

September 03, 2018

The Manager (Listing)
The Stock Exchange, Mumbai,
P. J. Towers, Dalal Street,
MUMBAI-400001

Sub: - Annual Report for FY 2017-18

Scrip Code 531041

Dear Sir,

Please find enclosed Annual Report of the Company for the Financial Year ended on March 31, 2018, as adopted by the members in their Annual General Meeting.

You are requested to take the above information on record

Thanking you,

Yours truly,

For **Competent Automobiles Co. Limited**


Ravi Arora
Company Secretary

Encl.: a/a

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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

Ambani & Associates LLP
New Delhi

Regd. Office

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

Bankers

HDFC Bank Ltd.
State Bank of India
Vijaya Bank

Showrooms

- Competent House, F-14, Connaught Place, New Delhi - 110001
- 3C'S Complex, 15, Firoze Gandhi Marg, Lajpat Nagar-II, New Delhi -110024
- Plot No. 63-70, Mohit Nagar, Dwarka Road, Dwarka, New Delhi (NEXA)
- A-24 & 25, Madhu Vihar, Rajapuri, New Delhi - 110059
- Plot No. 3, Gazipur, Delhi - 110096
- 29, Shivaji Marg, New Delhi - 110015
- Khasra No. 11/5/1, Opp. Furniture Market, Phirni Road, South - West Distt., Najafgarh, New Delhi - 110043
- B-95, Wazirpur Industrial Area, New Delhi - 110052 (NEXA)
- 18/19, Hind Pocket Book, G. T. Road, Shahdara – 110032 (NEXA)
- 407, Village Islampur, Near Subhash Chowk, Sohna Road, Gurugram - 122001
- Vasant Aptt. Complex, Old Delhi Gurgaon Road, Sector – 12, Gurugram -122001
- Khasra No.- 17/21/1/1&22/1/1/1, Opp. Fortune Hotel, Main Sohna Road, Village Tikri, Gurugram - 122018 (NEXA)
- Khasra No. 152/1153/1911/154/1913/155, 156/1, Moja Gutkar/208, Tehsil Balh, District, Mandi, Himachal Pradesh (NEXA)
- 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
- Village Rainsary (Jhalera), Una-Amb Road, Distt. Una, Himachal Pradesh
- Near Green Tax Barrier, Tehsil Manali, Distt. Kullu, Himachal Pradesh
- Vill Kothi, P. O. – Chandpur, Tehsil Sadar, Distt.-Bilaspur, Himachal Pradesh

Workshops

- 895/C-8, Near Jain Mandir, Dada Bari, Mehrauli, New Delhi - 110030
- Plot No. 3, Gazipur, Delhi - 110096
- B-83, Maya Puri Industrial Area, Phase - I, New Delhi - 110064
- 650/1A, 14, Shivaji Marg, New Delhi - 110015
- A-25, Sector-33/34, Infocity, Gurugram - 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
- Near Green Tax Barrier, Tehsil Manali, Distt. Kullu, Himachal Pradesh
- Near UCO Bank, Jawalaji Road, Tehsil Nadaun, Distt. Hamirpur, Himachal Pradesh
- Village Dohaga, P.O. Dhalu, Tehsil - Joginder Nagar, Distt. Mandi, Himachal Pradesh
- Vill Kothi, P. O. – Chandpur, Tehsil Sadar, Distt.-Bilaspur, Himachal Pradesh

Share Transfer Agent

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

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NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 33rd Annual General Meeting of the members of Competent Automobiles Co. Limited will be held at Bliss Hall, Country Inn & Suites, Plot No. 579, Main Chattarpur Road, Satbari, New Delhi – 110030 on Friday, the 31st day of August, 2018 at 10:00 A.M. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statement of the Company for the Financial Year ended on 31st March, 2018 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 Mr. K. K. Mehta, who retires by rotation and being eligible, offers himself for re-appointment.

**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: July 23, 2018**

**Ravi Arora
Company Secretary**

NOTES:

1. 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.
2. 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.
3. 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.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, August 25, 2018 to Friday, August 31, 2018 (both days inclusive).
5. 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.
6. Details as required under Regulation 36(3) of Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of Directors seeking appointment / re-appointment at the Annual General Meeting, giving relevant details are provided in the Corporate Governance Report forming part of the Annual Report.
7. Electronic copy of the Annual Report is being sent to all the members whose email ids are registered with Company/

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Depository Participants for communication purposes unless the member has requested for a hard copy of the same. For the members who have not registered their email address, physical copies of the Annual Report is being sent in the permitted mode.

8. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, during business hours up to the date of the Meeting.
9. Members, who are holding shares in identical order of names in more than one folio are requested to write to the Company enclosing their share certificates to consolidate their holdings in one folio.
10. Members who hold shares in dematerialised form are requested to bring their Client ID and DPID numbers for easy identification of attendance at the meeting.
11. The members holding shares in physical form are also requested to notify any change in their addresses immediately to the Company's Share Registrar and Transfer Agents i.e. **M/s. Skyline Financial Services Pvt. Limited, D-153/A, 1st Floor Okhla Industrial Area Phase -I, New Delhi-110020.**
12. Members / Proxy holders are requested to produce at the entrance, enclosed attendance slip duly completed and signed.
13. In order to provide protection against fraudulent encashment of the warrants, shareholders holding shares in physical form are requested to intimate the Company under the signature of the Sole/First joint holder, the following information to be incorporated on the Dividend Warrants:
 - i. Name of the Sole / First joint holder and the Folio Number.
 - ii. Particulars of Bank Account, viz.:
 - Account type, whether Savings (SB) or Current Account (CA)
 - Account number allotted by the Bank.
 - Name of the Bank
 - Name of Branch
 - Complete address of the bank with Pin Code Number
14. Shareholders holding Shares in electronic form may kindly note that their Bank account details as furnished by their depositories to the Company will be used for payment by ECS or printed on their Dividend Warrants as per the applicable regulations. The Company will not entertain any direct request from such shareholders for deletion of / change in such Bank details. Further, instructions, if any, already given by them in respect of shares held in physical form will not be automatically applicable to shares held in electronic mode. Shareholders who wish to change such Bank Account details are therefore requested to advise their Depository Participants about such changes, with complete details of Bank Account.
15. **Electronic Clearing Service (ECS) Facility**

With respect to the payment of dividend, the Company provides the facility of ECS to all of its shareholders, holding shares in electronic form and shareholders who have opted for ECS and are holding shares in physical forms.

Shareholders holding shares in the physical form and who wish to avail ECS facility, may authorize the Company with their ECS Mandate in the prescribed form, the same can be downloaded from Company's website (i.e. www.competent-maruti.com).
16. Pursuant to provisions of Section 124 of Companies Act, 2013, all unpaid or unclaimed dividends upto the year ended 31st March, 2010 have been transferred to Investor Education and Protection Fund (IEPF) established by the Central Government.
17. Pursuant to the provisions of Section 124 of Companies Act, 2013, dividend for the financial year ended March 31, 2011 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.

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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 IEPF
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	06-09-2020
2013-14	Final Dividend	30-07-2014	07-09-2021
2014-15	Final Dividend	31-07-2015	08-09-2022
2015-16	Final Dividend	31-08-2016	08-10-2023
2016-17	Final Dividend	29-08-2017	06-10-2024

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. The Securities and Exchange Board of India (SEBI) has mandated the submission of PAN card by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN details with the Company.
20. SEBI has also mandated that for registration for transfer of securities, the Transferee(s) as well as Transferor(s) shall furnish a copy of their PAN card to the Company for registration of transfer of securities.
21. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.
22. 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 alongwith Route Map 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 alongwith Route Map 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.

23. 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 Regulation 44 of Listing Regulations and Secretarial Standard on General Meetings (SS2) issued by Institute of Company Secretaries of India, 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).

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- 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 August, 2018 (9:00 am) and ends on 30th August, 2018 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of August 24, 2018, 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. A person who is not a member as on cut-off date should treat this notice for information purpose only.
- VI. The Company has taken e-Voting facility from National Securities Depository Limited.

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

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5. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsd.com.
 - b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsd.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

- 1 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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to fcs.ppa@gmail.com with a copy marked to evoting@nsdl.co.in.

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2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “Forgot User Details/Password?” or “Physical User Reset Password?” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in
- VII. 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 August 24, 2018.
- VIII. 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. August 24, 2018, 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” or “Physical User Reset Password?” option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.
- IX. 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.
- X. 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.
- XI. Mr. Pramod Prasad Agarwal, Proprietor of M/s P. P. Agarwal & Co., Company Secretaries has been appointed 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.
- XII. 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 “Ballot Paper” or “Polling Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XIII. 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.
- XIV. The Results declared alongwith 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: July 23, 2018**

**Ravi Arora
Company Secretary**

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DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting this 33rd Annual Report together with Audited Accounts of the Company for the financial year ended 31st March, 2018.

FINANCIAL HIGHLIGHTS

The financial performance of the Company, for the year ended 31st March, 2018 is summarised below:

(Rs. in Lacs)

Particulars	Year ended 31-03-2018	Year ended 31-03-2017
Gross Income	135647.51	124402.70
Profit before Dep. & Tax	10896.44	2406.05
Less : Depreciation	759.18	523.60
Less: Provision for Taxation including deferred tax	1925.54	672.27
Profit after tax	8211.72	1210.18
Add: Surplus from Previous year	6653.30	5825.63
Amount available for appropriation	14865.02	7035.81
Less Appropriations		
Tax Adjustments	-	58.54
Transfer to General Reserves	250.00	250.00
Dividend & tax thereon paid during the year	73.97	73.97
Closing Balance	14541.05	6653.30

PERFORMANCE

Your Company has reported total revenue of Rs. 135647.51 Lacs in the Current Financial Year against total revenue of Rs. 124402.70 Lacs in the Previous Financial Year, registering a growth of 9.04%.

The Company's profit before tax is Rs. 10137.26 Lacs as compared to profit before tax of Rs. 1882.45 Lacs of previous year. The current year's profit includes a profit of Rs. 78.64 Crores on account of sale of land situated at Goa.

During the year 2017-18, your company sold 26,793 Maruti Vehicles (including 1235 Vehicles under Direct Billing) as compared with 24,100 Maruti Vehicles (including 452 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, 2018, 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:

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ALL INDIA

1. Highest Sales - All Category (DGS&D)

DELHI-NCR REGION

1. EBR AWARD - Highest Enquiry Through Digital Source - C-1
2. SERVICE AWARD - Maximum Reduction in Complaints - C-2
3. ISL - Performance Award - Biggest Single Bulk Deals - C-1 & C-2

HIMACHAL PRADESH REGION

- 1 Overall ISL Performance Winner
- 2 Dealer With Highest Market Share Increase Annual Award 2017-2018
- 3 Territory With Highest Market Share (Minimum 4 Competitors Billing)
- 4 Highest Walkin Conversion Ratio%
- 5 Highest Swift + Dzire Wholesale Growth
- 6 Best E-Outlet
- 7 Best BSC Parameters
- 8 Overall Best Performance (Arena & Nexa)
- 9 Highest Ertiga Wholesales Grpwth
- 10 Best SSI Score
- 11 Highest Service Load Growth
- 12 ZSH Award Zonal Service Head
- 13 Lowest Manpower Attrition
- 14 Best POC Sales Mandi
- 15 Best RB To Exchange
- 16 Best TV Sales Hamirpur
- 17 Dealer With Highest GNA/CAR
- 18 Dealer With Highest Exchange Penetration S Cross
- 19 Dealer With Minimum Post Sales Complaints CC/100
- 20 Dealer With Highest Baleno Sale In The City
- 21 Best MGA Performance
- 22 Highest Baleno Retail
- 23 Dealer In City With Best Baleno - i20 Ratio
- 24 Dealer Exchange Sales Penetration S-Cross
- 25 Dealer With Highest Nexa Sales Retail (Overall Volume)
- 26 Highest Overall GNA/Vehicle In Period Oct 2017
- 27 Highest Overall GNA/Vehicle In Overall Period Feb 2018
- 28 Highest Overall GNA/Vehicle In Overall Period Mar 2018
- 29 Black Belt Winner
- 30 Certificate of Appreciation

DIRECTORS AND KEY MANAGERIAL PERSONS

The Independent Directors have confirmed and declared that they are not disqualified to act as an Independent Director, in compliance with the provisions of the Companies Act, 2013 and Securities Exchange Board of India (Listing Obligations

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and Disclosure Requirements) Regulations, 2015 (hereinafter referred as the Listing Regulations). The Board is also of the opinion that the Independent Directors fulfill all the conditions specified in the Companies Act, 2013 & Listing Regulations making them eligible to act as Independent Directors.

In terms of appointment of Mr. K. K. Mehta, and as required under Companies Act, 2013, being longest in the office Mr. K. K. Mehta shall retire by rotation, being longest in the office, and being eligible, he offers himself for re-appointment. The Board recommends his re-appointment.

During the year, Mr. Badri Nath had resigned from the post of Chief Financial Officer and Mr. Vijay Kumar Sharma was appointed as Chief Financial Officer of the Company w.e.f. June 26, 2017.

Apart from above, there was no change in Key Managerial Personnel of the Company.

The Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which include 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.

The Chairman and Managing Director have given a declaration that the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code. The Code of Conduct is available on the Company's website www.competent-maruti.com.

DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors acknowledges the responsibility for ensuring compliance with provisions of the Companies Act, 2013 and the Listing Regulations in the preparation of the annual accounts for the year ended on March 31, 2018 and state that:

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed and no material departures have been made from the same;
- 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.
- 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 the Listing Regulations Corporate Governance Report and Auditors Certificate regarding compliance of conditions of Corporate Governance are enclosed as **Annexure A & B** and forms an integral part of this report.

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MANAGEMENT DISCUSSION & ANALYSIS REPORT

A report on Management Discussion and Analysis, as required under the Listing Regulations, 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: www.competent-maruti.com and is attached as **Annexure D** and forms the part of this Report of the Directors.

During the year, the CSR has been implemented by the Company. The Company has made contribution to Hans Vahini Shiksha Samiti. The total contribution made to the implementing agency is Rs. 39,00,000/- (Rupees Thirty Nine Lacs only). 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 Regulations. Protected Disclosures(PD) by a whistle blower should be addressed to the MD at the Registered Office of the Company. The MD shall submit a report about all PD 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: www.competent-maruti.com

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 Stakeholders' Relationship Committee shall consider and resolve the grievances of security holders of the company.

EXTRACT OF ANNUAL RETURN

Extract of Annual Return of the Company is available at Company's website www.competent-maruti.com

MEETINGS OF THE BOARD

Eleven 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

The Company has not given any loan nor made any investment to other body corporates or given any guarantees or provided any security in connection with a loan to any other body corporate or person during the year under review.

INVESTOR EDUCATION AND PROTECTION FUND

In compliance with provisions of Section 124 of Companies Act, 2013, the Company has transferred Rs. 83,889/- to IEPF, being unpaid and unclaimed dividend for the FY 2009-10.

LISTING FEE OF SHARES

Your Company's Equity Shares are listed with BSE Limited (BSE) and Listing Fee for the financial year 2018-19 has been paid in advance by the Company.

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AUDITORS

As per section 139 of the Companies Act, 2013 read with Rules made thereunder, the Statutory Auditors of the Company, M/s Ambani & Associates LLP (FRN 016923N), Chartered Accountants, New Delhi, has been appointed for the five years period subject to the ratification by the members in every Annual Meeting.

Consequent to Commencement of the Companies (Amendment) Act, 2017, it is not necessary to place ratification of Auditors to the members of the Company; therefore, the Auditors are appointed for a period of 5 years. without the ratification by the members.

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 2017-18. The Secretarial Audit Report for the financial year ended March 31, 2018 is annexed herewith marked as **Annexure G** to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

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. 10.40 Lacs respectively as compared to Rs. Nil and Rs. 20.54 lacs in the previous year respectively.

The prescribed particulars of employees required under section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as **Annexure H** and forms the part of this Report of the Directors.

Details of employee remuneration as required under provisions of Section 197 of the Companies Act, 2013 and Rule 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report. As per the provisions of Section 136 of the Act, the Report and Accounts are being sent to the shareholders of the Company and others entitled thereto, excluding the statement on particulars of employees. The Copies of said Statements are available at the Registered Office of the Company during working hours before 21 days of the Annual General Meeting. Any members interested in obtaining such details may write to the Secretarial Department at the Registered Office of the Company.

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 & RISK MANAGEMENT

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.

Further, the Board has risk management plan in place and the board reviews the same on continuous basis.

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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 : www.competent-maruti.com

Your Directors draw attention of the members to Note no. 41 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 2017-18

- No. of complaints received : 0
- No. of complaints disposed : 0

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, 2018**

**Raj Chopra
Chairman & Managing Director
DIN – 00036705**

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'Annexure A'

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 & Managing Director. The composition of the Board of Directors of the Company is in compliance of Securities Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (hereinafter referred as Listing Regulations). 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, 2018 is as under:

Name of the Director	Category	Designation	Inter-se relationship among directors	No. of other Directorships Held**	Total No. of Chairmanships / Memberships of Board Committees***		
					Chairmanship	Membership	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. R. C. Murada	Independent Director	Director	*	Nil	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.

*** Membership(s) / Chairmanship(s) of only the Audit Committee and Stakeholders' Relationship 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.

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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 Eleven (11) times – on 3rd May, 2017; 30th May, 2017; 26th June, 2017; 14th August, 2017; 4th September, 2017; 28th September, 2017; 9th November, 2017; 24th November, 2017; 27th January, 2018; 9th February, 2018 and 12th March, 2018 during the financial year ended 31st March, 2018. 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 29th August, 2017
	Held	Attended	
Mr. Raj Chopra	11	11	Yes
Mrs. Kavita Ahuja	11	11	Yes
Mr. K. K. Mehta	11	11	No
Mr. S. L. Tandon	11	11	No
Mr. R. C. Murada	11	11	Yes
Mr. Rohit Gogia	11	11	No
Mr. O. P. Tandon	11	11	No

4. The Company has familiarisation programme for Independent Directors with regard to their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business model of the Company etc. The details of familiarization programme can be excess at the Company's website <http://www.competent-maruti.in>

C. BOARD LEVEL COMMITTEES

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 powers, role and terms of reference of the Audit Committee covers the areas as contemplated under Regulation 18 of the Listing Regulations and Section 177 of the Companies Act, 2013, as applicable, besides other terms as referred by the Board of Directors.

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.

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- **Composition and names of members**

The Audit Committee, as on 31st March, 2018, 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 five (5) times during the financial year from 1st April, 2017 to 31st March, 2018 on the following dates:

1	30th May, 2017	4	9th November, 2017
2	26th June, 2017	5	9th February, 2018
3	14th August, 2017		

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	5	5
Mrs. Kavita Ahuja	5	5
Mr. Rohit Gogia	5	5

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 Stakeholders' Relationship Committee are as per the guidelines set out in Listing Regulations 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, 2018 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, 2017 to 31st March, 2018 on the following dates:

1	30th May, 2017	3	9th November, 2017
2	14th August, 2017	4	9th February, 2018

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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. Rohit Gogia	4	4
Mr. S. L. Tandon	4	4

- **Compliance Officer**

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

Shareholders' Complaints etc. received during the FY 2016-17

During the year from 1st April, 2017 to 31st March, 2018, the Company has 1 complaint from Investors / Shareholders of the Company, which were duly resolved.

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

- **Terms of reference**

The terms of reference of the Nomination and Remuneration Committee covers all the areas mentioned under Regulations of Listing Regulations and section 178 of the Companies Act, 2013. The 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, 2018 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 Six (6) times during the financial year from 1st April, 2017 to 31st March, 2018 on the following dates:

1	30th May, 2017	4	14th August, 2017
2	26th June, 2017	5	9th November, 2017
3	5th July, 2017	6	9th February, 2018

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	6	6
Mr. Rohit Gogia	6	6
Mr. S. L. Tandon	6	6

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Remuneration Policy

The Remuneration Policy as recommended by the Nomination and Remuneration Committee had 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, 2018 (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	12,00,000	6,00,000	18,00,000

4. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

• Terms of reference

The Committee oversees corporate social responsibility and other related matters as may be referred by the Board of Directors. This Committee discharges the role of as enumerated under Section 135 of the Companies Act, 2013 which includes formulating and recommending to the Board, a Corporate Social Responsibility (CSR) Policy indicating the activities to be undertaken by the Company, as per Schedule VII to the Companies Act, 2013; recommending the amount of expenditure to be incurred; and monitoring the CSR Policy of the Company.

• Composition and names of members

The Corporate Social Responsibility Committee (i.e. CSR) as on 31st March, 2018 is headed by an Independent director, and consists of the following three directors:

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

• Meetings and attendance during the year

The Corporate Social Responsibility Committee met Four (4) times during the financial year from 1st April, 2017 to 31st March, 2018 on the following dates:

1	30th May, 2017	3	9th November, 2017
2	14th August, 2017	4	9th February, 2018

The attendance record of the Corporate Social Responsibility Committee members is as follows:

Names of the CSR members	Number of CSR 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	4

D. GENERAL BODY MEETINGS:

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

Financial Year ended	Date	Venue	Time
March 31, 2017	29.08.2017	Bliss Hall, Country Inn & Suites, Plot No. 579, Main Chattarpur Road, Satbari, New Delhi – 110030	10:00 a.m.
March 31, 2016	31.08.2016	Avalon Hall, Mapple Exotica, Chattarpur Mandir Road, Satbari, New Delhi – 110074	10:00 a.m.
March 31, 2015	31.07.2015	Avalon Hall, Mapple Exotica, Chattarpur Mandir Road, Satbari, New Delhi – 110074	10:00 a.m.

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1. No special resolutions were passed by the shareholders at the 32nd Annual General Meeting on 29th August, 2017.
2. No Postal Ballot was conducted during the year. No special resolution requiring postal ballot is being proposed at the forthcoming Annual General Meeting.

E. DISCLOSURES:

1. **Related Party Transactions:** For related party transactions please refer to note no. 41 A, B & C in the notes to financial statement forming part of the annual accounts.
2. 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.
3. 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. **CEO/CFO CERTIFICATION:** The Chairman and Managing Director and CFO of the Company have certified to the Board of Directors, inter alia, the accuracy of financial statements and adequacy of internal controls for the financial reporting as required under Regulation 17(8) of the Listing Regulations for the year ended 31st March, 2018.
5. **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, 2018.

New Delhi
May 30, 2018

Raj Chopra
Chairman & Managing Director

4. Compliance with Mandatory requirements of Listing Regulations

The Company has complied with all the applicable mandatory requirements of the listing Regulations.

5. Compliance with Non-Mandatory requirements of Regulation 27 of the listing Regulation

The Company has not adopted any of the non-mandatory requirements of Regulation 27 of the listing Regulations.

6. The necessary certificate from Mr. Raj Chopra, Chairman and Managing Director and Mr. Vijay Kumar Sharma, Chief Financial Officer of the Company, pursuant to listing Regulations, 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. 26.

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

- a) Mr. K. K. Mehta, Whole-time director of the Company, retire by rotation and being eligible offer himself for reappointment at the forthcoming Annual General Meeting;

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9. Compliance Certificate from Statutory Auditors: Certificate from Statutory Auditors confirming compliance with conditions of corporate governance as stipulated in Part C of Schedule V of Listing Regulations, is annexed to this report.
10. **Shareholding of Directors:** As on 31st March, 2018, 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 Independent Directors:

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

11. Other disclosures as required under Listing Regulations 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

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 1st quarter ended June 30, 2018	August, 2018
Un-audited Financial results for the 2nd quarter and half year ending September 30, 2018	November, 2018
Un-audited Financial results for the 3rd quarter ending December 31, 2018	February, 2019
Audited Financial results for the last quarter and whole year ending March 31, 2019	May, 2019

4. WEBSITE

The Company's website is www.competent-maruti.com

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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, 2018, if approved at the forthcoming Annual General Meeting, will be paid within the specified time period.

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

Year	Dividend (%)
2016-17	10
2015-16	10
2014-15	10

6. LISTING ON STOCK EXCHANGE

As on 31st March, 2018, 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 Automobiles Co. Ltd. is INE823B01015.

8. ANNUAL LISTING FEE

Annual Listing Fee for the financial year 2018-19 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, 2018

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, 2018	
	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	0.00	0.00
Bodies Corporate	1,68,024	2.73
NBFC	1,79,520	2.92
Individuals	10,93,690	17.80
Others (NRIs/HUF/Clearing Member / House etc.)	1,00,461	1.63
Total (B)	15,41,695	25.08
Grand Total (C=A+B)	61,46,000	100.00

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Distribution of shareholding according to the number of shares

Share or Debenture holding Nominal Value (Rs.)	Number of Shareholders	% to Total Numbers	Share or Debenture holding Amount (Rs.)	% to Total Amount
Up To 5,000	2675	90.89	29,93,080	4.87
5001 To 10,000	130	4.42	10,90,220	1.77
10001 To 20,000	53	1.80	7,89,660	1.28
20001 To 30,000	26	0.88	6,75,550	1.1
30001 To 40,000	11	0.37	3,89,580	0.63
40001 To 50,000	10	0.34	4,80,100	0.78
50001 To 1,00,000	20	0.68	13,57,330	2.21
1,00,000 and Above	18	0.61	5,36,84,480	87.35
Total	2943	100.00	6,14,60,000	100.00

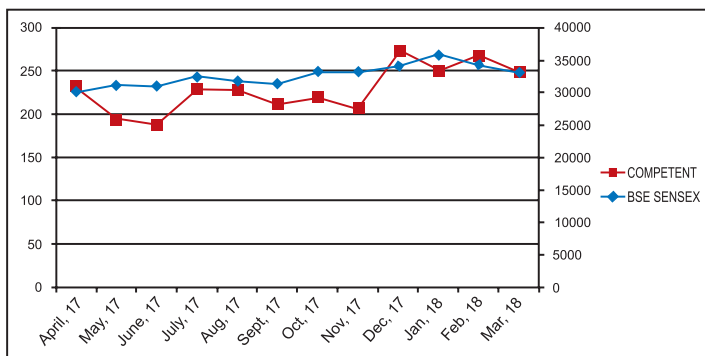
10. MARKET PRICE DATA

Monthly high and low prices of equity shares of the Company traded at the BSE Limited during financial year 2017-18 are given below:

Month	BSE	
	High (Rs.)	Low (Rs.)
Apr-17	260.00	180.05
May-17	249.00	176.30
Jun-17	214.40	171.10
Jul-17	244.00	172.60
Aug-17	235.00	195.00
Sep-17	240.00	204.00
Oct-17	242.95	201.00
Nov-17	230.00	195.00
Dec-17	321.00	190.20
Jan-18	298.00	245.00
Feb-18	334.95	221.05
Mar-18	278.90	231.20

11. SHARE PERFORMANCE IN COMPARISON TO BSE SENSEX

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



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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, 2018, 95.36% (i.e. 58,60,576 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 to expedite the process of share transfer, transmission etc., and to attend 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 40450193 to 97
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, 2018.

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. K. K. Mehta
Date of Birth	08/09/1947
Qualification	Bachelor in Science
Expertise in Specific functional area	Mr. K. K. Mehta is an expert in day to day operations of Automobiles Industry.
Date of Appointment	15/03/1999
Name of the other Companies in which he holds Directorship	Nil
Name of the Committees* of the Companies of which he holds Membership / Chairmanship	Nil
Shareholding in the Company	Nil

* For this purpose, Membership(s) / Chairmanship(s) of only the Audit Committee and Stakeholders' Relationship Committee of all Public Limited Companies have been considered.

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'Annexure B'

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

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

1. We have examined the compliance of regulations of Corporate Governance by Competent Automobiles Co. Limited for the year ended March 31, 2018, as stipulated in regulations Part C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").
2. The compliance of regulations 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 regulations of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. 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 regulations of Corporate Governance as stipulated in the above-mentioned Listing Regulations.
4. 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 Ambani & Associates LLP,
Firm Registration No.- 016923N
Chartered Accountants**

**Hitesh Ambani
Partner
Membership No. - 506267**

**Place: New Delhi
Date: May 30, 2018**

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'Annexure C'

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

OVERALL VIEW

Auto industry body, Society of Indian Automobile Manufacturers (SIAM), has projected growth of 8-10 % with Utility Vehicles growing at 14-15 % and cars up between 8-9 % on basis of strong cyclical recovery outlook in the global economy with world growth projected at 3.7 % in 2018, bank capitalization, rural revival, and reforms such as Insolvency and Bankruptcy Code by the government. These factors will give a fillip to the Auto sector. However, the Consumer Price Inflation is expected to spike to 4.4 % in FY 2018-19, from current 4 %, interest rates may also see a moderate hike and global crude oil prices are also not expected to spiral, Commodity prices though will continue to maintain their northward climb, especially copper and lead, an indicator that car prices may not decline.

Overall FY 2018-19 is expected to bring positive sentiments back into the market and rev up overall vehicles sales.

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.

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. 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 commercial vehicles. 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

The Indian auto industry is set to witness major changes in form of Electric Vehicles, shared mobility, Bharat Emission-VI emission and safety norms. The Government of India has shown an increased interest towards electric vehicles and has set for an ambitious target of all electric cars by 2030. There is an increasing buzz for e-mobility and all the companies in the sector are preparing themselves for the future.

Historically, the Indian Passenger Car Market has been skewed towards small passenger cars. However, there is a structural change taking place in the industry with demand for UVs taking over the passenger car. This shift is paving a way towards new avenues of the growth and will result in a more profitable growth for the sector.

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 vehicle maintenance and repair, at both new and used car dealers.

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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, 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

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. Further, per capita penetration at around eighteen cars per thousand is among lowest in the world. This growing consumerism is expected to lead to an increase in car penetration.

Threats

Demand is linked to economic growth and rise in income levels. Further, it is inversely related to the interest and fuel prices as 85% of the total are bought on credit.

Affordability is the most important demand driver in India, the domestic car market has until now been segmented on the basis of vehicle price. Price based competition also takes place in a continuum than in segments since nearly all the models are launched in multiple versions at different price points. As a result higher end variant compete with lower-end-variant of a car in a segment above it.

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

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

Auto industry body, Society of Indian Automobile Manufacturers (SIAM), has projected growth of 8-10 % with Utility Vehicles growing at 14-15 % and cars up between 8-9 % on basis of strong cyclical recovery outlook in the global economy with world growth projected at 3.7 % in 2018, bank capitalization, rural revival, and reforms such as Insolvency and Bankruptcy Code by the government. These factors will give a fillip to the Auto sector.

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.

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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, 2018, there were 1919 employees on the payroll 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 is 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

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- 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.

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'Annexure E'

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 Hans Vahini Shiksha Smiti, for promoting education including special education among children, women, elderly and differently abled people.

The CSR policy available at 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. 19,41,52,976 /-.
4. Prescribed CSR Expenditure (Two percent of the amount as in item 3 above): Rs. 38,83,060/-
5. Details of CSR spend for the financial year
- a) Total amount spent for the financial year : Rs. 39,00,000/-
- b) Amount unspent if any : Nil
- 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 spent on the projects or programs sub-heads*: (1) Direct expenditure on projects or program (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent Direct or through implementing agency
1	promoting education including special education among children, women, elderly and differently abled people	Cl (i) & (ii)	Delhi			Rs. 39,00,000/-	Hans Vahini Shiksha Smiti #

* 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: NIL

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 Chander 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 —

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- 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;
- vi. 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.

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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:

- 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.

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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.

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'Annexure G'

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

[Pursuant to Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

Competent Automobiles Company Limited

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** (hereinafter called 'the company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the 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 on 31st March, 2018, 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 the Company for the financial year ended on 31st March, 2018 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 Securities and Exchange Board of India Act, 1992;
- (iv) The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
- (v) The 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;
- (vi) The following applicable regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - (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, 2015;
 - (c) 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; and
 - (d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vii) **We further report that**, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has inter alia complied with the following other applicable laws:
 - a) The Factories Act, 1948;
 - b) The Industrial Disputes Act, 1947;
 - c) The Employees' Provident Fund & Misc. Provisions Act, 1952;

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- d) The Employees' State Insurance Act, 1965;
- e) The Contract Labour (Regulation and Abolition) Act, 1970;
- f) The Environmental Laws; and
- g) The Delhi Shops and Establishments Act, 1954.

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

- i. Secretarial Standards with regard to Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India; and
- ii. The Equity Listing Agreement read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 entered by the Company with the BSE Ltd.

During the period under review the Company has complied with the provisions of the Act, rules, regulations, guidelines, standards, etc. mentioned above.

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

Generally, 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.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous in all cases and no dissenting views have been recorded.

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.

We further report that during the audit period none of the following events has taken place:

- 1. Public/ Right/ Preferential issue of shares/ Debentures/ Sweat Equity etc.
- 2. Redemption/ Buy-back of securities
- 3. Major decisions taken by the members in pursuance to section 180 of the Act.
- 4. Merger/ Amalgamation / Reconstruction etc.
- 5. Foreign Technical collaborations.

For **P. P. Agarwal & Co.**
Company Secretaries
U. C. No. S2012DE174200

Place: New Delhi
Date: 29.05.2018

Pramod P. Agarwal
FCS No. 4955; CoP No.: 10566

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

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Annexure -A

To,

The Members,

Competent Automobiles Company Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express 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. Where ever required, we have obtained the Management representation about the compliance of laws, rules, regulations and happening of events etc.
5. The Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards, are the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to 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
U. C. No. S2012DE174200

Place: New Delhi
Date: 29.05.2018

Pramod P. Agarwal
FCS No. 4955; CoP No.: 10566

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'Annexure H'

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 2017-18, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2017-18 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 2017-18 (Amt. in INR)	% increase in Remuneration in the Financial Year 2017-18	Ratio of remuneration of each Director/ to median remuneration of employees
1	Mr. Raj Chopra Chairman & Managing Director	48,00,000 (includes commission of INR 30,00,000/-)	Nil	34.78
2	Mrs. Kavita Ahuja Whole-Time Director	12,00,000	Nil	8.69
3	Mr. K. K. Mehta Whole-Time Director	18,00,000 (includes commission of INR 6,00,000/-)	5.88	13.04
5	Mr. Vijay Kumar Sharma* CFO	22,32,000	NIL	Not Applicable
6	Mr. Ravi Arora Company Secretary	12,27,000	16.43	Not Applicable

* Mr. Vijay Kumar Sharma was appointed as CFO w.e.f. 26.06.2017

- ii) The median remuneration of employees of the Company during the financial year was Rs. 1,38,000/-
- iii) In the financial year, there was an increase of 9.52% in the median remuneration of employees;
- iv) There were 1919 permanent employees on the rolls of Company as on March 31, 2018;
- v) Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2017-18 was 6.73 % (approx.) whereas the increase in the managerial remuneration for the same financial year was 1.30%.
- vi) It is hereby affirmed that the remuneration paid is 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 2018, the Statement of Profit & Loss Account (including other Comprehensive Income), the Statement of Changes of Equity and the Statement of Cash Flow Statement for the year then ended 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 Ind AS financial statements that give true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act.

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 these Ind AS 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 Ind AS financial statements based on our audit. In 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 of the Ind AS financial statements 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 these Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in these Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of risks material misstatement of these Ind AS 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 Ind AS 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 Ind AS financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on Ind AS financial Statement.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 31, 2018, its Profit/Loss, Total Comprehensive Income/Loss, its cash flows and changes in the equity for the year ended on that date.

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Other Matters

The Comparative financial information of the Company for the year ended 31st March, 2017 and the transition date Opening Balance Sheet as at 1st April, 2016 included in these Ind AS financial Statement, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor Auditor whose report for the year ended 31st March, 2017 & 31st March, 2016 dated 30th May, 2017 & 30th May, 2016 respectively expressed an unmodified opinion on those financial statements, and have being restated to comply with Ind AS Adjustments made to the previously issued said financial information prepared in accordance with the Companies (Accounting Standards) Rules, 2016 to comply with Ind AS have been audited by us,

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

- I. As required by the Companies (Auditor's Report) Order, 2016 ("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 I", a statement on the matters specified in Clause'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 including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity 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;
 - e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2018, from being appointed as a director in terms of Section 164(2) of the Act.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure-II"; and
 - g) 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. 33 to the Financial Statements.
 - (ii) The Company does 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 Ambani & Associates LLP
Chartered Accountants
Firm Regn. No. 016923N

Place: New Delhi
Dated: May 30, 2018

(HITESH AMBANI)
Partner
M. No – 506267

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Annexure-I to the Independent Auditors' Report

The Annexure referred to in Independent Auditor's Report to the members of the Company on the financial statements for the year ended 31st March, 2018, we report that:

1. In respect to its Fixed Assets:
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets on the basis of available information.
 - b) As explained to us, the management during the year has physically verified the fixed assets, which in our opinion is reasonable having regard to the size of the company and the nature of its fixed assets. We are informed that, no material discrepancy has been noticed by the management on such verification.
 - c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
2. The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records are not material. The discrepancies noted on such verification have been properly dealt with in the books of accounts.
3. As per information and explanation given to us and on the basis of our examination of the records of the company, the Company has not granted any loans, secured or unsecured to the companies, firms, limited liability partnerships or other parties covered in the register under section 189 of the Companies Act, 2013 ('the Act'), therefore clause 3 (iii) (a), (iii) (b) and (iii) (c) of the order are not applicable to the company.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act, with respect to the loans, investments, guarantees and security made.
5. As per information and explanation given to us, the Company has not accepted any deposits and accordingly directives issued by Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provision of Companies Act, 2013 and the rules framed thereunder would not apply and accordingly clause 3(v) of the order is not applicable to the company.
6. The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act and accordingly clause 3(vi) of the order is not applicable.
7. a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company is regular in depositing undisputed statutory dues including provident fund, employees state insurance, income-tax, sales tax, value added tax, duty of customs, service tax, Goods and Service Act, cess and other statutory dues to appropriate authorities.

According to the information and explanations given to us, no undisputed statutory dues payable in respect of provident fund, income tax, sales tax, duty of customs, value added tax, service tax, Goods and Service Act, cess and other material statutory dues were in arrears as at 31st March, 2018 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, there are no dues of income tax or sales tax or service tax or duty of customs or value added tax or Goods and Services Tax which have not been deposited with the appropriate authority on account of any disputes;
8. 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 government or from any financial institutions except vehicle loans.
9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, clause 3 (ix) of the order is not applicable.

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10. According to the information and explanation given to us by management, we have neither come across any instances of fraud by the company or any fraud on the company by its officers or employees, noticed or reported during the period nor have we been informed any such case by the company.
11. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(xiv) of the order is not applicable.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, clause 3(xv) of the order is not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Ambani & Associates LLP
Chartered Accountants
Firm Regn. No. 016923N

Place: New Delhi
Dated: May 30, 2018

(HITESH AMBANI)
Partner
M. No – 506267

Annexure – II to the Independent Auditors’ Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **COMPETENT AUTOMOBILES COMPANY LIMITED** (“the Company”) as of 31st March, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (‘ICAI’). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on

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our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Ambani & Associates LLP
Chartered Accountants
Firm Regn. No. 016923N

Place: New Delhi
Dated: May 30, 2018

(HITESH AMBANI)
Partner
M. No – 506267

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BALANCE SHEET AS AT 31ST MARCH 2018

(Rs. In lacs)

Particulars	Note No.	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
I ASSETS				
1 Non-current assets				
a Property, Plant and Equipment	2	5,595.58	3,030.30	3,157.80
b Capital work in progress	3	248.02	135.78	217.03
c Financial Assets				
i) Investments	4	3,400.00	3,400.00	3,400.00
ii) Other financial assets	5	564.26	518.34	530.37
d Deferred Tax Assets (Net)	6	251.02	196.56	178.83
e Other non-current assets	7	670.97	737.22	655.90
Total Non-Current assets		10,729.85	8,018.20	8,139.93
2 Current assets				
a Inventories	8	5,299.27	4,983.22	7,916.88
b Financial Assets				
i) Trade receivables	9	3,807.73	2,536.54	3,003.36
ii) Cash and cash equivalents	10	1,143.35	1,081.30	1,297.41
iii) Bank balances other than (iii)above	10	5,177.72	1,493.93	117.22
iv) Loans	11	19.61	6.83	4.81
c Other current assets	12	3,063.95	2,790.72	1,322.11
Total Current assets		18,511.63	12,892.54	13,661.79
3 Assets Classified as Held for Sale	13	-	2,295.38	2,140.82
Total Assets		29,241.48	23,206.12	23,942.54
II EQUITY AND LIABILITIES				
1 Equity				
a Equity Share Capital	14	627.85	627.85	627.85
b Other Equity	15	18,990.21	10,852.46	9,774.79
Total equity		19,618.06	11,480.31	10,402.64
LIABILITIES				
2 Non-current liabilities				
a Financial Liabilities				
i) Borrowings	16	248.56	47.68	149.52
ii) Other financial liabilities	17	67.07	49.00	32.45
b Deferred tax liabilities (Net)		-	-	-
c Other non-current liabilities		-	-	-
Total non-current liabilities		315.63	96.68	181.97
3 Current liabilities				
a Financial Liabilities				
i) Borrowings	18	6,701.69	5,606.15	6,655.05
ii) Trade payables	19	1,210.31	518.57	1,153.00
iii) Other financial liabilities	20	281.03	302.37	186.85
b Provisions	21	575.01	485.82	408.22
c Other current liabilities	22	539.74	1,216.24	1,454.81
Total current liabilities		9,307.78	8,129.15	9,857.93
4 Liability Directly Associated with Asset classified as held for sale	23	-	3,500.00	3,500.00
Total Equity and Liabilities		29,241.48	23,206.12	23,942.54

Significant Accounting policies and Notes to Accounts are forming part of Financial Statements (1 to 44)

As Per our report of even date attached

For Ambani & Associates LLP

Firm Registration No: 016923N

Chartered Accountants

(Hitesh Ambani)

Partner

Membership Number-506267

Place: New Delhi

Date : 30-05-2018

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 Kumar Sharma)

Chief Financial Officer

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STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2018

(Rs. In lacs)

	Note No.	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
A Revenue			
I Revenue from Operations	24	1,27,420.34	1,24,297.60
II Other Income	25	8,227.17	105.10
III Total Revenue (I+II)		1,35,647.51	1,24,402.70
IV Expenses			
Purchases of Stock in Trade	26	1,13,231.58	1,08,090.26
Changes in Inventories of Stock in Trade	27	(316.04)	2,933.66
Employee Benefit Expenses	28	4,062.79	3,451.52
Finance Cost	29	885.73	890.83
Depreciation and Amortization Expense	30	759.18	523.60
Other Expenses	31	6,887.02	6,630.38
Total Expenses		1,25,510.25	1,22,520.25
V Profit before Exceptional items and Tax (V)=(III)-(IV)		10,137.26	1,882.45
VI Exceptional items		-	-
Profit / (Loss) After Exceptional items and Taxes VI=(V-VI)		10,137.26	1,882.45
VII Profit / (Loss) before Tax (VII-VIII)		10,137.26	1,882.45
IX Less :Tax Expenses			
- Current Tax		1,980.00	690.00
- Deferred Tax		(54.46)	(17.73)
Profit after Tax for the Year (IX-X)		8,211.72	1,210.18
X Other Comprehensive Income			
(i) Items that will not be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss		-	-
(i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
XI Total Comprehensive Income (IX+X)		8,211.72	1,210.18
Earnings per Equity share			
Basic and Diluted		133.61	19.69
Earnings per Equity share			
Basic and Diluted		133.61	19.69

Significant Accounting policies and Notes to Accounts are forming part of Financial Statements (1 to 44)

As Per our report of even date attached

For Ambani & Associates LLP

Firm Registration No: 016923N

Chartered Accountants

(Hitesh Ambani)

Partner

Membership Number-506267

Place: New Delhi

Date : 30-05-2018

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 Kumar Sharma)

Chief Financial Officer

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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH 2018.

a. Equity share capital		(Rs. In lacs)
Particulars		Amount
Balance at 1st April 2016		627.85
Changes in equity share capital during the year		0.00
Balance at 31st March 2017		627.85
Changes in equity share capital during the year		0.00
Balance at the end of the reporting period		627.85

b. Other equity

Particulars	Reserves & Surplus			Items of other comprehensive income		
	General Reserve	Securities Premium Account	Retained earnings	Total	Equity Instrument through other comprehensive income	Total
Balance at April 1, 2016	2,517.51	1,431.65	5,825.63	9,774.79		9,774.79
-Profit or Loss during the year	-	-	1,210.18	1,210.18		1,210.18
-Other comprehensive income for the year	-	-	-	-		-
Total comprehensive income for the year	2,517.51	1,431.65	7,035.81	10,984.97	-	10,984.97
-Dividend paid during the year	-	-	-61.46	-61.46		-61.46
-Dividend Distribution Tax (DDT)	-	-	-12.51	-12.51		-12.51
-Other Tax Adjustment of earlier years	-	-	-58.54	-58.54		-58.54
-Transfer to General Reserve	250.00	-	-250.00	-		-
Balance at March 31, 2017	2,767.51	1,431.65	6,653.29	10,852.46	-	10,852.46
-Profit or Loss during the year	-	-	8,211.72	8,211.72		8,211.72
-Other comprehensive income for the year	-	-	-	-		-
Total comprehensive income for the year	-	-	8,211.72	8,211.72	-	8,211.72
-Dividend paid during the year	-	-	-61.46	-61.46		-61.46
-Dividend Distribution Tax (DDT)	-	-	-12.51	-12.51		-12.51
-Transfer to General Reserve	250.00	-	-250.00	-		-
Balance at March 31, 2018	3,017.51	1,431.65	14,541.05	18,990.21	-	18,990.21

As per our report of even date annexed.

For Ambani & Associates LLP

Firm Registration No: 016923N

Chartered Accountants

(Hitesh Ambani)

Partner

Membership Number- 506267

Place: New Delhi

Date : 30-05-2018

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 Kumar Sharma)

Chief Financial Officer

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CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018

	(Rs. In lacs)	
	Year ended 31st March 2018	Year ended 31st March 2017
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	10,137.26	1,882.45
Adjustments for :		
Depreciation and Amortisation	759.18	523.60
Profit on Sale of Tangible Assets	(7,902.81)	(22.68)
loss on sale of Tangible Assets	-	270.73
Provisions no longer required written back	-	-
Provision for Gratuity	-	-
Provision for Doubtful Debts	-	-
Financial Expenses	885.73	890.83
Interest Income	-	-
	<u>(6,257.90)</u>	<u>1,662.49</u>
Operating gain before working capital changes	<u>3,879.36</u>	<u>3,544.94</u>
Changes in working capital		
(Increase)/ Decrease in Inventories	(316.04)	2,933.66
(Increase)/Decrease in Trade Receivables	(1,544.42)	(1,001.80)
(Increase)/Decrease in Loans and Advances	106.94	(9.18)
Increase in Current Liabilities and Provisions	(3,403.81)	(665.11)
	<u>(5,157.34)</u>	<u>1,257.58</u>
Cash generated from Operating activities before Taxes	<u>(1,277.98)</u>	<u>4,802.52</u>
Direct Taxes paid (net of refunds)	(2,079.37)	(810.68)
Net cash generated from/ (used in) Operating activities	<u>(3,357.35)</u>	<u>3,991.84</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(3,650.51)	(1,510.79)
Purchase of Investments	-	-
Proceeds from Sale of Investments	-	-
Proceeds from Sale of Tangible Assets	10,412.00	793.34
Interest received	-	-
Net cash generated from / (used in) investing activities	<u>6,761.49</u>	<u>(717.45)</u>
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Bank and other Borrowings	715.26	(1,148.98)
Proceeds from Long Term Bank Borrowings	-	-
Repayment of Long Term Borrowings	-	-
Financial expenses paid	(885.73)	(890.83)
Dividend paid	(73.97)	(73.97)
Net cash generated from/ (used in) financing activities	<u>(244.44)</u>	<u>(2,113.78)</u>
INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS	3,159.69	1,160.60
Cash and Bank balance at the beginning of the year	2,575.23	1,414.63
Effect of exchange gain on cash and cash equivalents	-	-
Cash and Bank balance at the end of the year	<u>5,734.93</u>	<u>2,575.23</u>
Component of Cash and Bank balance		
Cash and cash equivalents include :		
Cash on hand	96.45	129.26
Cheques on hand	21.90	61.07
Balances with Banks:		
Deposit accounts	-	-
Current accounts	1,025.01	890.96
Bank Overdraft	(586.15)	-
Cash and cash equivalents at the end of the year	<u>557.20</u>	<u>1,081.30</u>
Add:		
Fixed deposits with original maturity of more than 90 days	5,169.97	1,486.81
Unpaid Dividend	7.75	7.13
Cash and Bank balances at the end of the year	<u>5,734.92</u>	<u>2,575.23</u>
	0.00	0.00

Notes: 1 The Cash Flow Statement has been prepared in accordance with the 'Indirect Method' as per Ind AS 7-Cash Flow Statement.
2 Figures in brackets represents cash out flow.

As per our report of even date
For Ambani & Associates LLP
 Firm Registration No: 016923N
 Chartered Accountants
(Hitesh Ambani)
 Partner
 Membership Number-506267
 Place: New Delhi
 Date : 30/05/2018

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 Kumar Sharma)
 Chief Financial Officer

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Note No.1- SIGNIFICANT ACCOUNTING POLICIES

A. General Information

Competent Automobiles Company Limited ("The Company") is a public limited company incorporated and domiciled in India and it is listed on the Bombay Stock Exchange (BSE). The address of its registered office is F-14, Competent House, Connaught Place New Delhi – 110001. The Company is Authorized Dealer of Maruti Suzuki India Limited for Delhi, Haryana and Himachal Pradesh area.

B. (i) Statement of Compliance

The Financial Statements have been prepared as going concern in accordance with Indian Accounting Standard (Ind AS) notified under the Section 133 of the Companies Act, 2013 ("the Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Act.

The Company has prepared the Financial Statements up to 31st March, 2017 in accordance with the requirements of previous GAAP, which includes standards notified under the Companies (Accounting Standards) Rules 2006 and other relevant provisions of the Act. These are the Company's first Ind AS financial statements. The date of transition to the Ind AS is 1st April 2016.

(ii) Basis of preparation and presentation

The financial statements have been prepared on the historical cost convention on accrual basis except for certain financial instruments which are measured at fair market value at the end of each reporting period as explained in the accounting policies.

All assets and liabilities have been classified as current or non-current according to the Company's operating cycle and other criteria set out in the Act.

C. Significant Accounting Policies

1. Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenue from operations includes sales of goods/vehicles/Spares parts/Accessories and services and amounts disclosed as revenue are net of trade allowances. The Company recognizes revenue when the amount of revenue and its related cost can be reliably measured and it is probable that future economic benefits will flow to the entity and specific criteria in relation to significant risk and reward and degree of managerial involvement associated with ownership or effective control have been met for each of the Company's activities as described below. The Company bases its estimates on historical results, taking into consideration the type of customer, the type of transactions and the specifics of each arrangement and based on the general trade practice as prevailing in the market.

(i) Sale of Goods/Vehicles/Spare parts/Accessories

Sales are accounted on transfer of significant risks and rewards to the customer and as per prevailing trade practice once the good are invoiced the risk and rewards are considered to be transferred and revenue is recognized in the books of account of that period. The trade rebate received from the manufacturer in form of purchase discount is accounted for as and when it is received. The amounts of rebate/discount received on purchase invoice are shown net of basis and other amount of purchase discount/rebate received is shown separately in financial statements.

(ii) Income from services

Income from services are accounted over the period of rendering of services.

(iii) Dividend and interest income

Dividend income from investments is recognised when the shareholders' right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably). Interest income from a financial asset is recognised when it is

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probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

2. Property, plant and equipment

- a. Property, plant and equipment are stated at cost of acquisition or construction less accumulated depreciation less accumulated impairment, if any. Freehold land is measured at cost and is not depreciated. Such assets are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use.
- b. Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.
- c. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.
- d. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. The other repairs and maintenance of revenue nature are charged to profit or loss during the reporting period in which they are incurred.

2.1 Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of its property, plant and equipment recognized as at 1st April 2016, measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

2.2 Depreciation methods, estimated useful lives and residual value

- (i) Depreciation on property, Plant and Equipment 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.
- (ii) The assets' residual values, estimated useful lives and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.
- (iii) Any Gains and losses on disposal are determined by comparing proceeds with carrying amount and are credited / debited to profit or loss.
- (iv) The vehicle purchased for the purpose of the test drive are treated as an asset of the Company and depreciation is charged accordingly.

3. Impairment of Assets

- (i) At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).
- (ii) An impairment loss is recognized in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not.

4. Borrowing costs

- (i) Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

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- (ii) Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets are deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

5. Inventories

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

- (i) Cost of finishes goods are measured at cost or market value which ever is lower.
- (ii) Cost of Spares Parts and Accessories, Oils & Lubricants are measured at cost on FIFO basis.
- (iii) Vehicles and Spares parts has been taken into the stock in hand of the company as and when they are dispatched from Maruti Suzuki India Limited (“MSIL”).

6. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when the Company becomes a party to the contractual provisions of the instruments.

(i) Initial Recognition

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial instruments (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in profit or loss.

(ii) Subsequent Measurement

1. Financial Assets at amortized cost

A financial asset is subsequently measured at amortized cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows, and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2. Financial assets at fair value through other comprehensive income

A financial asset is subsequently measured at fair value through other comprehensive income if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Further, in cases where the Company has made an irrevocable election based on its business model, for its investments which are classified as equity instruments, the subsequent changes in fair value are recognized in other comprehensive income.

3. Financial assets at fair value through profit or loss

A financial asset which is not classified in any of the above categories is subsequently fair valued through profit or loss.

4. Financial liabilities

All financial liabilities are subsequently measured at amortized cost using the effective interest rate method or at fair value through profit or loss.

7. Cash and cash equivalents

In the cash flow statement, cash and cash equivalents includes cash in hand, cheques and drafts in hand, balances with bank and deposits held at call with financial institutions, short-term highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an

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insignificant risk of changes in value. Bank overdrafts are shown as a part of Cash and Cash Equivalents in the cash flow statement.

8. Leasing

- (i) Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.
- (ii) Lease rentals for operating lease are charged to the statement of profit and loss account in accordance with the respective lease agreement. The lease rental are estimated to increase periodically in line with expected general inflation cost.

9. Taxation

(i) Tax Expense

Income tax expense represents the sum of the tax currently payable and deferred tax. Income tax expense is recognized in net profit in the Statement of Profit and Loss except to the extent that it relates to items recognized directly in equity, in which case it is recognized in other comprehensive income.

(ii) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. Current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period

(iii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profits. Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for all deductible temporary differences and incurred tax losses to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

- (iv) The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

10. Foreign currencies

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the group operates ('the functional currency'). The financial statements are presented in Indian rupee (₹), which is the group's functional and presentation currency.

(ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges.

11. Earning per Share

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

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12. Employee benefits

(i) Short Term obligations

Liabilities for wages and salaries including other monetary benefits that expected to be settled within the period in which the employees render the related services are recognized in the period in which the related services and are measured at the undiscounted amount expected to be paid.

(ii) Other Long-term employee benefit

Liabilities of leave encashment is provided on the basis of earned leave standing to credit of employees and the same is discharged by the company the end of the year and accounted for the same accordingly.

(iii) Post-employment obligations

The company has defined contribution plan in respect of payment of gratuity to employees. The contributions are being made to the exclusive trust established under the Group Gratuity Scheme of Life Insurance Corporation of India (LIC). The premium and the contribution paid every year to the LIC are charged to revenue. The Company has no further payment obligations once the contributions have been paid. The Company's contribution to State Plans namely Employee's State Insurance, Employee's Provident Fund Scheme and Employee's Pension Scheme are charged to the statement of profit and loss every year.

13. Provisions, Contingent Liabilities and Contingent Assets

- (i) Provision is recognized if, as a result of a past event, the Company has a present legal or constructive obligation that is reasonably estimable, and it is probable that an outflow of economic benefits will be required to settle the obligation.
- (ii) A disclosure for a contingent liability is made when there is possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure as specified in Indian Accounting Standard 37 – "Provisions, Contingent Liabilities and Contingent Assets" is made.
- (iii) Contingent Assets are not recognized in the Financial Statements.

14. Events occurring after Reporting Period

The final dividend on shares is recorded as a liability on the date of approval by the shareholders, and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

15. Segment Reporting

The accounting policies adopted for segment reporting are in accordance with the Ind AS -109 "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.

16. Rounding of amounts

All amounts disclosed in the financial statements and the accompanying notes have been rounded off to the nearest lakhs and two decimals thereof, as per the requirement of Schedule III of the Companies Act 2013, unless otherwise stated.

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2018

(Rs. In lacs)

2 Property, Plants & Equipments

Particulars	Land	Buildings	Plant & Machinery	Electric Installation	Office Equipments	Furniture & Fixtures	Vehicles	Total
Deemed cost As at 1st April, 2016	1,320.22	1,362.94	1,335.30	162.36	860.09	478.08	1,652.17	7,171.15
Additions	-	236.23	166.91	98.16	123.04	257.56	386.13	1,268.04
Disposals	(831.29)	-	(9.65)	-	-	-	(185.68)	(1,026.62)
Balance as at March 31, 2017	488.93	1,599.17	1,492.56	260.51	983.13	735.64	1,852.62	7,412.57
Additions	2,239.13	28.13	125.24	13.13	96.48	43.30	857.08	3,402.49
Disposals	-	-	-	-	(2.86)	-	(379.79)	(382.65)
Gross Carrying value As at March 31, 2018	2,728.06	1,627.30	1,617.80	273.65	1,076.75	778.94	2,329.91	10,432.41
Accumulated Depreciation as at 1st April 2016	-	937.56	932.89	141.81	739.86	376.23	884.99	4,013.35
Depreciation for the year	-	39.77	78.99	9.29	68.26	45.78	281.53	523.60
Disposals/adjustments during the year	-	-	(8.71)	-	-	-	(145.96)	(154.68)
Balance as at March 31, 2017	-	977.33	1,003.16	151.09	808.12	422.01	1,020.56	4,382.28
Depreciation for the year	-	69.93	102.30	30.20	115.75	87.83	353.17	759.18
Disposals/adjustments during the year	-	-	-	-	(2.10)	-	(302.52)	(304.62)
Accumulated Depreciation As at March 31, 2018	-	1,047.26	1,105.46	181.29	921.77	509.84	1,071.21	4,836.83
Net carrying value as at 1st April 2016	1,320.22	425.37	402.41	20.55	120.23	101.85	767.18	3,157.80
Net carrying value as at 31st April 2017	488.93	621.83	489.40	109.42	175.01	313.63	832.06	3,030.30
Net carrying value as at 31st April 2018	2,728.06	580.04	512.35	92.35	154.99	269.09	1,258.70	5,595.58

Note : Net Carrying value is calculated as (gross carrying value at the end of year - accumulated Depreciation at the end of year)

(Rs. In lacs)

3 Capital Work in Progress

As at April 01, 2016	217.03
Additions	135.78
Less: Amount capitalized in Property, Plant & Equipment	47.59
Less: Amount disposal during the year	169.45
Balance at March 31, 2017	135.78
Additions	248.02
Less: Amount capitalized in Property, Plant & Equipment	135.78
Less: Amount disposal during the year	-
Balance at March 31, 2018	248.02

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(Rs. In lacs)

4 Investment	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
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Non current

Investment in equity instruments

- Equity Shares of Raj Chopra & Company Pvt Ltd.(RCCPL) (85,00,000 equity shares @ 40 per share)	3,400.00	3,400.00	3,400.00
	<u>3,400.00</u>	<u>3,400.00</u>	<u>3,400.00</u>

Investments in equity Instruments at Fair Value through other comprehensive income

Particulars	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	Number	Amount	Number	Amount	Number	Amount
Unquoted investment fully paid up						
- Equity Shares of Raj Chopra & Company Pvt Ltd.(RCCPL)	85,00,000	3,400.00	85,00,000	3,400.00	85,00,000	3,400.00
		<u>3,400.00</u>		<u>3,400.00</u>		<u>3,400.00</u>

5 Other Non Current Financial Assets	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
--------------------------------------	--------------------------	--------------------------	-------------------------

Financial Assets measured at amortised cost

-Security Deposit to MSIL	212.50	202.50	202.50
-Security Deposits for Showrooms	119.00	104.00	141.14
- Amortised cost of Security deposits	190.27	165.06	117.36
-Other Security Deposits*	42.49	46.77	69.37
	-		
	<u>564.26</u>	<u>518.34</u>	<u>530.37</u>

* These includes deposits with Public/ Government Authorities for utilities .

6 Deferred tax Liability/Assets (net)	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
---------------------------------------	--------------------------	--------------------------	-------------------------

Deferred Tax Assets	251.02	196.56	178.83
(on account of timing difference of depreciation on PPE)	251.02	196.56	178.83
Deferred tax Assets (Net)	<u>251.02</u>	<u>196.56</u>	<u>178.83</u>

7 Others Non current Assets	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
-----------------------------	--------------------------	--------------------------	-------------------------

Advance Income Tax and Tax Deducted at Source (Net of Provision)	327.82	228.45	166.31
Capital Advances	200.00	360.00	360.00
Prepaid Rent (SD)	74.77	76.61	57.42
-Other Security Deposits	68.37	72.16	72.16
	<u>670.97</u>	<u>737.22</u>	<u>655.90</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(Rs. In lacs)

8 Inventories	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
(At cost or net realisable value whichever is lower)			
Vehicles *	3,744.43	4,049.07	6,734.16
Spare Parts, Accessories, Oil & Lubricants *	1,075.29	804.58	653.29
Vehicle in Transit *	479.54	129.57	529.44
	<u>5,299.27</u>	<u>4,983.22</u>	<u>7,916.88</u>

*Refer to Point no 5 of Accounting policies Inventories are valued and certified by the mangement .

9 Trade Receivables	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Unsecured & Considered good	3,807.73	2,536.54	3,003.36
Unsecured & Considered doubtful	-	-	-
	3,807.73	2,536.54	3,003.36
Less: Provision for Doubtful Debts	-	-	-
	<u>3,807.73</u>	<u>2,536.54</u>	<u>3,003.36</u>

Considering the past trends of complete recoverability of dues from Trade Receivables, company decides not to provide for expected credit loss for trade receivables under simplified approach

10 Cash and Bank Balances	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Cash and Cash Equivalents:			
Cash on hand	96.45	129.26	216.65
- Balance with Bank Accounts*	1,025.01	890.96	1,030.81
-Cheque in Hand	21.90	61.07	49.95
	<u>1,143.35</u>	<u>1,081.30</u>	<u>1,297.41</u>
Other Bank Balances			
- In Fixed Deposits (More than 3 months & less than 12 months marturity), and includes Fixed deposits with govt. authorities	5,169.97	1,486.81	110.21
Earmarked Balances with Banks			
Unpaid Dividend	7.75	7.13	7.00
	<u>5,177.72</u>	<u>1,493.93</u>	<u>117.22</u>
	<u>6,321.08</u>	<u>2,575.23</u>	<u>1,414.63</u>

Cash and Cash equivalent includes cash in hand bank balances and deposits whereas for the purpose of cash flow statement bank overdraft is considered as component of Cash and cash equivalent.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(Rs. In lacs)

11 Loans	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
(Unsecured and considered good)			
Others:			
Staff Advances	19.61	6.83	4.81
	<u>19.61</u>	<u>6.83</u>	<u>4.81</u>
12 Other Current Assets	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Interest accrued but not due on Fixed Deposits	95.46	37.92	18.81
Advance Recoverable in Cash or in Kind	281.21	169.74	135.85
Recoverable from MSIL	2,587.24	2,506.96	1,113.46
Staff Imprest	16.09	33.23	21.22
Prepaid Expenses	50.99	42.87	32.78
GST paid on Advance receipts	32.96	-	-
	<u>3,063.95</u>	<u>2,790.72</u>	<u>1,322.11</u>
13 Assets Classified as Held for Sale	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Land at GOA	-	2,295.38	2,140.82
	<u>-</u>	<u>2,295.38</u>	<u>2,140.82</u>
Land at Goa has been reclassified as : Assets classified as held for sale " at Lower of cost or Fair Market Value less cost of Sale. Land at Goa has been reclassified as " Asset held for sale" as per Ind AS -105 in financial statement and the cost incurred on such project also reclassified with land cost. The company had received an advance amounting to Rs. 3500 lacs and shown as advance for sale of land as at 1st April 2016. The sale of such land was subject to outcome of the proceedings pending before jurisdictional Court at Goa. During the current financial year, on outcome of proceeding of court in favour of company, sale transaction of land has been completed. Consequently profit amounting to Rs. 7864.97 lacs on the same has been booked in the profit and loss account after reducing from sale consideration of Rs. 10500 lacs, purchase and improvement cost of Rs. 2635.03 lacs.			
14 Equity Share Capital	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Authorized			
1,00,00,000 Equity shares of ₹ 10 each (As at 31st March 2017 & 1st April 2016 1,00,00,000 Equity shares of ₹ 10 each)	1,000.00	1,000.00	1,000.00
Issued, Subscribed			
64,09,500 Equity shares of ₹ 10 each (As at 31st March 2017 & 1st April 2016 64,09,500 Equity shares of ₹ 10 each)	640.95	640.95	640.95
Paid -up			
61,46,000 Equity Shares of Rs. 10/ each (As at 31st March 2017 & 1st April 2016 61,46,000 Equity Shares of Rs. 10/ each)	614.60	614.60	614.60
Add : Amount paid up on Forfeited 2,63,500 Equity Shares (As at 31st March 2017 & 1st April 2016: Amount Paid up on forfeited 2,63,500 Equity Shares)	13.25	13.25	13.25
	<u>627.85</u>	<u>627.85</u>	<u>627.85</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(Rs. In lacs)

Particulars	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
Equity Shares outstanding at the beginning of the year and at the end of the year.	61,46,000	614.60	61,46,000	614.60	61,46,000	614.60
Changes in equity share capital during the year		-		-		-
Balance at the end of the reporting period		614.60		614.60		614.60

The Details of shareholders holding more than 5 % of the aggregate shares in the company

Particulars Name of the Share Holder	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
	%	Number of Shares	%	Number of Shares	%	Number of Shares
Mrs. Kavita Ahuja	61.48%	37,78,680	61.48%	37,78,680	61.48%	37,78,680
Mrs. Geeta Chopra	-	-	-	-	9.02%	5,54,525
Ms. Priya Chopra	13.43%	8,25,625	13.43%	8,25,625	4.41%	2,71,100

15 Other Equity	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
i. General Reserve						
As per last Balance Sheet		2,767.51		2,517.51		2,267.51
Add : Balance Tranferred from Profit and Loss Account		250.00		250.00		250.00
Closing balance		3,017.51		2,767.51		2,517.51
ii Securities Premium Account						
As per last Balance Sheet		1,431.65		1,431.65		1,431.65
Add : Balance Tranferred from Profit and Loss Account		-		-		-
Closing balance		1,431.65		1,431.65		1,431.65
iii Surplus in Statement of Profit and Loss						
As per last Balance Sheet		6,653.29		5,825.63		4,804.19
Add : Net Profit for the Year		8,211.72		1,210.18		1,282.85
- Amortisation Effect of Security Deposit as per Ind AS -109		-		-		(4.95)
Amount available for Appropriations		14,865.02		7,035.81		6,082.09
Less:						
Proposed Dividend on Equity Shares		61.46		61.46		-
Dividend tax		12.51		12.51		-
Tax adjustments for earlier years		-		58.54		6.45
Transferred to General Reserve		250.00		250.00		250.00
		14,541.05		6,653.29		5,825.63
Total		18,990.21		10,852.46		9,774.79

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(Rs. In lacs)

16 Non current Financial Liabilities	As at 31st March 2018 Non - Current	As at 31st March 2017 Non - Current	As at 1st April 2016 Non - Current
Borrowings (Secured)			
Vehicle Loan	248.56	47.68	149.52
	<u>248.56</u>	<u>47.68</u>	<u>149.52</u>
17 Other Financial Liabilities	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Security Deposits	67.07	49.00	32.45
	<u>67.07</u>	<u>49.00</u>	<u>32.45</u>
18 Borrowings	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Loan repayable on Demand			
From Banks			
Secured			
- Cash Credit Facility From HDFC *	795.30	1,244.01	2,573.45
- Cash Credit Facility From State Bank of India #	169.58	271.37	292.21
- Inventory Funding From HDFC Bank/SBI **	3,450.44	3,585.20	3,604.39
-O/D Limit from HDFC***	586.15	-	-
Unsecured			
From others			
Due to Directors ****	1,700.21	505.58	185.00
	<u>6,701.69</u>	<u>5,606.15</u>	<u>6,655.05</u>

* Cash Credit from HDFC Bank 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 9% P.A. (Previous Year from @ 10.50 %P.A., As at 01 April 2016 @ 10.50% P. A.)

Cash Credit from SBI Bank is secured by mortgage of immovable property and personal guarantees of Directors. The Cash credit is repayable on demand and carries interest at 10.40% P.A. (Previous Year from @ 11.10 % P.A., As at 1 April 2016 @ 11.10% P.A.)

** Inventory funding (HDFC) is repayable on demand and carries interest of 8.75%. P.A. (Previous Year interest rate @ 10.25% P.A., As at 1st April 2016 @ 10.25 % P.A.)

** Inventory funding (SBI) is repayable on demand and carries interest of 8.55%. P.A. (Previous Year interest rate @ 10.25% P.A. As at 01 April 2016 @ 10.25% P.A.)

*** Bank overdraft is secured by FDR and carries interest of 1% Plus FDR interest rate (Previous Year interest 1% Plus FDR , As at 01st April 2016 - N.A.)

**** Loans from Directors is repayable on demand and carries interest rate of 8% P.A. (Previous Year interest rate @ 9% P.A. As at 1st April 2016 @ 10% P.A.)

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(Rs. In lacs)

19 Trade Payables	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Micro, Small and Medium Enterprises	-	-	-
Others	<u>1,210.31</u>	<u>518.57</u>	<u>1,153.00</u>
	<u>1,210.31</u>	<u>518.57</u>	<u>1,153.00</u>

The Disclosure in respect of MSME have been made in the financial statements based on the informtion/ confirmation received and available with the company. There is no outstanding as on 31st March 2018, 31st March 2017 and 01 April 2016.

20 Other Current Financial Liabilities	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Current Maturities of Long Term Debts	110.55	105.55	103.79
- Expenses Payable	162.73	189.69	76.07
-Unclaimed Dividend**	7.75	7.13	7.00
	<u>281.03</u>	<u>302.37</u>	<u>186.85</u>

**** There are no amount due for Payment to the Investor Education and protection Fund under Section 125(1) of the Companies Act , 2013.**

21 Provisions	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Provision for Employees Benefits :			
Salary and other benefits *	<u>575.01</u>	<u>485.82</u>	<u>408.22</u>
	<u>575.01</u>	<u>485.82</u>	<u>408.22</u>

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

22 Other Current Liabilities	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Advance from Customers	506.88	462.12	738.69
- Taxes Payable *	32.86	754.13	716.12
	<u>539.74</u>	<u>1,216.24</u>	<u>1,454.81</u>

***(includes GST and T.D.S. payable)**

23 Liabilities Directly Associated with Assets Classified as held for sale	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Advance against sale of Land	-	3,500.00	3,500.00
	<u>-</u>	<u>3,500.00</u>	<u>3,500.00</u>

Advance received against sale of Goa land has been reclassified as "Liabilities directly associated with Assets classified as held for sale". The company had received an advance amounting to Rs. 3500 lacs and shown as advance against sale of land as at 1st April 2016. The sale of such land was subject to the outcome of the proceedings pending before jurisdictional Court at Goa. During the current financial year, on outcome of proceeding in favour of company, sale transaction of land has been completed. Consequently profit amounting to Rs. 7864.97 lacs on the same has been booked in the profit and loss account after reducing from sale consideration of Rs. 10,500 lacs, purchase and improvement cost of Rs.2,635.03 lacs.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(Rs. In lacs)

24 Revenue from Operations	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Sale of products	-	-
Vehicles	1,11,715.01	1,08,706.93
Spare Parts & Accessories	7,410.40	6,975.20
Number Plates	34.61	26.44
	-	-
Services Rendered	-	-
-Services & Labour Charges	3,587.56	3,384.36
Rebate / Discount Received :		
From Maruti Suzuki India Ltd.	2,536.83	3,460.64
From others	172.78	-
Commission Received		
- Extended Warranty	198.24	114.89
- Insurance Business	1,207.68	1,093.78
- Direct Billing	36.16	26.03
- Sourcing Fees	452.43	412.84
-Interest Income	68.64	96.48
	<u>1,27,420.34</u>	<u>1,24,297.60</u>

25 Other income	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Net Gain on Sale of (Property , Plant & Equipment)	7,902.81	22.68
Booking Cancellation Charges	4.79	7.92
Miscellaneous income*	145.36	55.33
Other non operating income**	175.59	20.99
unwinding of amortised cost of security Deposits	(1.38)	(1.81)
	<u>8,227.17</u>	<u>105.10</u>

(* includes processing fees)

(** includes MDS school income and interest on FDR)

26 Purchase of Stock In Trade	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Purchases during the year		
- Vehicle (Net of GST credit notes)	1,06,758.94	1,01,987.66
- Spare Parts & Accessories	6,491.45	6,163.98
- Number Plates	18.54	6.65
Less:		
- Spares issued against Warranty	(30.93)	(66.88)
-Short & Excess (MSIL)	(6.42)	(1.14)
	<u>1,13,231.58</u>	<u>1,08,090.26</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(Rs. In lacs)

27 Changes in Inventories of Stock in Trade	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Inventories at the end of the year:		
- Vehicles	3,744.43	4,049.07
- Spare Parts & Accessories	1,075.29	804.58
- Goods in Transit	479.54	129.57
	<u>5,299.27</u>	<u>4,983.22</u>
Less:		
Inventories at the beginning of the year:		
- Vehicles	4,049.07	6,734.16
- Spare Parts & Accessories	804.58	653.29
- Goods in Transit	129.57	529.44
	<u>4,983.22</u>	<u>7,916.88</u>
	<u>(316.04)</u>	<u>2,933.66</u>
28 Employee Benefit Expenses	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Salaries, Wages and Bonus	3,383.07	2,848.31
Directors Remuneration	42.00	41.00
Commission paid to Directors	36.00	35.00
Contribution to Provident Fund and Other Funds	392.78	306.98
Staff Welfare Expenses	208.94	220.22
	<u>4,062.79</u>	<u>3,451.52</u>
29 Finance Cost	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Interest on Term Loan	10.59	21.13
Interest on Working capital	266.40	320.86
Interest on Inventory Funding	416.63	479.59
Interest Paid To MSIL	1.91	5.16
Interest Paid to others	166.33	39.54
Other Finance charges	23.88	24.56
	<u>885.73</u>	<u>890.83</u>
30 Depreciation and Amortization Expenses	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Depreciation on Property, Plant and Equipments	759.18	523.60
	<u>759.18</u>	<u>523.60</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(Rs. In lacs)

31 Other Expenses	For the Year ended 31st March, 2018	For the Year ended 31st March, 2017
Consumable Stores	306.02	242.85
Jobwork & Labour Charges	412.26	441.47
Security Services Charges	187.95	164.07
Services Charges	353.03	337.95
Petrol For New Car	129.77	99.61
Delivery Charges	128.64	149.82
Insurance	115.91	80.64
Repair & Maintainance		
Building	411.22	534.68
Plant & Machinery	164.43	149.51
Others	82.62	96.02
Legal & Professional Charges	148.34	113.22
Rent	1,133.60	1,049.90
Rates & Taxes	109.34	262.38
Facility Charges	72.00	72.00
Communication Expenses	108.36	121.53
Charity & Donation	4.04	6.17
CSR Expenditure *	39.00	34.00
Power & Fuel	309.08	308.44
Printing & Stationery	107.18	100.38
Travelling & Conveyance	193.16	190.94
Auditors Remuneration (Refer Note No. 34)	11.78	11.78
Miscellaneous Expenses	20.48	49.56
Advertising & Publicity	15.81	19.93
Discount	2,076.02	1,585.75
Sales Promotion	246.99	137.05
	<u>6,887.02</u>	<u>6,359.65</u>

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

32 Earnings per Share	2017-18	2016-17
Basic earning per share	133.61	19.69
Diluted earning per share	133.61	19.69
profit After Tax	8,211.72	1,210.18
Weighted average number of Equity Shares	61.46	61.46

33 Contingent Liabilities

Particulars	2017-18	2016-17
(i) Bank Guarantee obtained from Banks	250.00	250.00
(ii) Disputed DVAT and TDS Demand and penalty	1.10	7.49

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2018

(Rs. In lacs)

	2017-18	2016-17
34 Auditors Remuneration		
(i) Audit Fees	7.43	7.43
(ii) Tax Audit Fees	1.10	1.10
(iii) Other Matters	3.25	3.25
	<u>11.78</u>	<u>11.78</u>
*Excluding GST		
35 Expenditure in Foreign Currency		
Tours and Travelling	10.40	20.54
36 Managerial Remuneration		
Salary	42.00	41.00
Commission on Net Profit	36.00	35.00
	<u>78.00</u>	<u>76.00</u>
37 Computation of Net Profit in accordance with Section 197 r/w Section 198 of Companies Act 2013		
Net Profit after Tax as per Profit and Loss Account	8,211.72	1,210.18
Add:		
Income Tax	1,925.54	672.27
Director Remuneration	78.00	76.00
Less:		
Profit on Sale of Fixed Assets	7,902.81	22.68
	<u>2,312.45</u>	<u>1,935.77</u>
Maximum Remuneration payable including commission @ 11%	254.37	212.93

38 CSR Expenditure

- a) Gross amount required to be spent by the company during the year

38.83 -

Rs. In lacs

- b) Amount Spent during the year
- Construction / acquisition of any asset
 - On purposes other than i above

Spent	Unspent	Total
-	-	-
39.00	-	39.00

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

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39 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. Total amount of Rs. 7.75 lacs as on 31st March , 2018 is lying in unclaimed / unpaid dividend account as under :

Financial Year	(Rs. in lacs)
2010-2011	0.77
2011-2012	0.84
2012-2013	0.98
2013-2014	1.02
2014-2015	1.22
2015-2016	1.44
2016-2017	1.48
Total	7.75

	Rs. In lacs	
40 Information about Business Segment	2017-18	2016-17
Segment Revenue		
(a) Showroom Revenue	1,16,909.72	1,14,217.03
(b) Service & Spares	10,510.61	10,080.57
Total	1,27,420.34	1,24,297.60
Segment Results		
(a) Showroom Revenue	1,820.96	1,886.31
(b) Service & Spares	974.85	1,052.61
Total	2,795.82	2,938.91
Less:		
Interest and Financial Charges	885.73	890.83
Add:		
Un-Allocated Income	8,227.17	106.91
Profit before Tax and Extraordinary item	10,136.26	2,154.99
Less :Taxation Expenses including Deferred Tax	1,925.54	672.27
Profit after Tax	8,210.72	1,482.72
Total Capital Employed	26,678.86	17,239.70

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 Ind AS 108 Operating Segments.

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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.

41 Related party Disclosure

(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
- Competent Infrapromoters Private Limited
- Enchanted Properties Private Limited
- Competent Construction Company
- Competent Exporters
- 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 Kumar Sharma | - Chief Financial Officer |

(c) For related party transactions :-

S.No.	Name of Related Party	Relationship	Nature of Transaction	Rs. in lacs
1	Raj Chopra	CMD	Salary	18.00
			Commission	30.00
			Rent	173.35
			Interest	72.47
2	Kavita Ahuja	Whole time Director	Salary	12.00
			Rent	15.00
			Interest	22.05
			Facility Charges	72.00
3	K.K.Mehta	Whole time Director	Salary	12.00
			Commission	6.00
4	Ravi Arora	Company Secretary	Salary	12.27
5	Vijay Kumar Sharma	CFO	Salary	22.32

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42 Some of the outstanding balances as at 31st March 2018 in respect of Sundry Debtors, Creditors, Loans and Advances are subject to confirmation.

43 Financial Instruments and Risk Management

(Rs. In Lacs)

Financial Instruments	As at 31st March 2018		As at 31st March 2017		As at 1st April 2016	
Financial Assets	FVOCI	Amortized cost	FVOCI	Amortized cost	FVOCI	Amortized cost
Investments in Equity Instruments (unquoted shares- Level 3)	3,400.00	-	3,400.00	-	3,400.00	-
Trade Receivables	-	3,807.73	-	2,536.54	-	3,003.36
Cash and Bank Balances	-	6,321.08	-	2,575.23	-	1,414.63
Loans	-	19.61	-	6.83	-	4.81
Other Financial Assets	-	564.26	-	518.34	-	530.37
Total Financial Assets	3,400.00	10,712.67	3,400.00	5,636.95	3,400.00	4,953.17
Financial Liabilities						
Borrowings	-	6,950.25	-	5,653.84	-	6,804.58
Other current maturities of Long term Debts	-	110.55	-	105.55	-	103.79
Trade Payables	-	1,210.31	-	518.57	-	1,153.00
Others	-	237.56	-	245.81	-	115.51
Total Financial Liabilities	-	8,508.66	-	6,523.77	-	8,176.88

Fair Value hierarchy

Financial Assets valued according to Level 3 valuation	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
Unquoted Equity Instruments	3,400.00	3,400.00	3,400.00

Level 1: Quoted prices in the active market. This level of hierarchy includes financial assets that are measured by reference to quoted prices in the active market. This category consists of quoted equity shares and debt based open ended mutual funds.

Level 2: Valuation techniques with observable inputs. This level of hierarchy includes items measured using inputs other than quoted prices included within Level 1 that are observable for such items, either directly or indirectly. This level of hierarchy consists of debt based close ended mutual fund investments and over the counter (OTC) derivative contracts.

Level 3: Valuation techniques with unobservable inputs. This level of hierarchy includes items measured using inputs that are not based on observable market data (unobservable inputs). Fair value determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instruments nor based on available market data. The main item in this category are unquoted equity instruments.

The fair value of the financial assets are determined at the amount that would be received to sell an asset in an orderly transaction between market participants. The following methods and assumptions were used to estimate the fair values: Quoted equity investments: Fair value is derived from quoted market prices in active markets.

Unquoted equity investments: Fair value is derived on the basis of income approach, in this approach the discounted cash flow method is used to capture the present value of the expected future economic benefits to be derived from the ownership of these investments.

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Reconciliation of Level 3 Fair value measurement		(Rs. In lacs)
Particulars	Unquoted Equity shares	
As at 1st April 2016	3,400.00	
Acquisition	-	
gain and loss recognised in Other Comprehensive Income	-	
As at 31st March 2017	3,400.00	
Acquisition	-	
gain and loss recognised in Other Comprehensive Income	-	
As at 31st March 2018	3,400.00	

Financial risk management

The Company's activities expose it to credit risk, liquidity risk and market risk. The financial risk management of the Company is carried out under the procedures approved by the Managements. Within these policies, the management provides written principles for overall risk management including procedures covering specific areas, such as interest rate, market challenges and financial budgets to ascertain the adequate liquidity in the company.

A. Credit Risk

The credit risk is the risk that counter party will not meet its obligations under the financial instrument or customer contract, relating to a financial loss

The credit risk of the company is very much on the lower side. The trade receivables of the company at large are secured in nature. The trade receivable primarily includes receivables from various Banks, finance companies and insurance companies against delivery of vehicles to customers who have availed bank/private finance for which disbursement is due and accidental claims for repairs of vehicles, respectively. The obligation dues on them are secured against the documents issued against the credit. To manage trade receivable, the Company periodically assesses the financial reliability of customers, taking into account the financial conditions, economic trends. None of the financial instruments of the Company result in material concentrations of credit risks.

B. Liquidity Risk

Liquidity risk is the risk that company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses.

The Company's main objective is to maintain the optimum level of liquidity to meet its cash and collateral requirement. The Company operates with a low Debt Equity ratio. The company's main sources of liquidity are cash and cash equivalents and cash flow generated from operations. However to maintain the liquidity flow of cash and cash equivalents, the company has obtained the cash credit and inventory funding facilities from banks to meet its working capital requirements. The position of the same is as under:

Financing arrangements

The company had access to the following facilities at the end of reporting period :				(Rs. In lacs.)
Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016	
Cash Credit Facilities and other Facilities within one year	6,701.69	5,606.15	6,655.05	
More than one Year	-	-	-	
	6,701.69	5,606.15	6,655.05	

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Market risk is the risk that fair value of future cash flows of the financial instruments will fluctuate because of changes in market prices. The market risk at large are categorised as 1) Foreign Currency Risk ; 2) Interest Rate Risk ; 3) Price Risk.

The company's exposure to the market risk is very minimal.

Foreign Risk : The company do not have any exposure to Foreign Currency risk.

Interest Rate and Price Risk :- The Company do not have any investment in Govt securities, quoted shares and any other bond etc.

44. First Time Adoption of IND AS

The company has adopted IND AS from 1st April,2017.Whereby, the transition date is 1st April, 2016. The relevant reconciliation from transition date b/w Previous GAAP and IND AS are as under:

(a) Balance Sheet Reconciliation as per Ind AS

(Rs.in lacs)

Particulars	Note No.	As at 31st march 2017			As at 1st April 2016		
		As per IGAAP	Adjustment as per Ind AS	31st March 2017	As per IGAAP	Adjustment as per Ind AS	01 April 2016
I ASSETS							
1 Non-current assets							
a Property,Plant and Equipment		3,030.30	-	3,030.30	3,157.80	-	3,157.80
b Capital work in progress		135.78	-	135.78	217.03	-	217.03
c Financial Assets							
i) Investments		3400.00	-	3,400.00	3400.00	-	3,400.00
ii) Loans							
iii) Other financial assets	A	601.71	83.37	518.34	592.75	62.38	530.37
d Deferred Tax Assets (Net)		196.56	-	196.56	178.83	-	178.83
e Other non-current assets	A	660.61	(76.61)	737.22	598.47	(57.43)	655.90
Total Non-Current assets		8,024.95	6.76	8,018.19	8,144.89	4.95	8,139.94
2 Current assets							
a Inventories		4983.22	-	4,983.22	7,916.88	-	7,916.88
b Financial Assets							
i) Investments							
ii) Trade receivables		2,536.54	-	2,536.54	3,003.36	-	3,003.36
iii) Cash and cash equivalents		1,081.30	-	1,081.30	1,297.41	-	1,297.41
iv) Bank balances other than (iii) above		1,493.93	-	1,493.93	117.22	-	117.22
v) Loans		6.83		6.83	4.81		4.81
vi) Other financial assets							
c Other current assets		2,790.72	-	2,790.72	1,322.11	-	1,322.11
Total Current assets		12,892.55	-	12,892.55	13,661.79	-	13,661.79
3 Assets Classified as Held for Sale		2,295.38	-	2,295.38	2,140.82	-	2,140.82
Total Assets		23,212.89	6.76	23,206.13	23,947.50	4.95	23,942.55
II EQUITY AND LIABILITIES							
1 Equity							
a Equity Share Capital		627.85	-	627.85	627.85	-	627.85
b Other Equity	A/B	10859.22	6.76	10,852.46	9705.78	-69.02	9,774.79
Total equity		11,487.07	6.76	11,480.30	10,333.62	(69.02)	10,402.64

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LIABILITIES						
2 Non-current liabilities						
a Financial Liabilities						
i) Borrowings	47.68	-	47.68	149.52	-	149.52
ii) Trade payables						
iii) Other financial liabilities	49.00	-	49.00	32.45	-	32.45
b Provisions						
c Deferred tax liabilities (Net)						
d Other non-current liabilities						
Total non-current liabilities	96.68	-	96.68	181.97	-	181.97
3 Current liabilities						
a Financial Liabilities						
i) Borrowings	5,606.15	-	5,606.15	6,655.05	-	6,655.05
ii) Trade payables	518.57	-	518.57	1,153.00	-	1,153.00
iii) Other financial liabilities	302.37	-	302.37	186.85	-	186.85
Provisions	B 485.82	-	485.82	482.18	73.96	408.22
b Other current liabilities	1,216.24	-	1,216.24	1,454.81	-	1,454.81
Total current liabilities	8,129.15	-	8,129.15	9,931.91	73.96	9,857.94
4 Liability Directly Associated with Asset classified as held for sale	3,500.00	-	3,500.00	3,500.00	-	3,500.00
Total Equity and Liabilities	23,212.89	6.76	23,206.13	23,947.50	4.95	23,942.55

(b) Reconciliation of statement of profit and loss For the year ended 31st March 2017 (Rs. In lacs)

	Note No.	As Per IGAAP	Adjustment as per Ind AS	31st March 2017
A Revenue				
I Revenue from Operations		1,24,297.60	-	1,24,297.60
II Other Income	A	106.91	1.81	105.10
III Total Revenue (I+II)		1,24,404.51	1.81	1,24,402.70
IV Expenses				
Purchases of Stock in Trade		1,08,090.26	-	1,08,090.26
Changes in Inventories of Stock in Trade		2,933.66	-	2,933.66
Employee Benefit Expenses		3,451.52	-	3,451.52
Finance Cost		890.83	-	890.83
Depreciation and Amortization Expense		523.60	-	523.60
Other Expenses		6,630.38	-	6,630.38
Total Expenses		1,22,520.25	-	1,22,520.25
V Profit before Exceptional items and Tax (V)=(III)-(IV)		1,884.26	1.81	1,882.45
Exceptional items			-	-
VII Profit / (Loss) After Exceptional items and Taxes VI=(V-VI)		1,884.26	1.81	1,882.45

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IX Profit / (Loss) before Tax (VII-VIII)	1,884.26	1.81	1,882.45
X Less :Tax Expenses			
- Current Tax	690.00		690.00
- Deferred Tax	(17.73)		(17.73)
	-		
Profit after Tax for the Year (IX-X)	1,211.98	1.81	1,210.18
X Other Comprehensive Income			
A (i) Items that will not be reclassified to profit or loss	-	-	-
(ii) Income tax relating to items that will not be reclassified to profit or loss	-	-	-
B (i) Items that will be reclassified to profit or loss	-	-	-
(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-
XI Total Comprehensive Income (IX+X)	1,211.98	1.81	1,210.18

(c) Reconciliation Total equity as at 31st March 2017 and 1st April 2016 (Rs. In lacs)

Particulars	Note No.	31st March 2017	1st April 2016
Equity share capital as per Previous GAAP		627.85	627.85
Adjustments:		-	-
Equity share capital as per Ind AS		627.85	627.85
Other Equity as per Previous GAAP		10859.22	9705.78
Adjustments:			
Proposed Dividend and related Distribution tax	B		73.96
Effect of Fair Valuation of Security Deposits as per Ind AS -109	A	(6.76)	(4.95)
Other Equity as per Ind AS		10,852.46	9,774.79

Reconciliation of Total Comprehensive Income as at 31st March 2017 (Rs. In lacs)

Particulars	Note No.	31st March 2017
Profit Before Tax as per IGAAP		2154.99
Adjustments :		
Extraordinary Loss (now grouped in other Expenses)	C	(270.73)
Effect of Fair Valuation of Security Deposits as per Ind AS -109	A	(1.81)
Profit Before Tax as per Ind AS		1,882.45

Note : A Under the previous GAAP interest free security deposit are recorded at their transaction Value. Under Ins AS all financial Assets are required to be recognised at fair value. Accordingly Security deposits has been fair valued under Ind AS. Difference between fair value and transaction value of security Deposit has been recognised as Prepaid Rent under Other Non current assets. consequent to this change, the amount of security Deposit decreased by Rs. 83.38 lacs as at 31st March 2017 (1st April 2016, Rs. 62.38 lacs).The Prepaid Rent Increased by Rs. 76.61lacs as at 31st March 2017 (1st April 2016, Rs. 56.61 lacs). Equity due to this decreased by Rs. 6.76 lacs as on 31st March 2017 (1st April 2016, Rs. 4.95lacs)

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Note : B Dividend Proposed by the Board of Directors after the Balance sheet date but before the approval of financial statements were considered as adjusting events. Accordingly, provision for proposed Dividend was recognised as Liability. Under Ind As such Dividend are recognised when the same is approved by the shareholders in the General Meeting. Accordingly, the Liability for proposed dividend (including Dividend distribution Tax) of Rs. 73.96 lacs as at 1st April 2016 included under the provisions has been reversed with corresponding adjustment to retained earnings. Consequently, the effect of the same has been given to total equity.

Note : C Under Previous GAAP loss on sale of Fixed Assets of Rs. 270.73 lacs was classified under the Extraordinary item in statement of Profit and loss account for the year ended 31st March 2017. Under Ind As there is no term as extraordinary item therefore loss of Rs. 270.73 lacs has been grouped under other Expenses to make them comparable.

Note : D The Previous Year Figures have been restated, regrouped and rearranged as per Ind AS to make them Comparable.

As per our report of even date annexed.

For Ambani & Associates LLP

Firm Registration No: 016923N

Chartered Accountants

(Hitesh Ambani)

Partner

Membership Number- 506267

For and on behalf of the Board of Directors

(Raj Chopra)

Chairman & Managing Director

DIN-00036705

(Kavita Ahuja)

Whole Time Director

DIN-00036803

(Ravi Arora)

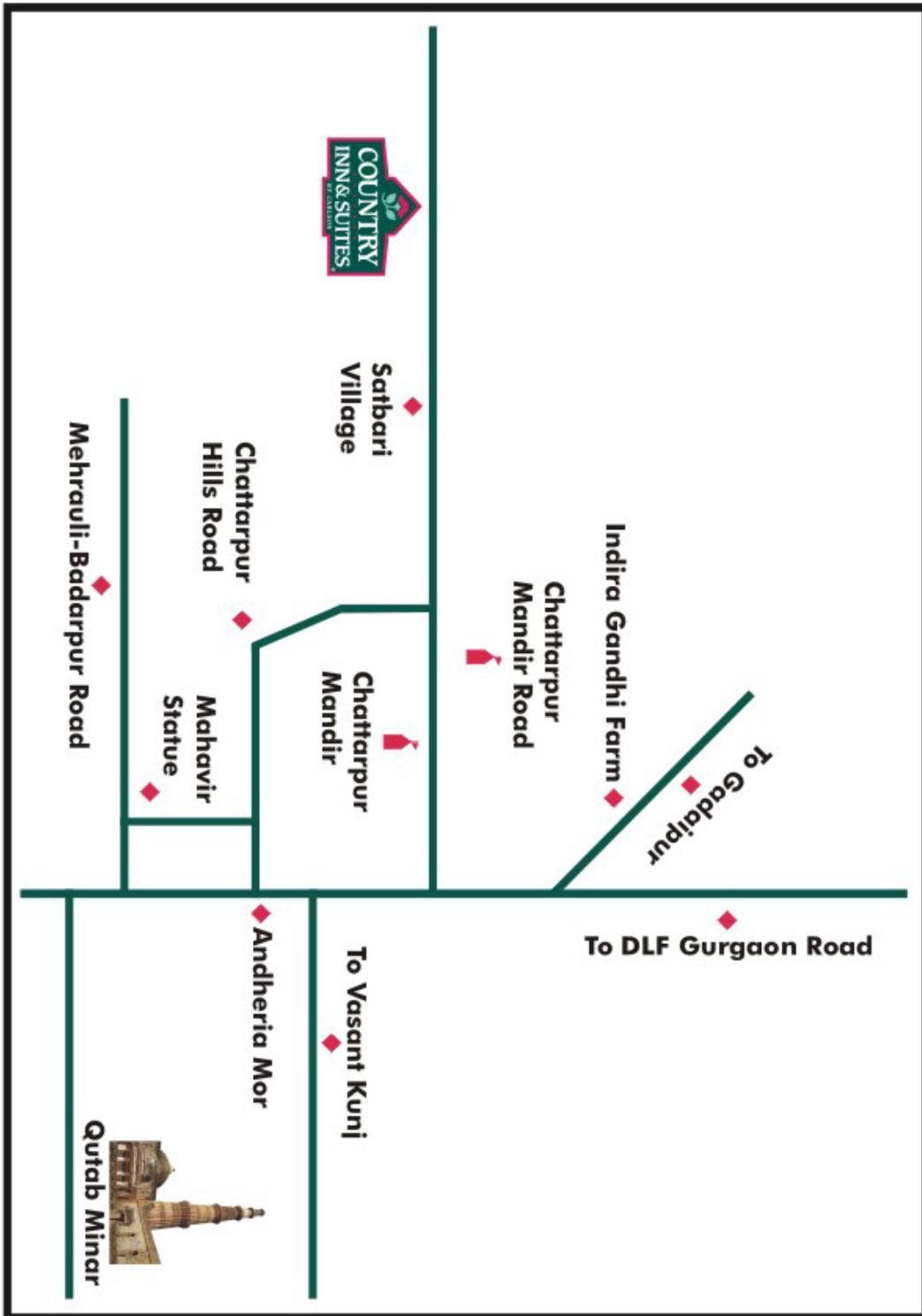
Company Secretary

(Vijay Kumar Sharma)

Chief Financial Officer

Place: New Delhi

Date : 30-05-2018



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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

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 33rd ANNUAL GENERAL MEETING of the Company to be held on Friday, the 31st day of August, 2018 at 10:00 a.m. at Bliss Hall, Country Inn & Suites, Plot No. 579, Main Chattarpur Road, Satbari, New Delhi – 110030 or at any adjournment thereof.

Name of the Proxy		Signature of Member/Proxy	
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NOTE: NO GIFTS SHALL BE DISTRIBUTED AT THE MEETING

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) holdingshares 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 33rd Annual General Meeting of the Company, to be held on Friday, the 31st day of August, 2018 at 10:00 a.m. at Bliss Hall, Country Inn & Suites, Plot No. 579, Main Chattarpur Road, Satbari, New Delhi – 110030 or 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 Mr. K. K. Mehta, who retire by rotation		

Signed this..... day of.....2018

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