities on quarterly basis.

CSR Committee Members:

- a) Mrs. Kavita Ahuja b) Mr. R. C. Murada c) Mr. Rohit Gogia

CSR Focus Area Projects/Programs/Activities:

CACL's CSR focus area are inspired by the vision of our Chairman, Mr. Raj Chopra, for development of various section of society.

- a) Old Age Homes
- b) Education of children, women and weaker section of society
- c) Health Care
- d) Development of Sports
- e) Any other activities as permissible under law as CSR activity

Apart from above, the Company intends to contribute to various programs for rural development, scientific & Prime Minister Relief Fund.

CSR Budget:

In alignment with The Companies Act, 2013 the Corporation shall earmark as CSR Budget, at least 2% of the average of net profits of the company made during the three immediately preceding financial years.

Treatment of Surpluses:

Any surplus generated from CSR projects undertaken by us will be tracked and channelized into our CSR corpus. These funds will be further used in development of the CSR projects and will not be added to the normal business profits.



ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the company’s CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

The Company is committed to social development and empowerment. The company views CSR as a way of conducting business which enables creation and distribution of wealth for the betterment of local populace, its stakeholders and society at large, through implementation and integration of ethical systems and sustainable management practices.

During the period under review, the company had made contribution to development of sports and education.

The CSR policy available at company’s web link: <http://www.competent-maruti.com/investorsarea/CSR-Policy.pdf>

2. Composition of CSR committee:

Mr. R. C. Murada	Chairman
Mr. Rohit Gogia	Member
Mrs. Kavita Ahuja	Member

3. Average net profit of the company for last three financial years: Rs. 12,36,52,254/-

4. Prescribed CSR Expenditure (Two percent of the amount as in item 3 above): Rs. 24,73,045/-

5. Details of CSR spend for the financial year

a) Total amount spent for the financial year : Rs. 23,00,000/-

b) Amount unspent if any : Rs. 1,73,045/-

c) Manner in which the amount spent during the financial year is detailed below:

S. No.	Projects/Activities	Sector	Locations	Amount outlay (Budget) project or programwise*	Amount spend on the projects or programs sub-heads*: (1) Direct expenditure on projects or program (2) Overheads	Cumulative expenditure upto the reporting period	Amount spend Direct or through implementing agency
1	Development of Sports	Cl (vii)	Delhi/NCR			Rs. 50,000/-	Tug of war Federation of India#
2	Promotion of education	Cl (ii)	Delhi/NCR			Rs. 50,000/-	Child Help Foundation#
3	Promotion of education	Cl (ii)	Delhi/NCR			Rs. 22,00,000/-	Manav Rachna Educational Trust#

* the Company has undertaken CSR activity through implementing agency and hence budget and overhead expenditures cannot be ascertained.

implementing agencies

6. Reasons for not spending two percent of average net profit for the last three financial years or part thereof:

The company intends to undertake different types of CSR activities, since, the company could not identify the appropriate implementing agency for the activities other than above, there is shortfall in contribution of CSR.

RESPONSIBILITY STATEMENT

The Responsibility Statement of the Corporate Social Responsibility (CSR) Committee of the Board of Directors of the Company, is reproduced below:

‘The implementation and monitoring of Corporate Social Responsibility (CSR) Policy, is in compliance with CSR objectives and policy of the Company.’

Raj Chopra
Chairman & Managing Director

Ramesh Chand Murada
Chairman of the CSR Committee

NOMINATION AND REMUNERATION POLICY

Introduction:

This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Committee and approved by the Board of Directors.

Objectives of the Committee:

The Committee shall:

- i) Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, key managerial personnel and other employees;
- ii) Formulation of criteria for evaluation of Independent Director and the Board;
- iii) Devising a policy on Board diversity;
- iv) Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy;
- v) Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

Effective Date: The following policy has been formulated by the Nomination and Remuneration Committee and adopted by the Board of Directors at its meeting held on 12.08.2014. This policy shall be operational with immediate effect.

Definitions:

- **“Board”**:-Board means Board of Directors of the Company.
- **“Director”**:-Directors means Directors of the Company.
- **“Committee”**:-Committee means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, from time to time.
- **“Company”**:- Company means Competent Automobiles Co. Limited.
- **“Independent Director”**:- As provided under clause 49 of the Listing Agreement and/or under the Companies Act, 2013, ‘Independent director’ shall mean a non-executive director, other than a nominee director of the company:
 - a. who, in the opinion of the Board, is a person of integrity and possesses relevant expertise and experience;
 - b. (i) who is or was not a promoter of the company or its holding, subsidiary or associate company;
(ii) who is not related to promoters or directors in the company, its holding, subsidiary or associate company;
 - c. apart from receiving director’s remuneration, has or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
 - d. none of whose relatives has or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent. or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
 - e. who, neither himself nor any of his relatives —
 - i. holds or has held the position of a key managerial personnel or is or has been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed;
 - ii. is or has been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year in which he is proposed to be appointed, of —
 - (a) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - (b) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
 - iii. holds together with his relatives two per cent or more of the total voting power of the company; or
 - iv. is a Chief Executive or director, by whatever name called, of any non-profit organization that receives twenty-five per cent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company;
 - v. is a material supplier, service provider or customer or a lessor or lessee of the company;



f. who is not less than 21 years of age.

• **“Key Managerial Personnel”:-** Key Managerial Personnel (KMP) means-

- (i) Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-Time Director;
- (ii) Company Secretary; and
- (iii) Chief Financial Officer

• **“Senior Management”:-** The expression “senior management” means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

Applicability:-

The Policy is applicable to

- Directors (Executive and Non Executive)
- Key Managerial Personnel
- Senior Management Personnel

Constitution of the Nomination and Remuneration Committee:

The Board has the power to constitute/ reconstitute the Committee from time to time in order to make it consistent with the Company’s policy and applicable statutory requirement.

General Appointment Criteria:

- i) The Committee shall consider the ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and accordingly recommend to the Board his / her appointment.
- ii) The Company should ensure that the person so appointed as Director/ Independent Director/ KMP/ Senior Management Personnel shall not be disqualified under the Companies Act, 2013, rules made thereunder, Listing Agreement or any other enactment for the time being in force.
- iii) The Director/ Independent Director/ KMP/ Senior Management Personnel shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made thereunder, Listing Agreement or any other enactment for the time being in force.

Additional Criteria for Appointment of Independent Directors:

The Committee shall consider qualifications for Independent Directors as mentioned in herein earlier under the head ‘Definitions’ and also their appointment shall be governed as per the provisions of clause 49 of the Listing Agreement (as amended from time to time) and Companies Act, 2013.

Term / Tenure:

The Term / Tenure of the Directors shall be governed as per provisions of the Companies Act, 2013 and rules made thereunder as amended from time to time.

Removal:

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations or any other reasonable ground, the Committee may recommend to the Board for removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

Criteria for Evaluation of Independent Director and the Board:

Following are the Criteria for evaluation of performance of Independent Directors and the Board:

1. Executive Directors:

The Executive Directors shall be evaluated on the basis of targets / Criteria given to executive Directors by the board from time to time

2. Non - Executive Director:

The Non - Executive Directors shall be evaluated on the basis of the following criteria i.e. whether they:

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- a) act objectively and constructively while exercising their duties;
- b) exercise their responsibilities in a bona fide manner in the interest of the company;
- c) devote sufficient time and attention to their professional obligations for informed and balanced decision making;
- d) do not abuse their position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- e) refrain from any action that would lead to loss of his independence
- f) inform the Board immediately when they lose their independence,
- g) assist the company in implementing the best corporate governance practices.
- h) strive to attend all meetings of the Board of Directors and the Committees;
- i) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- j) strive to attend the general meetings of the company;
- k) keep themselves well informed about the company and the external environment in which it operates;
- l) do not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- m) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.
- n) abide by Company's Memorandum and Articles of Association, company's policies and procedures including code of conduct, insider trading guidelines etc.

Policy on Board diversity:

The Board of Directors shall have the optimum combination of Directors from the different areas / fields like production, Management, Quality Assurance, Finance, Sales and Marketing, Supply Chain, Research and Development, Human Resources etc. or as may be considered appropriate.

The Board shall have at least one Board member who has accounting or related financial management expertise and at least three members who are financially literate.

Remuneration:

The Committee will recommend the remuneration to be paid to the Managing Director, Whole-time Director, KMP and Senior Management Personnel to the Board for their approval.

The level and composition of remuneration so determined by the Committee shall be reasonable and sufficient to attract, retain and motivate directors, Key Managerial Personnel and Senior Management of the quality required to run the company successfully. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration should also involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals:

1. Director/ Managing Director

Besides the above Criteria, the Remuneration/ compensation/ commission etc. to be paid to Director/ Managing Director etc. shall be governed as per provisions of the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

2. Non-executive Independent Directors

The Non-executive Independent Director may receive remuneration by way of sitting fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

3. KMPs / Senior Management Personnel etc.

The Remuneration to be paid to KMPs/ Senior Management Personnel shall be based on the experience, qualification and expertise of the related personnel and governed by the limits, if any prescribed under the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

4. Directors and Officers' Insurance

Where any insurance is taken by the Company on behalf of its Directors, KMPs/ Senior Management Personnel etc. for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.



**Form No. MGT-9
EXTRACT OF ANNUAL RETURN**

as on the financial year ended on March 31, 2015

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

- i) CIN:- L34102DL1985PLC020668
- ii) Registration Date: April 11, 1985
- iii) Name of the Company: Competent Automobiles Company Limited
- iv) Category / Sub-Category of the Company: Indian Non – Government Company
- v) Address of the Registered Office and Contact details: Competent House, F-14, Connaught Place, New Delhi – 110 001. Phone: +91 11 45700000 Fax: +91 11 23327640
- vi) Whether listed company Yes / No: Yes
- vii) Name, Address and Contact details of Registrar and Transfer Agent, if any :
Skyline Financial Services Private Limited
D-153 A, 1st Floor, Okhla Industrial Area, Phase - I, New Delhi - 110 020
Tel. : 011-26812682, 83, 011-64732681 to 88; Fax : 011-26812682

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Trading of Vehicles	501	90.88

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

S. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1			Not Applicable		

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	4604305	NIL	4604305	74.92	4604305	NIL	4604305	74.92	NIL
b) Central Govt									
c) State Govt (s)									
d) Bodies Corp.									
e) Banks / FI									
f) Any Other....									
Sub-total (A) (1):-	4604305	NIL	4604305	74.92	4604305	NIL	4604305	74.92	NIL

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(2) Foreign a) NRIs - Individuals b) Other – Individuals c) Bodies Corp. d) Banks / FI e) Any Other....									
Sub-total (A) (2):-									
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	4604305	NIL	4604305	74.92	4604305	NIL	4604305	74.92	NIL
B. Public Shareholding									
1. Institutions a) Mutual Funds b) Banks / FI c) Central Govt d) State Govt(s) e) Venture Capital Funds f) Insurance Companies g) FIs h) Foreign Venture Capital Funds i) Others (specify)		100	100			100	100		NIL
Sub-total (B)(1):-		100	100			100	100		NIL
2. Non-Institutions a) Bodies Corp. i) Indian ii) Overseas b) Individuals i) Individual shareholders holding nominal share capital upto Rs. 1 lakh ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh c) Others (specify)	294050 346859 230604 30730	100400 180052 356600 2300	394450 526911 587204 33030	6.42 8.57 9.55 0.54	281917 436961 216008 45181	105400 170928 282900 2300	387317 607889 498908 47481	6.30 9.89 8.12 0.77	-0.12 1.32 -1.43 0.23
Sub-total (B)(2):-	902243	639352	1541595	25.08	980067	561528	1541595	25.08	NIL
Total Public Shareholding (B)=(B)(1)+ (B)(2)	902243	639452	1541695	25.08	980067	561628	1541695	25.08	NIL
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	5506548	639452	6146000	100.00	5584372	561628	6146000	100.00	NIL



(ii) **Shareholding of Promoters**

Sl.No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Kavita Ahuja	3778680	61.48	NIL	3778680	61.48	NIL	NIL
2	Priya Chopra	271100	4.41	NIL	271100	4.41	NIL	NIL
3	Geeta Chopra	554525	9.02	NIL	554525	9.02	NIL	NIL
Total		4604305	74.92	NIL	4604305	74.92	NIL	NIL

(iii) **Change in Promoters' Shareholding (please specify, if there is no change)**

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	4604305	74.92	-	-
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	-
	At the End of the year	4604305	74.92	-	-

Note : There is no change in the total shareholding of promoters between 01-04-2014 and 31-03-2015

(iv) **Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

S. No	Name	Shareholding		Date	Increase / Decrease in Share-holding	Reason	Cumulative Shareholding during the year (01-04-14 to 31-03-15)	
		No. of Shares at the beginning (01-04-14) /end of the Year (31-03-15)	% of total shares of the Company				No. of Shares at the beginning (01/04/14)/end of the Year (31/03/15)	% of total shares of the Company
1	GUJARAT LEASE FINANCING LIMITED	179520	2.92	01/04/2014				
					0	No Movement		
		179520	2.92	31/03/2015			179520	2.92
2	RISHI CHOPRA	116900	1.90	01/04/2014				
					0	No Movement		
		116900	1.90	31/03/2015			116900	1.90
3	HEMALI MEHTA*	100100	1.63	01/04/2014				
				30/09/2014	-100100	Sale		
		0	0.00	31/03/2015			0	0.00
4	COMPETENT LEASING PVT. LTD.	74800	1.22	01/04/2014				
				21/02/2015	100	Purchase	74900	1.22
				14/03/2015	4900	Purchase	79800	1.30
		79800	1.30	31/03/2015			79800	1.30

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5	S N RAJAN*	69598	1.13	01/04/2014				
				23/05/2014	-4540	Sale	65058	1.06
				30/05/2014	-11446	Sale	53612	0.87
				06/06/2014	-10067	Sale	43545	0.71
				13/06/2014	-2393	Sale	41152	0.67
				04/07/2014	-13000	Sale	28152	0.46
				25/07/2014	-5460	Sale	22692	0.37
				01/08/2014	-401	Sale	22291	0.36
				22/08/2014	-2000	Sale	20291	0.33
				29/08/2014	-3000	Sale	17291	0.28
				05/09/2014	-700	Sale	16591	0.27
				12/09/2014	-1000	Sale	15591	0.25
				30/09/2014	-2100	Sale	13491	0.22
				21/11/2014	-2543	Sale	10948	0.18
		28/11/2014	-5000	Sale	5948	0.10		
		5948	0.10	31/03/2015		5948	0.10	
6	RAKESH KUMAR JAIN	67000	1.09	01/04/2014				
				01/08/2014	-7000	Sale	60000	0.98
		60000	0.98	31/03/2015			60000	0.98
7	ABHEER AHUJA U/G. ASHISH AHUJA	49900	0.81	01/04/2014				
					0	No Movement		
		49900	0.81	31/03/2015			49900	0.81
8	SANJAY KHANNA	39900	0.65	01/04/2014				
					0	No Movement		
		39900	0.65	31/03/2015			39900	0.65
9	VSL SECURITIES PRIVATE LIMITED*	28960	0.47	01/04/2014				
				04/04/2014	-680	Sale	28280	0.46
				30/06/2014	-20000	Sale	8280	0.13
		8280	0.13	31/03/2015			8280	0.13
10	FINQUEST SECURITIES PVT. LTD. - CLIENT MARGIN A/C*	26000	0.42	01/04/2014				
				14/11/2014	-26000	Sale	0	0
		0	0.00	31/03/2015			0	0.00
11	RAMAN KUMAR SEHGAL#	0	0.00	01/04/2014				
				30/09/2014	100100	Purchase	100100	1.63
				21/01/2015	500	Purchase	100600	1.64
				14/02/2015	500	Purchase	101100	1.64
		101100	1.64	31/03/2015			101100	1.64
12	NANDLAL MOHANLAL LAKHANI#	0	0.00	01/04/2014				
		37070	0.60	31/03/2015	37070	Purchase	37070	0.60
13	SHRI PARASRAM HOLDINGS PVT. LTD.#	4519	0.07	01/04/2014				
				11/04/2014	10	Purchase	4529	0.07
				18/04/2014	75	Purchase	4604	0.07
				25/04/2014	6	Purchase	4610	0.08
				02/05/2014	173	Purchase	4783	0.08



			09/05/2014	116	Purchase	4899	0.08
			16/05/2014	72	Purchase	4971	0.08
			23/05/2014	56	Purchase	5027	0.08
			30/05/2014	-9	Sale	5018	0.08
			06/06/2014	-127	Sale	4891	0.08
			13/06/2014	-18	Sale	4873	0.08
			20/06/2014	-99	Sale	4774	0.08
			11/07/2014	545	Purchase	5319	0.09
			18/07/2014	-145	Sale	5174	0.08
			25/07/2014	-350	Sale	4824	0.08
			08/08/2014	-5	Sale	4819	0.08
			22/08/2014	3300	Purchase	8119	0.13
			29/08/2014	15512	Purchase	23631	0.38
			05/09/2014	-5812	Sale	17819	0.29
			24/10/2014	46	Purchase	17865	0.29
			31/10/2014	174	Purchase	18039	0.29
			07/11/2014	18	Purchase	18057	0.29
			14/11/2014	-138	Sale	17919	0.29
			21/11/2014	-8008	Sale	9911	0.16
			28/11/2014	264	Purchase	10175	0.17
			05/12/2014	1125	Purchase	11300	0.18
			12/12/2014	1156	Purchase	12456	0.20
			19/12/2014	5304	Purchase	17760	0.29
			09/01/2015	105	Purchase	17865	0.29
			16/01/2015	5	Purchase	17870	0.29
			23/01/2015	6001	Purchase	23871	0.39
			30/01/2015	1002	Purchase	24873	0.40
			06/02/2015	-3000	Sale	21873	0.36
			13/02/2015	710	Purchase	22583	0.37
			20/02/2015	-5948	Sale	16635	0.27
			06/03/2015	-10	Sale	16625	0.27
			13/03/2015	-4700	Sale	11925	0.19
			20/03/2015	-10848	Sale	1077	0.02
			27/03/2015	12	Purchase	1089	0.02
			31/03/2015	18705	Purchase	19794	0.32
	19794	0.32	31/03/2015			19794	0.32
14	DARGAN PROPERTIES PVT. LTD. #		18393	0.30	01/04/2014		
					0	No Movement	
			18393	0.30	31/03/2015		18393
							0.30

* Ceased to be in Top 10 Shareholders as on 31-03-2015. The same is reflected above since shareholders were in the Top 10 shareholders as on 01-04-2014

Not in the list of Top 10 shareholders as on 01-04-2014. The same has been reflected above since the shareholders were of the Top 10 shareholders on 31-03-2015

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(v) Shareholding of Directors and Key Managerial Personnel:

S. No	Name	Shareholding		Date	Increase / Decrease in Shareholding	Reason	Cumulative Shareholding during the year (01-04-14 to 31-03-15)	
		No. of Shares at the beginning (01-04-14) /end of the Year (31-03-15)	% of total shares of the Company				No. of Shares at the beginning (01/04/14)/end of the Year (31/03/15)	% of total shares of the Company
1	Raj Chopra Chairman and Managing Director	0	0.00	01/04/2014				
					0	No Movement		
		0	0.00	31/03/2015			0	0.00
2	Kavita Ahuja Whole-Time Director	3778680	61.48	01/04/2014				
					0	No Movement		
		3778680	61.48	31/03/2015			3778680	61.48
3	K K Mehta Whole-Time Director	0	0.00	01/04/2014				
					0	No Movement		
		0	0.00	31/03/2015			0	0.00
4	R C Murada Independent Director	0	0.00	01/04/2014				
					0	No Movement		
		0	0.00	31/03/2015			0	0.00
6	S L Tandon Independent Director	0	0.00	01/04/2014				
					0	No Movement		
		0	0.00	31/03/2015			0	0.00
7	Rohit Gogia Independent Director	15000	0.24	01/04/2014				
					0	No Movement		
		15000	0.24	31/03/2015			15000	0.24
9	O P Tandon Independent Director	500	0.00	01/04/2014				
				21/01/2015	-500	Sale	0	0.00
		0	0.00	31/03/2015			0	0.00
10	Vijay Kumar Sharma Chief Financial Officer	0	0.00	01/04/2014				
					0	No Movement		
		0	0.00	31/03/2015			0	0.00
10	Ravi Arora Company Secretary	0	0.00	01/04/2014				
					0	No Movement		
		0	0.00	31/03/2015			0	0.00



V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Amount in Rs.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	29,61,28,328	6,74,160	-	29,68,02,488
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i + ii + iii)	29,61,28,328	6,74,160	-	29,68,02,488
Change in Indebtedness during the financial year				
• Addition	5,58,39,141	2,10,000	-	5,60,49,141
• Reduction	2,09,11,335	6,74,160	-	2,15,85,495
Indebtedness at the end of the financial year				
i) Principal Amount	33,07,24,051	2,10,000	-	33,09,34,051
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i + ii + iii)	33,07,24,051	2,10,000	-	33,09,34,051

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A Remuneration to Managing Director, Whole-time Directors and/or Manager:

Amount in Rs.

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Raj Chopra	Kavita Ahuja	KK Mehta	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	18,00,000	12,00,000	8,88,920	38,88,920
2.	Stock Option				
3.	Sweat Equity				
4.	Commission - as % of profit - others (Ex-gratia)	30,00,000	-	5,00,000	35,00,000
5.	Others, please specify				
	Total (A)	48,00,000	12,00,000	13,88,920	73,88,920*
	Ceiling as per the Act	1,67,89,553 (being 10% of the net profit of the company calculated as per section 198 of the Companies Act, 2013.)			

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B. Remuneration to other directors:

Amount in Rs.

Sl. no.	Particulars of Remuneration	Name of Directors				Total Amount
		S. L. Tandon	R. C. Murada	O. P. Tandon	Rohit Gogia	
1.	Independent Directors					
	• Fee for attending board / committee meetings	Nil	Nil	Nil	Nil	
	• Commission					
	• Others, please specify					
	Total (1)	Nil	Nil	Nil	Nil	
2.	Other Non-Executive Directors					
	• Fee for attending board / committee meetings	Nil	Nil	Nil	Nil	
	• Commission					
	• Others, please specify					
	Total (2)	Nil	Nil	Nil	Nil	
	Total (B)=(1+2)	Nil	Nil	Nil	Nil	Nil
	Total Managerial Remuneration (A+B)					73,88,920
	Overall Ceiling as per the Act	1,84,68,508 (being 11% of the net profit of the company calculated as per section 198 of the Companies Act, 2013.)				

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Amount in Rs.

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary*	CFO	
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Not Applicable	7,56,250	12,71,350	20,27,600
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2.	Stock Option	-	-	-	-
-	Sweat Equity	-	-	-	-
4.	Commission				
	- as % of profit				
	- others, specify...				
5.	Others, please specify				
	Total	-	7,56,250	12,71,350	20,27,600

* Mr. Ravi Arora has joined the Company on May 01, 2014, hence, the remuneration is shown for 11 months.



VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description Compounding fees imposed	Details of Penalty / Punishment / COURT]	Authority [RD / NCLT Details)	Appeal made, if any (give
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment			NIL		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

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ANNEXURE- H

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015

To,
The Members,
Competent Automobiles Company Limited

CIN: L34102DL1985PLC020668

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Competent Automobiles Company Limited ('the company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended 31st March, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Competent Automobiles Company Limited for the financial year ended 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992:
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India, though not mandatory; and
- (ii) The Equity Listing Agreements entered into by the Company with the National Stock Exchange of India Ltd. and the Bombay Stock Exchange Ltd.



- vi) Other laws applicable to the Company include:
- (i) The Factories Act, 1948;
 - (ii) Industrial Disputes Act, 1947;
 - (iii) The Employees' Provident Fund & Misc. Provisions Act, 1952;
 - (iv) The Employees' State Insurance Act, 1965;
 - (v) The Contract Labour (Regulation and Abolition) Act, 1970;
 - (vi) The Environmental Laws; and
 - (vii) The Shop and Establishment Act etc.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except as depicted below:

During the year the Company passed board resolutions for borrowing money from HDFC Bank and Kotak Mahindra Prime Limited in the board meetings held on 25-07-2014 and 12-11-2014 respectively. The requisite e-form MGT-14 related to these board decisions are yet to be filed with the Registrar of Companies, NCT of Delhi & Haryana.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes. We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

For P. P. Agarwal & Co.
Company Secretaries

Pramod Prasad Agarwal
Proprietor
FCS No.: 4955
C. P. No.: 10566

Place : New Delhi
Date : 29/05/2015

Note: This report is to be read along with our letter of even date which is annexed as 'Annexure-A' and forms an integral part of this report.

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To,
The Members,
Competent Automobiles Company Limited

The Secretarial Audit report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For P. P. Agarwal & Co.
Company Secretaries

Pramod Prasad Agarwal
Proprietor
FCS No.: 4955
C. P. No.:10566

Place: New Delhi
Date : 29/05/2015

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2014-15, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

S. No.	Name of Director/ KMP and Designation	Remuneration of Director/KMP for financial year 2014-15 (in ₹)	% increase in Remuneration in the Financial Year 2014-15	Ratio of remuneration of each Director/ to median remuneration of employees	Comparison of the Remuneration of the KMP against the performance of the Company
1	Mr. Raj Chopra Chairman & Managing Director	48,00,000/- (Include commission of Rs. 30,00,000/-)	Nil	38.56	Profit before Tax increased by 18.34% and Profit After Tax increased by 23.80% in financial year 2014-15
2	Mrs. Kavita Ahuja Whole-Time Director	12,00,000/-	Nil	9.64	
3	Mr. K K Mehta Whole-Time Director	13,88,920/- (Include commission of Rs. 5,00,000/-)	78.07	11.16	
4	Mr. Vijay Kr. Sharma Chief Financial Officer	12,71,350/-	10.99	Not Applicable	
5	Mr. Ravi Arora* Company Secretary	8,25,000/-	Not Applicable	Not Applicable	

* Mr. Ravi Arora has joined the Company on May 01, 2014, hence, the remuneration is shown for 11 months. Also, no increment was given during the year.

- ii) The median remuneration of employees of the Company during the financial year was Rs. 1,24,488/-
- iii) In the financial year, there was an increase of 5.95% in the median remuneration of employees;
- iv) There were 1424 permanent employees on the rolls of Company as on March 31, 2015;
- v) Relationship between average increase in remuneration and company performance:- The Profit before Tax for the financial year ended March 31, 2015 increased by 18.34% whereas the average increase in remuneration was 6%. The Company has followed the industry standards while increasing the salary.
- vi) Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company: The total remuneration of Key Managerial Personnel increase by 9.26% in 2014-15 whereas the Profit before Tax increased by 18.34%.
- vii) a) Variations in the market capitalisation of the Company : The market capitalisation as on March 31, 2015 was Rs. 6016.93 Lacs (Rs. 3856.15 Lacs as on March 31, 2014)
- b) Price Earnings ratio of the Company was 5.18 as at March 31, 2015 and was 4.21 as at March 31, 2014
- c) Percent increase over/ decrease in the market quotations of the shares of the company as compared to the rate at which the company came out with the last public offer in the year- The Company had come out with initial public offer (IPO) in June, 1995. An amount of Rs. 1,000 invested in the said IPO would be worth Rs.1399/- as on March 31, 2015 indicating a Compounded Annual Growth Rate of 6.99%.
- viii) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2014-15 was 8.07 % whereas the increase in the managerial remuneration for the same financial year was 9.26%.
- ix) The key parameters for the variable component of remuneration availed by the directors are considered by the Board of Directors based on the recommendations of, Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- x) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year – Not Applicable; and
- xi) It is hereby affirmed that the remuneration paid is as per the as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

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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 31st March 2015, and the Statement of Profit & Loss Account and the Cash Flow Statement for the year ended 31st March 2015, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and 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. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and 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 financial control relevant to the company's preparation of the financial statements, that give a true and fair view, in order to design audit procedures that are appropriate in circumstances, but not for the purpose of expressing an opinion on whether the Company has an adequate internal financial control system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, 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 aforesaid 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 of the state of affairs of the company as at March 31st, 2015, its Profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- I. As required by the Companies (Auditor's Report) order, 2015 ("the order") issued by the Central Government of India in terms of sub section (11) of Section 143 of the Act, we enclose in the Annexure, a statement on the matters specified in Paragraph's 3 and 4 of the Order.
- II. As required by section 143 (3) of the Act, we report that:



- a) We have sought and 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 aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
- f) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014:
 - (i) The company has disclosed the impact of pending litigations on its financial position in its Financial Statements – Refer Note no. 29 to the Financial Statements.
 - (ii) The Company did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - (iii) There has been no delay in transferring amounts, required to be transferred, to Investor Education and Protection Fund by the Company.

For DINESH MEHTA & Co.
Chartered Accountants
Firm No. : 000220N

Place: New Delhi
Date: 30/05/2015

(HIREN MEHTA)
Partner
MEMBERSHIP NO.: 90772

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, 2015
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.
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.

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3. The Company has not granted any secured or unsecured loan to companies, firms and other parties covered in the register maintained under section 189 of the Act.
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. According to the information and explanation given to us, the Company has not accepted any deposits from the public covered under Section 73 to 76 of the Companies Act, 2013.
6. The provision of maintaining Cost records under Section 148(1) of the Companies Act, 2013 are not applicable to the company.
7. In respect of statutory dues:
 - a) According to the information and explanation given to us and on the basis of our examination of 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, Value Added 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 31st 2015, for a period of more than six months from the date they became payable.
 - b) According to the information and explanation given to us and on the basis of our examination of 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.
 - c) According to the information and explanation given to us, the Company had transferred the amounts, required to be transferred to Investor Education and Protection Fund in accordance with the relevant provisions of the Act and rules made there under, within time.
8. 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.
9. 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.
10. 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.
11. According to the information and explanation given to us, the term loans have been applied for the purpose for which they were raised.
12. 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.

For DINESH MEHTA & Co.
Chartered Accountants
Firm Regn. No. 000220N

Place: New Delhi
Dated: 30/05/2015

(HIREN MEHTA)
Partner
M. No. 90772

**COMPETENT AUTOMOBILES CO. LTD.****BALANCE SHEET AS AT 31ST MARCH 2015****(Amount in ₹)**

	Notes to Accounts	Figures as at the end of Current Reporting Period	Figures as at the end of Previous Reporting Period
I EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	6,27,84,500	6,27,84,500
Reserves and Surplus	3	85,03,35,058	74,21,74,718
		91,31,19,558	80,49,59,218
Non-Current Liabilities			
Long-Term Borrowings	4	358,75,000	5,18,72,007
Other Long-Term Liabilities	5	13,35,092	21,06,093
		3,72,10,092	5,39,78,100
Current Liabilities			
Short-Term Borrowings	6	27,96,22,745	23,03,09,603
Trade Payables	7	19,89,68,333	25,31,75,552
Other Current Liabilities	8	50,19,14,391	23,74,04,899
Short-Term Provisions	9	4,35,87,919	3,49,99,771
		1,02,40,93,388	75,58,89,825
TOTAL		1,97,44,23,038	1,61,48,27,145
II ASSETS			
Non-Current Assets			
Fixed Assets			
-Tangible Assets	10	41,53,56,885	43,09,45,767
-Capital Work-in-Progress	11	11,58,30,426	9,15,81,465
-Non Current Investments	12	11,75,00,000	7,50,00,000
Deffered Tax Assets (Net)	13	1,44,26,224	44,07,224
Long-Term Loans and Advances	14	7,45,76,677	6,63,22,832
Other Non current Assets	15	95,17,620	62,41,288
		74,72,07,832	67,44,98,576
Current Assets			
Inventories	16	62,17,29,093	63,52,95,951
Trade Receivables	17	23,17,10,662	17,70,13,958
Cash and Bank Balances	18	31,88,27,492	7,52,97,025
Short-Term Loans and Advances	19	1,20,73,069	76,98,991
Other Current Assets	20	4,28,74,887	4,50,22,640
		1,22,72,15,204	94,03,28,564
TOTAL		1,97,44,23,038	1,61,48,27,145

Significant Accounting policies Notes to Accounts form part of Financial Statements.(1 to 39)

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 Number-90772

(Raj Chopra)

Chairman & Managing Director

DIN-00036705

(Kavita Ahuja)

Whole Time Director

DIN-00036803

Place: New Delhi

Date : 30/05/2015

(Ravi Arora)

Company Secretary

(Vijay Sharma)

Chief Financial Officer

ANNUAL REPORT & ACCOUNTS 2014-2015

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2015

(Amount in ₹)

	Note No.	Figures For the Current Reporting Period	Figures For the Previous Reporting Period
A Revenue			
I Revenue from Operations	21	9,24,34,15,593	8,0,818,27,458
II Other Income	22	1,30,18,805	1,37,98,552
III Total Revenue (I+II)		9,25,64,34,398	8,09,56,26,010
IV Expenses			
Purchases of Stock in Trade	23	8,29,49,84,934	7,38,86,82,759
Changes in Inventories of Stock in Trade	24	1,35,66,858	(9,64,26,927)
Employee Benefit Expenses	25	24,47,73,328	20,82,88,676
Finance Cost	26	4,92,13,526	4,61,33,347
Depreciation and Amortization Expense	27	6,30,06,616	3,61,97,061
Other Expenses	28	42,98,16,524	37,66,40,272
Total Expenses		9,09,53,61,786	7,95,95,15,188
V Profit before extraordinary items and Tax (V) = (III)-(IV)		16,10,72,611	13,61,10,822
VI Exceptional Items		-	-
VII Profit / (Loss) before extraordinary items and Taxes VI=(V-VI)		16,10,72,611	13,61,10,822
IX Profit / (Loss) before Tax (VII-VIII)		16,10,72,611	13,61,10,822
X Less :Tax Expenses			
- Current Tax		5,50,00,000	4,30,00,000
- Deferred Tax		(1,00,19,000)	13,58,508
- (Excess)/Short provision for taxation and tax payments		-	-
Profit after Tax for the Year (IX-X)		11,60,91,611	9,17,52,314
Earnings per Equity share (In ₹)			
(Nominal Value per Share ₹ 10/-)			
Basic and Diluted		18.89	14.93

Significant Accounting policies Notes to Accounts form part of Financial Statements.(1 to 39)

This is the Statement of Profit and Loss referred to in our report of even date.

For Dinesh Mehta & Co.

Firm Registration No: 000220N
Chartered Accountants

(Hiren Mehta)
Partner
Membership Number-90772

Place: New Delhi
Date : 30/05/2015

For and on behalf of the Board of Directors

(Raj Chopra)
Chairman & Managing Director
DIN-00036705

(Ravi Arora)
Company Secretary

(Kavita Ahuja)
Whole Time Director
DIN-00036803

(Vijay Sharma)
Chief Financial Officer



COMPETENT AUTOMOBILES CO. LTD.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2015

(All Figures in ₹)

	Year ended 31 March 2015	Year ended 31 March 2014
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	16,10,72,611	13,61,10,822
Adjustments for:		
Depreciation and Amortisation	6,30,06,616	3,61,97,061
Profit on Sale of Tangible Assets	(5,66,002)	(57,10,004)
Provisions no longer required written back		
Provision for Gratuity		
Provision for Doubtful Debts		
Financial Expenses	4,92,13,526	4,61,33,347
Interest Income		
	11,16,54,140	7,66,20,404
Operating gain before working capital changes	27,27,26,751	21,27,31,226
Changes in working capital		
(Increase)/Decrease in Inventories	1,35,66,860	(9,64,26,925)
(Increase)/Decrease in Trade Receivables	(5,25,48,952)	2,24,11,582
(Increase)/Decrease in Loans and Advances	(1,26,27,924)	(3,63,69,514)
Increase in Current Liabilities and Provisions	21,81,19,420	6,77,73,707
	16,65,09,404	(4,26,11,150)
Cash generated from Operating activities before Taxes	43,92,36,156	17,01,20,076
Direct Taxes paid (net of refunds)	(5,88,32,764)	(4,81,87,868)
Net cash generated from/ (used in) Operating activities	38,04,03,392	12,19,32,208
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(7,42,95,121)	(5,67,41,490)
Purchase of Investments	(4,25,00,000)	(7,50,00,000)
Proceeds from Sale of Investments		
Proceeds from Sale of Tangible Assets	31,94,432	85,54,237
Interest received		
Net cash generated from / (used in) investing activities	(11,36,00,689)	(12,31,87,253)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Bank Borrowings	3,33,16,135	6,05,63,315
Proceeds from Long Term Bank Borrowings		
Repayment of Long Term Borrowings		
Financial expenses paid	(4,92,13,526)	(4,61,33,347)
Dividend paid	(73,74,840)	(71,43,035)
Net cash generated from/ (used in) financing activities	(2,32,72,231)	72,86,933
INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS	24,35,30,468	60,31,887
Cash and Bank balance at the beginning of the year	7,52,97,024	6,92,65,137
Effect of exchange gain on cash and cash equivalents		
Cash and Bank balance at the end of the year	31,88,27,492	7,52,97,024
Component of Cash and Bank balance		
Cash and cash equivalents include:		
Cash on hand	1,63,51,456	2,15,39,976
Cheques on hand	25,73,031	81,48,139
Balances with Banks:		
Deposit accounts		
unpaid dividend accounts	-	-
Current accounts	4,79,27,310	3,53,22,128
Cash and cash equivalents at the end of the year	6,68,51,798	6,50,10,243
Add:		
Fixed deposits with original maturity of more than 90 days	25,19,75,694	1,02,86,781
Cash and Bank balances at the end of the year	31,88,27,492	7,52,97,024

Notes 1 The Cash Flow Statement has been prepared in accordance with the 'Indirect Method' specified in Accounting Standard 3, Cash Flow Statement.
2 Figures in brackets represents cash out flow.

As per our report of even date

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

(Hiren Mehta)
Partner
Membership Number-90772

Place: New Delhi
Date : 30/05/2015

For and on behalf of the Board of Directors

(Raj Chopra)
Chairman & Managing Director
DIN-00036705

(Ravi Arora)
Company Secretary

(Kavita Ahuja)
Whole Time Director
DIN-00036803

(Vijay Sharma)
Chief Finance Officer

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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 specified under the Companies Act 1956, {which are deemed to be applicable as per Section 133 of companies Act 2013, read with Rule 7 of Companies (Accounts) Rules, 2014} and the other relevant provisions of the 1956 Act /2013 Act as Applicable .

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 Schedule III of The Companies Act, 2013.

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 based on useful life of the assets as prescribed in the Schedule - II to the Companies Act 2013 , and charged on the basis of written down Value Method .
- 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

Current Investment are stated at the lower of cost or fair value . Non current Investments are valued at cost of acquisition, less provisions for diminution, as necessary, if any.

1.4 Lease

Lease Rentals for operating lease are charged to statement of profit and loss on accrual basis in accordance with the respective lease agreements.

1.5 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 on reasonable basis.

1.6 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.



1.7 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.

1.8 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.

1.9 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.

1.10 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.

1.11 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.

1.12 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.

1.13 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.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

(Amount in ₹)

	Figures as at the end of Current Reporting Period	Figures as at the end of Previous Reporting Period		
2 Share capital				
Authorized				
1,00,00,000 Equity shares of ₹ 10 each (Previous Year 1,00,00,000 Equity shares of ₹ 10 each)	10,00,00,000	10,00,00,000		
Issued, Subscribed				
64,09,500 Equity shares of ₹ 10 each (Previous Year 64,09,500 Equity shares of ₹ 10 each)	6,40,95,000	6,40,95,000		
Paid-Up				
61,46,000 Equity Shares of ₹ 10/ each (Previous Year 61,46,000 Equity Shares of ₹ 10/ each)	6,14,60,000	6,14,60,000		
Add : Amount paid up on Forfeited 2,63,500 Equity Shares (Previous year : Amount Paid up on forfeited 2,63,500 Equity Shares)	13,24,500	13,24,500		
	6,27,84,500	6,27,84,500		
A The Reconciliation of the number of shares outstanding is set out below				
	Number of Shares	Number of Shares		
Equity Shares outstanding at the beginning of the year and at the end of the year.	61,46,000	61,46,000		
B. The Details of shareholders holding more than 5 % of the aggregate shares in the company				
Name of the Share Holder	%	Number of Shares	%	Number of Shares
Mrs. Kavita Ahuja	61.48%	37,78,680	61.48%	37,78,680
Mrs. Geeta Chopra	9.02%	5,54,525	9.02%	5,54,525
3 Reserves and Surplus				
i. General Reserve				
As per last Balance Sheet		20,17,51,195		18,17,51,195
Add : Balance Transferred from Profit and Loss Account		2,50,00,000		2,00,00,000
		22,67,51,195		20,17,51,195
ii Securities Premium Account				
As per last Balance Sheet		14,31,65,000		14,31,65,000
iii Surplus in Statement of Profit and Loss				
As per last Balance Sheet		39,72,58,523		33,47,09,299
Add : Net Profit for the Year		11,60,91,611		9,17,52,315
Amount available for Appropriations		51,33,50,135		42,64,61,614
Less:				
Proposed Dividend on Equity Shares		61,46,000		61,46,000
Dividend tax		12,28,840		10,44,515
Tax adjustments for earlier years		5,56,432		20,12,576
Transferred to General Reserve		2,50,00,000		2,00,00,000
		48,04,18,863		39,72,58,523
Total		85,03,35,058		74,21,74,718



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

(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
4. Long Term Borrowings				
Term Loan				
Secured Loans:				
From Vijaya Bank- Goa *	-	82,36,306	88,72,007	83,20,870
From Vijaya Bank- Noida**	3,58,75,000	72,00,000	4,30,00,000	63,00,000
	3,58,75,000		5,18,72,007	
5 Other long-Term Liabilities				
Others:		-		-
Security Deposits		13,35,092		21,06,093
		-		-
		13,35,092		21,06,093
6 Short-Term Borrowings				
Loan repayable on Demand				
From Banks				
Secured				
- Cash Credit Facility From Vijaya Bank *		4,21,76,604		5,22,50,131
- Cash Credit Facility From State Bank of India *		5,64,16,741		3,17,87,153
- Inventory Funding From HDFC Bank**		15,15,41,495		13,41,58,415
		-		-
Unsecured				
		-		-
From Others				
Unsecured				
Due to Directors ***		2,10,000		6,74,160
Other loans				
- Vehicle Loan		2,92,77,905		1,14,39,743
		27,96,22,745		23,03,09,603

* 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 10.85% P.A.

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

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

(Amount in ₹)

	Figures as at the end of Current Reporting Period	Figures as at the end of Previous Reporting Period
7 Trade Payables		
Micro, Small and Medium Enterprises	-	-
Others	19,89,68,333	25,31,75,552
	<u>19,89,68,333</u>	<u>25,31,75,552</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	1,54,36,306	1,46,20,870
Advance from Customers	3,47,41,671	5,76,48,575
Advance against sale of Land	35,00,00,000	10,00,00,000

Other Payables:

- Expenses Payable *	92,50,142	99,20,303
- Others	5,49,620	
- Taxes Payable **	9,19,36,651	5,52,15,150
	<u>50,19,14,391</u>	<u>23,74,04,899</u>

* (includes audit fees, interest and other expenses payable)

** (includes service tax, Vat and T.D.S. payable)

9 Short-Term Provisions

Provision for Employees Benefits :

Salary and other benefits *	3,62,13,079	2,78,09,256
Other :		
Proposed Dividend **	61,46,000	61,46,000
Provision for Tax on Dividend	12,28,840	10,44,515
	<u>4,35,87,919</u>	<u>3,49,99,771</u>

* (includes Salary ,Bonus , Exgratia , contribution to PF and other funds)

** 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		
		ASAT 01.04.2014	ADDITIONS	SALE/TRF	ASAT 31.03.2015	UPTO 31.03.2014	FOR THE YEAR	ADJUST- MENT	UPTO 31.03.2015	ASAT 31.03.2015	ASAT 31.03.2014			
TANGIBLE ASSETS														
Land	24,36,15,739				24,36,15,739	-							24,36,15,739	24,36,15,739
Building	13,62,93,550				13,62,93,550	8,26,67,960	66,39,252		8,93,07,211	4,69,86,339			5,36,25,590	5,36,25,590
Plant & Machineries	11,83,58,105	84,83,562			12,68,41,667	7,54,82,139	1,27,27,943		8,82,10,082	3,86,31,585			4,28,75,966	4,28,75,966
Electric Installations	1,59,68,963	1,59,600			1,61,28,563	1,17,43,337	17,17,140		1,34,60,477	26,68,086			42,25,626	42,25,626
Office Equipments	6,83,99,981	43,83,331			7,27,83,312	5,10,23,053	1,42,43,368		6,52,66,421	75,16,891			1,73,76,928	1,73,76,928
Furniture & Fixtures	4,14,89,094	7,89,450			4,22,78,544	3,07,24,831	39,32,418		3,46,57,249	76,21,295			1,07,64,263	1,07,64,263
Vehicles	12,56,39,153	3,62,30,217	1,26,30,178		14,92,39,192	6,71,77,493	2,37,46,495	1,00,01,748	8,09,22,240	6,83,16,952			5,84,61,660	5,84,61,660
TOTAL	74,97,64,602	5,00,46,160	1,26,30,178	78,71,80,567	31,88,18,785	6,30,06,616	1,00,01,748	37,18,23,680	41,53,56,885	43,09,45,767			43,09,45,767	43,09,45,767
PREVIOUS YEAR	73,37,42,579	2,61,72,114	1,01,50,091	74,97,64,602	28,99,27,582	3,61,97,061	73,05,858	31,88,18,785	43,09,45,767	44,38,14,408			44,38,14,408	44,38,14,408

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

(Amount in ₹)

	Figures as at the end of Current Reporting Period	Figures as at the end of Previous Reporting Period
11 Capital Work in progress		
- Exp. Pending Capitalisation GOA	9,89,74,126	8,03,04,586
- Exp. Pending Capitalisation NOIDA	1,27,39,689	67,19,852
- Exp. Pending Capitalisation GURGON SR	17,08,500	28,74,995
- Exp. Pending Capitalisation MANALI	24,08,111	16,82,032
	11,58,30,426	9,15,81,465
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 that 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.		
12 Non Current Investments		7,50,00,000
Share Application money (for Equity shares) (For Equity Shares of Raj Chopra & Company Pvt. Ltd.) Equity Shares of Raj Chopra & Company Pvt. Ltd. (Face value is Rs. 10 per share) 2937500 @ Rs. 40 per share	11,75,00,000	
	11,75,00,000	7,50,00,000
13 Deferred tax Liability/Assets (net)		
Deferred Tax Assets	1,44,26,224	44,07,224
(on account of timing difference of depreciation on Fixed Assets)	1,44,26,224	44,07,224
Deferred tax Assets (Net)	1,44,26,224	44,07,224
14 Long Term Loans and Advances (Unsecured considered Good)		
i) Capital Advances	2,10,00,000	2,10,20,000
ii) Security Deposits		
-Security Deposit to MSIL	1,72,50,000	1,52,50,000
-Security Deposits for Showrooms	2,20,67,828	2,02,99,166
-Other Security Deposits	1,42,58,849	97,53,666
	-	
	7,45,76,677	6,63,22,832
15 Others Non current Assets		
Advance Income Tax and Tax Deducted at Source (Net of Provision)	95,17,620	62,41,288
	-	-
	95,17,620	62,41,288
16 Stock in Trade		
(At cost or net realisable value whichever is lower)		
Vehicles	51,69,61,200	51,03,21,850
Spare Parts, Accessories , Oil & Lubricants	4,66,16,640	4,75,75,086
- Goods in Transit	5,81,51,253	7,73,99,015
	62,17,29,093	63,52,95,951



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

(Amount in ₹)

	Figures as at the end of Current Reporting Period	Figures as at the end of Previous Reporting Period
17 Trade Receivables		
Debts outstanding for a period exceeding six months from the date they are due for payment.		
- Unsecured and considered good	-	-
- Unsecured and considered doubtful	-	-
Other Debts		
considered good	23,17,10,662	17,70,13,958
considered doubtful	-	-
	23,17,10,662	17,70,13,958
Less: Provision for Doubtful Debts	-	-
	23,17,10,662	17,70,13,958
Some of the outstanding balances as at 31st March 2015 in respect of Sundry Debtors, Creditors, Loans and Advances are subject to confirmation.		
18 Cash and Bank Balances		
Cash and Cash Equivalents:		
Cash on hand	1,63,51,456	2,15,39,976
Balances with banks		
- In Current Accounts*	4,79,27,310	3,53,22,128
-Cheque in Hand	25,73,031	81,48,139
Other Bank Balances		
- In Fixed Deposits (More than 3 months & less than 12 months maturity)	25,19,75,694	1,02,86,781
	31,88,27,492	7,52,97,024
* Includes unpaid Dividend accounts		
19 Short Term Loans and Advances (Unsecured and considered good)		
Advance Recoverable in Cash or in Kind	1,11,89,709	61,03,795
Others:		
Advance For Expenses	-	-
Staff Advances	4,54,008	7,14,978
Staff Imprest	4,29,353	8,80,218
	1,20,73,069	76,98,991
20 Other Current Assets		
Interest accrued but not due on Fixed Deposits	5,66,650	16,44,990
Recoverable from MSIL	4,08,99,699	4,26,97,167
	-	-
Prepaid Expenses	14,08,538	6,80,482
	4,28,74,887	4,50,22,639

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

(Amount in ₹)

	Figures For the Current Reporting Period	Figures For the Previous Reporting Period
21 Revenue from Operations		
Sale of products		
Vehicles	7,97,65,74,254	6,99,22,31,061
Spare Parts & Accessories	53,96,17,923	48,28,55,645
Number Plates	11,17,274	9,75,647
Services Rendered		
-Logistic Charges	9,59,94,442	8,26,58,856
-Services & Labour Charges	28,98,98,014	26,47,01,225
Incentive Received :		
From Maruti Suzuki India Ltd.	21,17,60,331	16,78,28,898
Commission Received		
- Extended Warranty	89,03,612	76,63,779
- Insurance Business	7,68,71,747	5,94,35,072
- Direct Billing	13,01,725	5,76,675
- Sourcing Fees	2,88,30,165	1,92,81,066
-Interest Income	1,25,46,106	36,19,534
other non operating income	-	-
	<u>9,24,34,15,593</u>	<u>8,08,18,27,458</u>
22 Other income		
Net Gain on Sale of Tangible Fixed Assets	5,66,002	57,10,004
Booking Cancellation Charges	5,62,770	9,51,474
Miscellaneous income	1,18,90,033	71,37,074
	<u>1,30,18,805</u>	<u>1,37,98,552</u>
23 Purchase of Stock In Trade		
Purchases during the year		
- Vehicle	7,83,35,32,003	6,98,11,39,622
- Spare Parts & Accessories	47,12,19,422	41,50,49,765
- Number Plates	4,66,463	4,09,815
Less:		
- Spares issued against Warranty	(1,02,32,954)	(79,16,443)
	<u>8,29,49,84,934</u>	<u>7,38,86,82,759</u>
24 Changes in Inventories of Stock in Trade		
Inventories at the end of the year:		
- Vehicles	51,69,61,200	51,03,21,851
- Spare Parts & Accessories	4,66,16,640	4,75,75,085
- Goods in Transit	5,81,51,253	7,73,99,015
	<u>62,17,29,093</u>	<u>63,52,95,951</u>
Less:		
Inventories at the beginning of the year:		
- Vehicles	51,03,21,851	45,50,18,842
- Spare Parts & Accessories	4,75,75,085	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>
	<u>1,35,66,858</u>	<u>(9,64,26,927)</u>

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015
(Amount in ₹)

	Figures For the Current Reporting Period	Figures For the Previous Reporting Period
25 Employee Benefit Expenses		
Salaries, Wages and Bonus	19,66,86,529	17,04,13,557
Directors Remuneration	38,88,920	37,80,000
Commission paid to Directors	35,00,000	30,00,000
Contribution to Provident Fund and Other Funds	2,42,19,865	1,25,39,705
Staff Welfare Expenses	1,64,78,013	1,85,55,414
	24,47,73,328	20,82,88,676
26 Finance Cost		
Interest on Term Loan	14,04,718	9,64,236
Interest on Working capital	1,16,48,954	1,15,82,982
Interest on Inventory Funding	1,73,03,888	1,42,88,115
Interest Paid To MSIL	1,64,72,219	1,82,92,294
Interest Paid to others	15,79,302	1,18,468
Other Finance charges	8,04,446	8,87,251
	4,92,13,526	4,61,33,347
27 Depreciation and Amortization Expenses		
Depreciation on Tangible Assets	6,30,06,616	3,61,97,061
	6,30,06,616	3,61,97,061
28 Other Expenses		
Consumable Stores	2,51,06,586	2,59,06,826
Jobwork & Labour Charges	3,59,25,375	3,33,78,407
Security Services Charges	1,19,16,725	1,15,47,469
Services Charges	2,55,95,929	2,37,56,762
Petrol For New Car	92,16,844	72,24,620
Delivery Charges	1,18,79,917	83,16,649
Insurance	55,95,828	63,79,001
Repair & Maintainance		
Building	4,03,18,062	3,70,85,268
Plant & Machinery	1,19,24,245	1,06,82,090
Others	80,15,531	36,68,973
Legal & Professional Charges	1,01,35,458	86,86,844
Rent	6,53,19,723	5,21,35,913
Rates & Taxes	89,25,174	63,07,316
Facility Charges	72,00,000	79,15,000
Communication Expenses	96,47,011	99,35,058
Charity & Donation	8,730	14,4,119
CSR Expenditure *	23,00,000	-
Power & Fuel	2,40,49,727	2,32,87,079
Printing & Stationery	1,02,36,807	64,27,280
Travelling & Conveyance	1,43,90,600	1,40,26,901
Auditors Remuneration (Refer Note No. 30)	10,00,000	9,25,000
Miscellaneous Expenses	43,99,963	37,39,386
Advertising & Publicity	90,50,187	46,71,663
Discount	6,86,73,469	6,25,39,413
Sales Promotion	89,84,634	79,53,234
	42,98,16,524	37,66,40,272

* Expenditure incurred for CSR includes payment made for promotion of Education

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

(Amount in ₹)

Particulars	2014-15	2013-14
29 Contingent Liabilities		
(i) Bank Guarantee obtained from Banks	2,50,00,000	250,00,000
(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	287,56,000
30 Auditors Remuneration		
(i) Audit Fees	6,00,000	5,50,000
(ii) Tax Audit Fees	75,000	75,000
(iii) Other Matters	3,25,000	3,00,000
	10,00,000	9,25,000
*Excluding Service Tax		
31 Expenditure in Foreign Currency		
Tours and Travelling	9,83,718	13,05,007
32 Managerial Remuneration		
Salary	38,88,920	37,80,000
Commission on Net Profit	35,00,000	30,00,000
	73,88,920	67,80,000
33 Computation of Net Profit in accordance with Section 197 read with section 198 of Companies Act, 2013		
Net Profit after Tax as per Profit and Loss Accounts	11,60,91,611	9,17,52,314
Add:		
Income Tax	4,49,81,000	4,43,58,508
Director Remuneration	73,88,920	67,80,000
Less:		
Profit on Sale of Fixed Assets	5,66,002	57,10,004
	16,78,95,529	13,71,80,818
Maximum Remuneration payable including commission @ 11%	1,84,68,508	1,50,89,890
34 CSR Expenditure		
a) Gross amount required to be spent by the company during the year	24,73,045	-
b) Amount Spent during the year		
i. Construction / acquisition of any asset	-	-
ii. On purposes other than i above	23,00,000	24,73,045

Expenditure related to Corporate Social responsibility is as per Section 135 of The Companies Act, 2013 read with Schedule VIII thereof.



NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2015

(Amount in ₹)

35 Unclaimed/Unpaid Divided

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 124 of The Companies Act, 2013, will be transferred to the Investors Education and Protection Fund (IEPF) established by the Government of India. In terms of the provisions of Section 205C of Companies Act 1956, (since section 125 of Companies Act, 2013 is yet to be notified), no claim shall lie against the Company or IEPF after the said transfer. Total amount of Rs. 5,49,620/- as on 31st March, 2015 is lying in unclaimed / unpaid dividend account as under :

Financial Year	Amount
2007-2008	73,025/-
2008-2009	1,01,632/-
2009-2010	82,883/-
2010-2011	84,357/-
2011-2012	92,707/-
2012-2013	1,05,402/-
2013-2014	9,614/-
Total	5,49,620/-

	2014-15	2013-14
36 Information about Business Segment	-	-
Segment Revenue		
(a) Showroom Revenue	8,40,09,18,234	7,33,25,04,002
(b) Service & Spares	84,24,97,358	74,93,23,456
Total	9,24,34,15,593	8,08,18,27,458
Segment Results		
(a) Showroom Revenue	13,05,87,437	11,42,05,158
(b) Service & Spares	6,66,79,896	5,42,40,460
Total	19,72,67,333	16,84,45,618
Less:		
Interest and Financial Charges	4,92,13,526	4,61,33,347
Add:		
Un-Allocated Income	1,30,18,805	1,37,98,552
Profit before Tax	16,10,72,610	13,61,10,825
Less :Taxation Expenses including Deferred Tax	4,49,81,000	4,43,58,508
Profit after Tax	11,60,91,610	9,17,52,317
Total Capital Employed	1,22,99,52,395	1,08,92,46,920

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Capital employed in the Company's 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.

37 Advance against sale of land of Rs. 35 Crores as reflected under the head "Other Current Liabilities" is pertaining to Land Situated at Goa, for which proceedings are pending before jurisdictional court at GOA, upon outcome of the same Sale Deed shall be executed .

38 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 Builders Private Limited
- Competent Films Private Limited
- Competent International Tradex Company Private Limited
- Competent International Resorts and Hotels Limited
- Raj Chopra & Co. Private Limited
- Liqui Moly Products (India) Private 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
Mr. Ravi Arora	-	Company Secretary
Mr. Vijay Sharma	-	Chief Financial Officer

**(c) For related party transactions :-**

S.No.	Name of Related Party	Relationship	Nature of Transaction	Amount (Rs.)
1	Raj Chopra	CMD	Salary	18,00,000/-
			Commission	30,00,000/-
			Rent	1,53,00,000/-
			Interest	2,03,369/-
2	Kavita Ahuja	Whole time Director	Salary	12,00,000/-
			Rent	15,00,000/-
			Interest	13,69,863/-
			Facility Charges	72,00,000/-
3	K.K.Mehta	Whole time Director	Salary	8,88,920/-
			Commission	5,00,000/-
4	Ravi Arora	Company Secretary	Salary	8,25,000/-
5	Vijay Sharma	CFO	Salary	12,71,350/-

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

As per our report of even date annexed.**For and on behalf of the Board of Directors**

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

(Hiren Mehta)
Partner
Membership Number-90772

(Raj Chopra)
Chairman & Managing Director
DIN-00036705

(Kavita Ahuja)
Whole Time Director
DIN-00036803

Place: New Delhi
Date : 30/05/2015

(Ravi Arora)
Company Secretary

(Vijay Sharma)
Chief Financial Officer

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, 2015 SHALL BE CONSIDERED FOR ECS CREDIT WHILE EFFECTING DIVIDEND PAYMENT FOR THE YEAR 2014-2015. ECS MANDATE FORMS RECEIVED AFTER JULY 24, 2015 SHALL BE PAID DIVIDEND THROUGH PHYSICAL WARRANTS FOR THE YEAR 2014-2015.

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 - 110001

CIN: L34102DL1985PLC020668 Tel: 011-45700000 Fax: 011- 23327640

ATTENDANCE SLIP

Please complete this attendance slip and hand it over at the entrance counter at the venue of Annual General Meeting.

NAME OF MEMBER		
FOLIO NUMBER		NO. OF SHARES
DP ID No.*		CLIENT ID No.*

* For the shareholders holdings the shares in electronic form.

I/We hereby record my/our presence at the 30th ANNUAL GENERAL MEETING of the Company to be held on Friday, the 31st day of July 2015 at 10:00 a.m. at Avalon Hall, Mapple Exotica, Chattarpur Mandir Road, Satbari, New Delhi – 110074 or at any adjournment thereof

Name of the Proxy		Signature of Member/Proxy	
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COMPETENT AUTOMOBILES CO. LTD.

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

CIN: L34102DL1985PLC020668 Tel: 011-45700000 Fax: 011- 23327640

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

NAME OF MEMBER(S)	
REGISTERED ADDRESS	
FOLIO NUMBER /DP ID No.* / CLIENT ID No.	
E-MAIL ID	

I/We being the member(s) ofshares of Competent Automobiles Co. Limited, hereby appoint:

- 1)of having e-mail id or failing him
- 2)of having e-mail id or failing him
- 3)of having e-mail id

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 30th Annual General Meeting of the Company, to be held on Friday, July 31, 2015 at 10:00 a.m. at Avalon Hall, Mapple Exotica, Chattarpur Mandir Road, Satbar, New Delhi – 110074 and at any adjournment thereof in respect of such resolutions as are indicated below:

I wish my above Proxy to vote in the manner as indicated in the box below:

Resolutions	For	Against
1. Consider and adopt Audited Financial Statement, Reports of the Board of Directors and Auditors		
2. Declaration of Dividend on Equity Shares		

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Resolutions	For	Against
3. Re-appointment of Mrs. Kavita Ahuja, who retire by rotation		
4. Appointment of Auditors and fixing their remuneration		
5. Appointment of Mr. Raj Chopra as Chairman and Managing Director		
6. Appointment of Mr. K. K. Mehta as Whole-Time Director		
7. To borrow monies exceeding Free Reserves and Paid – up Capital.		

Signed this..... day of.....2015

Signature of shareholder

Affix Re 1/- Revenue Stamp

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

Notes:

- (1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
- (2) A Proxy need not be a member of the Company.
- (3) A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- ** (4) This is only optional. Please put a '✓' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
- (5) Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
- (6) In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.