



Way of Life!

**37TH
ANNUAL
REPORT
2021-2022**



COMPETENT AUTOMOBILES CO. LTD.



Board of Directors

Mr. Raj Chopra
Mrs. Kavita Ahuja
Mr. K. K. Mehta
Mr. R. C. Murada
Mr. Rohit Gogia
Mr. Raman Sehgal

Chairman & Managing Director
Whole Time Director
Whole Time Director
Director
Director
Director

Company Secretary

Mr. Ravi Arora

Auditors

Ambani & Associates LLP

Regd. Office

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

Bankers

HDFC Bank Ltd.
Bank of Baroda

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)
- K 28A, Rajapuri, Dwarka, 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
- A-9/3, Wazirpur Industrial Area, New Delhi - 110052 (NEXA)
- 18/19, Hind Pocket Book, G. T. Road, Shahdara – 110032 (NEXA)
- Khasra No. 33-14,17, CN-35, Main Bawana Road, Sameypur, North East Delhi-110042 (TRUE VALUE)
- Kharsa no. 117/1/5, Village Tikri, Near Subhash Chowk, Sohna Road, Gurugram - 122001
- Vasant Aptt. Complex, Old Delhi Gurgaon Road, Sector – 12, Gurugram -122001
- A-25, Sector-33/34, Infocity, Gurugram – 122001 (NEXA)
- Plot no. 1202, MIE Part-B, Main Delhi Rohtak Road, Bahadurgarh, Distt. Jhajjar
- Plot no. 1, MIE Part-B, Main Delhi Rohtak Road, Bahadurgarh, Distt. Jhajjar (NEXA)
- Plot no. 5, Near Government Ploytechnic College, Jhajjar Bahadurgarh Road, Jhajjar
- Khewat No. 270 & 273, Village Dadri Toye, Distt. Jhajjar
- Khasra No. 152/1153/1911/154/1913/155, 156/1, Moja Gutkar /208, Tehsil Balh, District, Mandi, Himachal Pradesh (NEXA)
- Khasra No. 492,493,494 Vill Chatter P.O Bhira Teh & Distt. Hamirpur, Shimla Road, (NH 74) 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
- Vill. Dhelu P.O Dohag Tehsil & Distt. Joginder Nagar, Himachal Pradesh
- Khasra no.1229, Ajnoli Una, Vill Ajnoli, P.O. Kotla Kalan Teh. & Distt. Una, Himachal Pradesh (Commercial)
- NH 21, Chandigarh Manali Highway, P. O. Gutkar, Distt. Mandi, Himachal Pradesh (Commercial)

Workshops

- 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
- Khasra No. 30-14-2, Plot No.1 Village Matiala, West Delhi - 110059
- A-25, Sector-33/34, Infocity, Gurugram – 122001
- Plot no. 1202, MIE Part-B, Main Delhi Rohtak Road, Bahadurgarh, Distt. Jhajjar
- Plot no. 5, Near Government Ploytechnic College, Jhajjar Bahadurgarh Road, Jhajjar
- Khewat No. 270 & 273, Village Dadri Toye, Distt. Jhajjar
- 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 37th Annual General Meeting of the Members of Competent Automobiles Co. Ltd. will be held on Tuesday, the 20th day of September, 2022 at 11:00 A.M. through Video Conferencing/Other Audio Visual Means (VC/OAVM) to transact the following business:

ORDINARY BUSINESSES

1. To receive, consider and adopt the Audited Financial Statement of the Company for the Financial Year ended on 31st March, 2022 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. Kanwal Krishan Mehta (DIN: 00036902), who retires by rotation and being eligible, offers himself for re-appointment.
4. **Appointment of Statutory Auditors and fixation of remuneration**

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

“RESOLVED THAT pursuant to Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof for the time being in force) and pursuant to the recommendation of the Audit Committee and the Board of Directors of the Company, M/s. Dinesh Mehta & Co., Chartered Accountants (Firm Registration No. 000220N), be and are hereby appointed as the Statutory Auditors of the Company, to hold office for a term of 5 (five) consecutive years from the conclusion of this Annual General Meeting (“AGM”) until the conclusion of the 42nd Annual General Meeting, on such remuneration as may be decided by the Board of Directors of the Company on the recommendation of the Audit Committee from time to time.

RESOLVED FURTHER THAT the Board (including any Committee thereof) be and is hereby authorised to take all such steps and do all such acts, deeds, matters and things as may be necessary, proper or expedient to give effect to this resolution.”

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

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

**Place: New Delhi
Date: 22.08.2022**

**Ravi Arora
Company Secretary**

NOTES:

1. **The Ministry of Corporate Affairs (“MCA”) has, vide its circular dated May 5, 2022, read together with circulars dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 8, 2021 and December 14, 2021 (collectively referred to as “MCA Circulars”), permitted convening the Annual General Meeting (“AGM” / “Meeting”) through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”), without physical presence of the members at a common venue. In accordance with the MCA Circulars and applicable provisions of the Companies Act, 2013 (“the Act”) read with Rules made thereunder and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the AGM of the Company is being held through VC / OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.**
2. Members who have not updated their latest email addresses in the records with the Company/Transfer Agents and their Depository Participants are requested to update the same at the earliest.

3. The explanatory statement pursuant to Section 102 of Companies Act, 2013 ('Act'), in regard to the business as set out at item nos. 4 and the relevant details pursuant to the Listing Regulations is annexed hereto.
4. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, September 14, 2022 to Tuesday, September 20, 2022 (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 to those Members whose names appear in the Register of Members of the Company as on the book closure dates.
6. As you may be aware that in terms of the provisions of the Income Tax Act, 1961 ("the Act") as amended by the Finance Act, 2020, dividend paid or distributed by a Company on or after 1st April, 2020 is taxable in the hands of the Members. The Company is, therefore, required to deduct tax at source at the time of payment of dividend to the Members.

For resident members: Tax will be deducted at source ("TDS") under Section 194 of the Act (read with Press Release dated May 13th, 2020) @ 10% on the amount of dividend payable unless exempt under any of the provisions of the Act. However, in case of individuals, TDS would not apply if the aggregate of total dividend distributed to them by the Company during FY 2021-22 does not exceed Rs. 5,000/-.

Tax at source will not be deducted where a member provides Form 15G (applicable to Individual in case of dividend) / Form 15H (applicable to an individual above the age of 60 years), provided that the eligibility conditions are being met.

Tax at source will be deducted @ 20% for a shareholder who falls in the category of "specified person" as defined in Section 206AB of Income Tax Act, 1961 or who has not submitted PAN, as per Section 206AA of the Act.

In order to provide exemption from withholding of tax, the following organisations must provide a self-declaration as listed below:

- Insurance companies: A declaration that they are beneficial owners of shares held.
- Mutual Funds: A declaration that they are governed by the provisions of Section 10(23D) of the Act along with copy of registration documents (self-attested).
- Alternative Investment Fund (AIF) established in India: A declaration that its income is exempt under Section 10(23FBA) of the Act and they are established as Category I or Category II AIF under the SEBI Regulations. Copy of registration documents (self-attested) should be provided.
- New Pension System Trust: A declaration that they are governed by the provisions of Section 10(44) [subsection 1E to Section 197A] of the Act along with copy of registration documents (self-attested).
- Corporation established by or under a Central Act which is, under any law for the time being in force, exempt from income tax on its income - Documentary evidence that the person is covered under Section 196 of the Act.

For non-resident members: Tax is required to be withheld in accordance with the provisions of Section 195 of the Act at applicable rates in force. As per the relevant provisions of the Act, the tax shall be withheld @ 20% (plus applicable surcharge and cess) on the amount of dividend payable. However, as per Section 90 of the Act, a non-resident member has the option to be governed by the provisions of the Double Tax Avoidance Agreement ("DTAA") between India and the country of tax residence of the member, if they are more beneficial to the member. For this purpose, i.e. to avail tax treaty benefits, the non-resident member will have to provide the following:

- i. Self-attested copy of Permanent Account Number (PAN Card), if any, allotted by the Indian income tax authorities;
- ii. Self-attested copy of Tax Residency Certificate (TRC) obtained from the tax authorities of the country of which the member is resident;
- iii. Self-declaration in Form 10F, if all the details required in this form are not mentioned in the TRC;
- iv. Self-declaration by the non-resident member of having no permanent establishment in India in accordance

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with the applicable Tax Treaty;

- v. Self-declaration of beneficial ownership by the non-resident member.

The Company is not obligated to apply the beneficial DTAA rates at the time of tax deduction / withholding on dividend amounts. Application of beneficial DTAA rate shall depend upon the completeness and satisfactory review by the Company, of the documents submitted by non- resident member.

Notwithstanding the above, tax shall be deducted at source @ 20% (plus applicable surcharge and cess) on dividend paid to Foreign Institutional Investors and Foreign Portfolio Investors under section 196D of the Act. Such rate shall not be reduced on account of the application of the lower DTAA rate, if any.

To enable us to determine the appropriate TDS / withholding tax rate applicable, we request you to provide the above details and documents not later than 5 PM, Saturday, the 24th September, 2022.

To summarize, dividend will be paid after deducting the tax at source as under:

- NIL for resident members receiving dividend upto Rs. 5,000/- or in case Form 15G / Form 15H (as applicable) along with self-attested copy of the PAN is submitted.
- 10% for resident members in case PAN is provided / available.
- 20% for resident members, if PAN is not provided / not available.
- Tax will be assessed on the basis of documents submitted by the non-resident members.
- 20% plus applicable surcharge and cess for non-resident members in case the aforementioned documents are not submitted.
- Lower / NIL TDS on submission of self-attested copy of the certificate issued under Section 197 of the Act.

Kindly note that the aforementioned documents should be emailed to cs@competent-maruti.com and cc marked to compliances@skylinerta.com

No communication on the tax determination / deduction shall be entertained after 24th September, 2022

In case tax on dividend is deducted at a higher rate in the absence of receipt of the aforementioned details / documents, you would still have the option of claiming refund of the excess tax paid at the time of filing your income tax return. No claim shall lie against the Company for such tax deducted.

We request you to submit / update your bank account details with your Depository Participant, in case you are holding shares in the demat form. In case your shareholding is in the physical form, you will have to submit a scanned copy of a covering letter, duly signed by the first member, along with a cancelled cheque leaf with your name and bank account details and a copy of your PAN card, duly self-attested, with RTA. This will facilitate receipt of dividend directly into your bank account. In case the cancelled cheque leaf does not bear the members' name, please attach a copy of the bank pass-book statement duly self-attested. We also request you to register your email IDs and mobile numbers with the RTA.

7. Register of contracts or arrangements in which directors are interested will be produced at the commencement of AGM and remain open and accessible during the continuance of the AGM to any person attending meeting through VC/OAVM.
8. Register of Directors and Key Managerial Personnel will also be kept open for inspection during the AGM and accessible to the persons attending the AGM through VC/OAVM.
9. As per Section 72 of the Act, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nomination are requested to send their request in Form SH-13 for nomination and Form SH-14 for cancellation/ variation as the case may be to the RTA.
10. In accordance with the Applicable Circulars, electronic copies of the Annual Report and this Notice, inter-alia, indicating the process and manner of e-voting along with instructions to attend the AGM through VC/OAVM are being sent by email to those Members whose email addresses have been made available to the Company/Depository Participants.
11. Notice and the Annual Report are available on the website of the Company www.competent-maruti.com. Members

desiring any information relating to the annual accounts or any document pertaining to explanatory statement are requested to send an email to the Company at cs@competent-maruti.com, at least ten (10) days before the AGM.

12. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum.
13. 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.
14. 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 Saturday, during business hours up to the date of the Meeting.
15. 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.
16. 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.**
17. 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
18. 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.

19. 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).

20. Pursuant to provisions of Section 124 of Companies Act, 2013, all unpaid or unclaimed dividends upto the year ended 31st March, 2014 have been transferred to Investor Education and Protection Fund (IEPF) established by the Central Government.
21. Pursuant to the provisions of Section 124 of Companies Act, 2013, dividend for the financial year ended March 31, 2015 and thereafter, which remains unclaimed for a period of 7 years will be transferred by the Company to the Investor Education and Protection Fund (IEPF) established by the Central Government.

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

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Financial Year	Type of dividend	Date of Declaration of Dividend	Date at which amount becoming due for credit to IEPF
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
2017-18	Final Dividend	31-08-2018	08-10-2025
2018-19	Final Dividend	04-09-2019	12-10-2026
2019-20	Final Dividend	21-09-2020	29-10-2027
2020-21	Final Dividend	24-09-2021	01-11-2028

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.

22. 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.

23. The Securities and Exchange Board of India (SEBI) has mandated the submission of PAN 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.

24. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.

25. Voting Through Electronic Means

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 and all other relevant circulars issued from time to time, physical attendance of the Members to the EGM/AGM venue is not required and general meeting be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing EGM/AGM through VC/OAVM.
2. Pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, the facility to appoint proxy to attend and cast vote for the members is not available for this EGM/AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the EGM/AGM through VC/OAVM and participate there at and cast their votes through e-voting.
3. The Members can join the EGM/AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the EGM/AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the EGM/AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the EGM/AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and the Circulars issued by the Ministry of Corporate

Affairs dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the EGM/AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the EGM/AGM will be provided by NSDL.

6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the EGM/AGM has been uploaded on the website of the Company at www.competent-maruti.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited at www.bseindia.com and the EGM/AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com.
7. EGM/AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020, MCA Circular No. 20/2020 dated May 05, 2020 and MCA Circular No. 2/2021 dated January 13, 2021.

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on September 16, 2022 at 9:00 A.M. and ends on September 19, 2022 at 5:00 P.M. The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. September 13, 2022, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date, being September 13, 2022.

How do I vote electronically using NSDL e-Voting system?

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

Step 1: Access to NSDL e-Voting system

A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

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Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section, this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <div style="text-align: center;"> <p>NSDL Mobile App is available on</p>    </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.

Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
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Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022-23058542-43

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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 ‘Shareholder/ Member’ section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP 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. Password details for shareholders other than Individual shareholders 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 to 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, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
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.nSDL.com.
 - b) Physical User Reset Password? (If you are holding shares in physical mode) option available on www.evoting.nSDL.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 etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
3. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
4. Now, you will have to click on "Login" button.
5. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join General Meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. 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.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. 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. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) can also upload their

Board Resolution / Power of Attorney / Authority Letter etc. by clicking on "**Upload Board Resolution / Authority Letter**" displayed under "**e-Voting**" tab in their login.

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 1020 990 and 1800 22 44 30 or send a request to (Name of NSDL Official) at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to cs@competent-maruti.com
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to cs@competent-maruti.com. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE EGM/AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the EGM/AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the EGM/AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the EGM/AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the EGM/AGM. However, they will not be eligible to vote at the EGM/AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the EGM/AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE EGM/AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the EGM/AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

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- Members are encouraged to join the Meeting through Laptops for better experience.
- Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at cs@competent-maruti.com. The same will be replied by the company suitably.
- Shareholders who want to speak at AGM should register themselves by sending their request mentioning their name demat account number/folio number, email id, mobile number at cs@competent-maruti.com

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: 22.08.2022

Ravi Arora
Company Secretary

Explanatory statement pursuant to section 102 of the Companies Act, 2013

Item no. 4

M/s Hitesh Ambani & Associates LLP, Chartered Accountants, (Firm Registration No. 016923N), were appointed as the Statutory Auditors of the Company at the 32nd Annual General Meeting (“AGM”) of the Company held on August 29, 2017, to hold office from the conclusion of the 32th AGM till the conclusion of the 37th AGM. Accordingly, the term of the existing statutory auditors expires on the conclusion of the ensuing AGM.

In terms of the provisions of Section 139 of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014, and other applicable provisions, the Company can appoint or reappoint an audit firm as statutory auditors for not more than two (2) terms of five (5) consecutive years.

Audit Committee has recommended to the Board that in order to ensure the independence of the Auditors and to have better control and system, the Auditors of the Company should be changed after five years on completion of first term by bringing the new Auditor/Auditors Firm. Accordingly, the Board of Directors on recommendation of Audit Committee at their meetings, recommended to appoint M/s Dinesh Mehta & Co., Chartered Accountants, New Delhi-110001 (Firm Registration No. 000220N), in place of M/s Ambani & Associates LLP, Chartered Accountants New Delhi (Firm Registration No. 016923N), retiring Auditors, subject to approval of members in ensuing AGM. M/s Dinesh Mehta & Co., Chartered Accountants, has provided their consent to act as Auditors of the Company and that they satisfy criteria as laid under section 141 of the Companies Act, 2013 and Rules made thereunder. Also, they hold a valid certificate issued by the Peer Review Board of ICAI

The recommendation is based on various parameters, including but not limited to independence, competence, technical capability, overall audit approach, sector expertise and understanding of the business. M/s Dinesh Mehta & Co. is a firm of Chartered Accountants registered with The Institute of Chartered Accountants of India.

The Board of Directors has approved remuneration ₹21.50 lakh plus applicable taxes and out of pocket expenses for the financial year ended March 31, 2023, subject to their appointment by the Members. The remuneration to be paid to the Statutory Auditors for the remaining period during their second term would be decided in line with the existing remuneration and shall be commensurate with the services to be rendered by them during the said tenure.

The Board of Directors, in consultation with the Audit Committee, may alter and vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Statutory Auditors. In addition to the statutory audit, the Company may also obtain certifications from Statutory Auditors under various statutory regulations and other permissible non-audit services as required from time to time, for which their remuneration shall be approved by the Audit Committee, in accordance with the provisions of Sections 142 and 144 of the Act.

None of the Directors, Key Managerial Personnel and their relatives are, in any way, concerned or interested in the resolution at Item No. 4 of the accompanying Notice. The Board accordingly recommends the Ordinary Resolution as set out at Item No. 4 of this Notice for your approval.

**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: 22.08.2022**

**Ravi Arora
Company Secretary**

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DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting this 37th Annual Report together with Audited Accounts of the Company for the financial year ended 31st March, 2022.

FINANCIAL HIGHLIGHTS

The financial performance of the Company, for the year ended 31st March, 2022 is summarized below:

(Rs. in Lacs)

Particulars	Year ended 31-03-2022	Year ended 31-03-2021
Gross Income	125064.10	121176.11
Profit before Dep. & Tax	5192.53	4994.05
Less : Depreciation	2484.07	2419.08
Less: Provision for Taxation including Deferred Tax and Reversal of MAT Credit	762.93	841.56
Profit after tax	1945.53	1733.41
Add: Surplus from Previous year	21111.14	19439.19
Add: Other Comprehensive Income	-	-
Amount available for appropriation (A)	23056.67	21172.60
General Reserve (B)	3517.51	3517.51
Securities Premium Account (C)	1431.65	1431.65
Sub-Total (A+B+C)	28005.83	26121.76
Less Appropriations		
Transfer to General Reserves	-	-
Dividend & tax thereon paid during the year	61.46	61.46
Closing Balance	27,944.37	26060.30

PERFORMANCE

Your Company has reported Total Income from Operations of Rs. 124,577.24 Lacs in the Current Financial Year against Total Income from Operations of Rs. 120545.25 Lacs in the Previous Financial Year.

The Company's profit before tax is Rs. 2708.46 Lacs as compared to profit before tax of Rs. 2574.97 Lacs of previous year.

During the year 2021-22, your company sold 22,843 (including 248 vehicles sold through Direct Billing) Maruti Vehicles as compared with 25,566 (including 560 vehicles sold through Direct Billing) Maruti Vehicles, 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/- per Equity Share of Rs. 10/- each for the year ended 31st March, 2022, 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

NIL amount to be transferred to the reserves.

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 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. Kanwal Krishan Mehta, and as required under Companies Act, 2013, Mr. Kanwal Krishan 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.

The Board recommends the above re-appointment of Directors in the ensuing Annual General Meeting. Brief resume of the Directors seeking re-appointment is given in Corporate Governance Report Annexed to this Report.

Following changes happen in Key Managerial Personnel of the company:

S. No.	Name of KMP	Designation	Appointment/Cessation	Effective Date
1	Mr. Ravi Arora	Company Secretary	Cessation	January 31, 2022
2	Mr. Krishan Kumar Mishra	Company Secretary & Compliance Officer	Appointment	February 10, 2022
3	Mr. Siddhant Mehra	Chief Financial Officer	Cessation	July 02, 2022
4	Mr. Krishan Kumar Mishra	Company Secretary & Compliance Officer	Cessation	July 05, 2022
5	Mr. Badri Nath	Chief Financial Officer	Appointment	July 05, 2022
6	Mr. Ravi Arora	Company Secretary	Appointment	July 05, 2022

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, 2022 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

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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 form an integral part of this report.

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 enclosed 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 Kartavya Janhit Foundation. The total contribution made to the implementing agency is Rs. 45,00,000/- (Rupees Forty Five Lakhs 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 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. Raman Sehgal 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.

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. 90,494/- to IEPF, being unpaid and unclaimed dividend for the FY 2013-14.

LISTING FEE OF SHARES

Your Company's Equity Shares are listed with BSE Limited (BSE) and Listing Fee for the financial year 2022-23 has been paid in advance by the Company.

AUDITORS

M/s Hitesh Ambani & Associates LLP, Chartered Accountants, (Firm Registration No. 016923N), were appointed as the Statutory Auditors of the Company at the 32nd Annual General Meeting ("AGM") of the Company held on August 29, 2017, to hold office from the conclusion of the 32th AGM till the conclusion of the 37th AGM. Accordingly, the term of the existing statutory auditors expires on the conclusion of the ensuing AGM.

In terms of the provisions of Section 139 of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014, and other applicable provisions, the Company can appoint or reappoint an audit firm as statutory auditors for not more than two (2) terms of five (5) consecutive years.

Audit Committee has recommended to the Board that in order to ensure the independence of the Auditors and to have better control and system, the Auditors of the Company should be changed after five years on completion of first term by bringing the new Auditor/Auditors Firm. Accordingly, the Board of Directors on recommendation of Audit Committee at their meetings, recommended to appoint M/s Dinesh Mehta & Co., Chartered Accountants, New Delhi-110001 (Firm Registration No. 000220N), in place of M/s Ambani & Associates LLP, Chartered Accountants New Delhi (Firm Registration No. 016923N), retiring Auditors, subject to approval of members in ensuing AGM. M/s Dinesh Mehta & Co., Chartered Accountants, has provided their consent to act as Auditors of the Company and that they satisfy criteria as laid under section 141 of the Companies Act, 2013 and Rules made thereunder. Also, they hold a valid certificate issued by the Peer Review Board of ICAI

The recommendation is based on various parameters, including but not limited to independence, competence, technical capability, overall audit approach, sector expertise and understanding of the business. M/s Dinesh Mehta & Co. is a firm of Chartered Accountants registered with The Institute of Chartered Accountants of India.

The Boards recommends their appointment.

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 2021-22. The Secretarial Audit Report for the financial year ended March 31, 2022 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

Your Company does not own any manufacturing facility, it is therefore 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 company has no foreign exchange earnings and expenditure of the Company during the year under review.

As required by the provisions of Section 197 of the Act read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the particulars of the employees are set out in **Annexure H**. However, as per the provisions of Section 136 of the Act, the annual report is being sent to all the members of the Company excluding the aforesaid information. The said information is available for inspection by the members at the registered office of the

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Company up to the date of the ensuing Annual General Meeting. Any member interested in obtaining such particulars may write to the Company Secretary 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.

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. 38 to the financial statement which sets out related party disclosures.

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

The Company has in place an Internal Compliant Committee in line with requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The 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 2021-22.

- 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**

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

**Place: New Delhi
Date: 22.08.2022**

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, RECORD OF OTHER DIRECTORSHIPS HELD AND OTHER INFORMATION

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, 2022 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	12	Nil	Nil	Nil
Mrs. Kavita Ahuja	Promoter Director	Whole-Time Director	Daughter of Mr. Raj Chopra	4	Nil	1	1
Mr. K. K. Mehta	Executive Director	Whole-Time Director	Brother-in-law of Mr. Raj Chopra	Nil	Nil	Nil	Nil
Mr. R. C. Murada	Independent Director	Director	*	Nil	2	Nil	2
Mr. Rohit Gogia	Independent Director	Director	*	2	Nil	2	2
Mr. Raman Sehgal	Independent Director	Director	*	Nil	Nil	1	1

* 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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BOARD MEMBERSHIP CRITERIA

The Company inducts the individuals from the diverse fields as Directors on its Board. The Nomination and Remuneration Committee works with entire Board to determine the appropriate characteristics, skills and expertise required for the Board as a whole and for individual members. Members are expected to possess the required qualification, integrity, expertise and experience for the position. They should also possess deep expertise and insights in sectors/areas relevant to the Company and ability to contribute to the Company's growth. Based on the disclosures received from all the Independent Directors and also in the opinion of the Board, the Independent Directors fulfill the conditions specified in the Companies Act, 2013, and the Listing Regulations and are independent of the Management.

BOARD QUALIFICATIONS, EXPERTISE AND ATTRIBUTES

The Board comprises of qualified members who bring in the required skills, competence and expertise that allow them to make effective contributions to the Board and its committees. The Board members are committed to ensuring that the company's board is in compliance with the highest standards of Corporate Governance.

The following are the key qualification, skills and attributes which are taken in consideration while nominating candidates to serve on the Board

1. Financial
2. Gender, ethnic, national or other diversity
3. Leadership
4. Board Service and Governance
5. Sales and Marketing

In the table below, the specific areas of focus or expertise of individual Board Members have been highlighted. However, the absence of mark against a member's name does not necessarily mean that the member does not possess the corresponding skill or qualification.

Director(s)	Area of Expertise				
	Financial	Diversity	Leadership	Board Service & Governance	Sales & Marketing
Mr. Raj Chopra Chairman & Managing Director	✓	✓	✓	✓	✓
Mrs. Kavita Ahuja Whole-Time Director	✓	✓	✓	✓	✓
Mr. K. K. Mehta Whole-Time Director	✓	✓	✓	✓	✓
Mr. R C Murada Independent Director	✓	✓	✓	✓	✓
Mr. Rohit Gogia Independent Director	✓	✓	✓	✓	✓
Mr. Raman Sehgal Independent Director	✓	✓	✓	✓	✓

CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE

Mr. Pramod Prasad Agarwal of P. P. Agarwal & Co., Practicing Company Secretaries, has issued a certificate as required under the Listing Regulations, confirming that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Director of companies by SEBI/Ministry of Corporate Affairs or any such statutory authority. The Certificate is enclosed as **Annexure J**.

B. BOARD MEETINGS:

1. Schedule of Board Meetings

Months for holding the board meetings, to consider and approve Financial Results 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.

2. Number of Board Meetings

The Company's Board met Eleven (11) times – on 5th April, 2021; 13th April, 2021; 14th June, 2021; 30th June, 2021; 23rd July, 2021; 13th August, 2021; 4th October, 2021; 10th November, 2021; 6th December, 2021; 11th January, 2022 and 10th February, 2022. The maximum time gap between any two meetings was not more than 120 days.

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 September 24, 2021
	Held	Attended	
Mr. Raj Chopra	11	11	Yes
Mrs. Kavita Ahuja	11	11	Yes
Mr. K. K. Mehta	11	11	No
Mr. Raman Sehgal	11	11	No
Mr. R. C. Murada	11	11	Yes
Mr. Rohit Gogia	11	11	Yes

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 www.competent-maruti.com

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.

• **Composition and names of members**

The Audit Committee, as on 31st March, 2022, consists of the following three directors and each member of the Committee possesses a strong financial and accounting background:

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

- **Meetings and attendance during the year**

The Audit Committee met Four (4) times during the financial year from 1st April, 2021 to 31st March, 2022 on the following dates:

1	30th June, 2021	2	13th August, 2021
3	10th November, 2021	4	10th February, 2022

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

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

Mr. R. C. Murada, Chairman of the Audit Committee attended the last Annual General Meeting of the Company to answer the shareholders' queries.

2. 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. as 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, 2022 is headed by an Independent director, and consists of the following three directors:

Chairman : Mr. R. C. Murada
Members : Mr. Raman Sehgal 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, 2021 to 31st March, 2022 on the following dates:

1	30th June, 2021	2	13th August, 2021
3	10th November, 2021	4	10th February, 2022

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. Raman Sehgal	4	4

• **Compliance Officer**

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

Shareholders' Complaints etc. received during the FY 2021-22

During the year from 1st April, 2021 to 31st March, 2022, the Company has 0 complaint from Investors / Shareholders of the Company.

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

3. NOMINATION AND REMUNERATION COMMITTEE

• **Terms of reference**

The terms of reference of the Nomination and Remuneration Committee covers all the areas mentioned under 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, 2022 is headed by an Independent director, and consists of the following three directors:

Chairman : Mr. R. C. Murada

Members : Mr. Raman Sehgal and Mr. Rohit Gogia

• **Meetings and attendance during the year**

The Nomination and Remuneration Committee met four (4) times during the financial year from 1st April, 2021 to 31st March, 2022 on the following dates:

1	30th June, 2021	2	13th August, 2021
3	10th November, 2021	4	10th February, 2022

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

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

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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, 2022

(In Rs. lacs)

Name of Director	Remuneration	Commission	Total
Mr. Raj Chopra	38.68	30.00	68.68
Mrs. Kavita Ahuja	23.52	30.00	53.52
Mr. K. K. Mehta	11.30	5.00	16.30

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 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, 2022 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, 2021 to 31st March, 2022 on the following dates:

1	13th April, 2021	2	13th August, 2021
3	10th November, 2021	4	10th February, 2022

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. Kavita Ahuja	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, 2021	24.09.2021	Other Audio Video Means (OAVM)	11:00 a.m.
March 31, 2020	21.09.2020	Other Audio Video Means (OAVM)	11:00 a.m.
March 31, 2019	04.09.2019	Bliss Hall, Country Inn & Suites, Plot No. 579, Main Chattarpur Road, Satbari, New Delhi – 30	10:00 a.m.

1. Increase in remuneration of Mrs. Kavita Ahuja as Whole-Time Director is being proposed to be passed by special resolution at the previous Annual General Meeting held on 24.09.2021.
2. No Special Resolution is passed at the forthcoming Annual General Meeting.

E. DISCLOSURES:

- 1. Related Party Transactions:** For related party transactions please refer to note no. 38 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. MD/CEO & CFO CERTIFICATION:** The Chairman & 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, 2022.
- 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 MD

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, 2022.

Raj Chopra
Chairman & Managing Director

6. Compliance with Mandatory requirements of Listing Regulations

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

7. 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.

- 8.** The necessary certificate from Managing Director and Chief Financial Officer of the Company, pursuant to Listing Regulations, was placed before the Board.
- 9. Management Discussion and Analysis Report** - The Management Discussion and Analysis has been discussed in detail separately in this Annual Report.

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

- a) Mr. Kanwal Krishan Mehta, Whole-Time Director, shall retire by rotation and being eligible offer himself for re-appointment at the forthcoming Annual General Meeting.

Brief resume of all the proposed appointee is enclosed with this Report.

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11. 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.

12. Shareholding of Directors: As on 31st March, 2022, 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. Raman Seghal	1,01,100
Mr. R. C. Murada	Nil
Mr. Rohit Gogia	64,900

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, 2022	August, 2022
Un-audited Financial results for the 2nd quarter and half year ending September 30, 2022	November, 2022
Un-audited Financial results for the 3rd quarter ending December 31, 2022	February, 2023
Audited Financial results for the last quarter and whole year ending March 31, 2023	May, 2023

4. WEBSITE

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

5. DIVIDEND PAYMENT DATE

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

Dividend on equity shares as recommended by the Board of directors for the year ended 31st March, 2022, 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 (%)
2020-21	10
2019-20	10
2018-19	10

6. LISTING ON STOCK EXCHANGE

As on 31st March, 2022, the Company's shares are listed on BSE Limited and Scrip Code is 531041.

7. INTERNATIONAL SECURITIES IDENTIFICATION NUMBER (ISIN)

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

8. ANNUAL LISTING FEE

Annual Listing Fee for the financial year 2022-23 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, 2022

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, 2022	
	No. of Shares	% (Holding)
Promoter and Promoter Group		
Individuals	46,04,305	74.92
Total (A)	46,04,305	74.92
Public Shareholding		
Bodies Corporate	1,56,720	2.55
NBFC	1,79,520	2.92
Individuals	11,09,804	18.06
Others (NRIs/HUF/Clearing Member / House/IEPF etc.)	95,651	1.55
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

No. of Shares or Debentures	Number of Shareholders	% to Total Numbers	Share or Debenture Holding	% to Total Shareholding
1	2	3	4	5
Up To 500	2621	91.20	239883.00	3.90
501 To 1000	124	4.31	102389.00	1.67
1001 To 2000	57	1.98	84246.00	1.37
2001 To 3000	18	0.63	47387.00	0.77
3001 To 4000	11	0.38	39775.00	0.65
4001 To 5000	7	0.24	32346.00	0.53
5001 To 10000	16	0.56	113806.00	1.85
10000 and Above	20	0.70	5486168.00	89.26
Total	2874	100.00	6146000.00	100.00

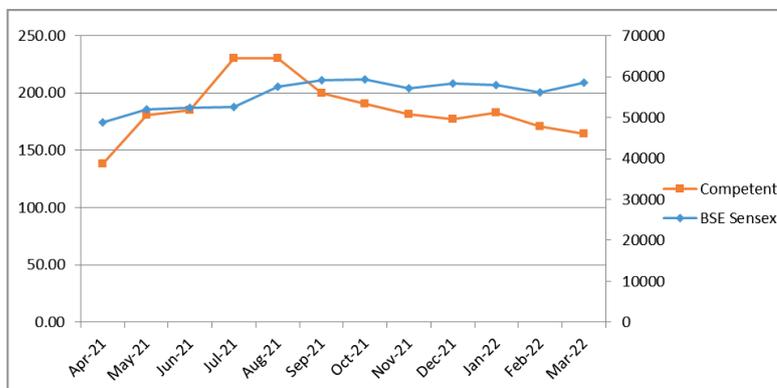
10. MARKET PRICE DATA

Monthly high and low prices of equity shares of the Company traded at the BSE Limited during financial year 2021-22 are given below:

Month	BSE	
	High (Rs.)	Low (Rs.)
Apr-21	150.00	133.55
May-21	198.70	134.65
Jun-21	196.50	163.25
Jul-21	239.40	182.1
Aug-21	258.70	182.00
Sep-21	234.90	190.00
Oct-21	218.95	184.00
Nov-21	220.00	173.00
Dec-21	190.50	167.00
Jan-22	192.00	165.00
Feb-22	197.90	155.0
Mar-22	182.90	160.00

11. SHARE PERFORMANCE IN COMPARISON TO BSE SENSEX

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



12. DEMAT

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

As on 31st March, 2022, 97.58% (i.e. 59,97,341 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, 2022.

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. Kanwal Krishan Mehta
Date of Birth	08/09/1947
Qualification	B. Sc.
Expertise in Specific functional area	Mr. Kanwal Krishan 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.

**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, 2022, 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**

**Place: New Delhi
Date: 10.08.2022**

**Hitesh Ambani
Partner
Membership No. - 506267
UDIN : 22506267APBTZE3615**

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MANAGEMENT DISCUSSION AND ANALYSIS REPORT

OVERALL VIEW

A slew of significant measures by the Government to ease the inflationary pressure and support the purchasing capacity of the common man alongwith a growing ease in the semiconductor situation helped total passenger vehicle to clock an increase of 19.06 % year on year in June 2022. India's Automobile industry is benefitted with the government reducing central excise duty on petrol and diesel and changing the duty structure to moderate prices of steel and plastic.

The Passenger Vehicle demand is expected to remain towards new launches in electric, Hybrid and CNG categories as well as SUVs.

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.

Developments

The availability and adoption of advanced technology solutions is driving the majority of the underlying trends in the auto industry. Connected cars, sensors, electrification, and new business models (including mobility-as-a-service) all take advantage of advanced technology solutions. That's where industry experts say the automotive industry needs to focus going forward. The entire industry, from suppliers to automakers, is challenged to keep existing operations profitable, while simultaneously building out capacity to tackle these new innovations.

Companies must find the right balance between continuity of a stable and profitable business, while at the same time lead the way in disrupting their own business models.

While many automakers and suppliers learned from the past to help them survive recent disruptions and make their existing operations more efficient, some industry leaders say that flexibility and innovation will be critical when it comes to the unique challenges facing the future direction of the automotive industry.

Automotive companies need to innovate and develop solutions quickly in order to react fast to changing customer demands and market opportunities. In a digital world, innovation must become an integral part of each department and discipline, so the entire enterprise contributes to generating top-line, bottom-line, and green-line improvements.

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. 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.

Threats

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 variants compete with lower-end variants 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

Following on from COVID-19 pandemic, the Indian automobiles sector is expected to bounce back and show growth in FY23, If it continues on its upward trajectory, India could be a leader in shared mobility by 2030, providing opportunities for electric and autonomous vehicles.

However, the management of the Company believes 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 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 imports 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. 37 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, 2022, there were 1787 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 Auditor 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.

KEY FINANCIAL RATIOS

In accordance with the SEBI (Listing Obligations and Disclosure Requirements 2018) (Amendments) Regulations, 2018, the Company is required to give details of significant changes (change of 25% or more as compared to the immediately previous financial year) in key financial ratios.

Ratios	2021-22	2020-21	Remarks
Debtors Turnover Ratio	24.88	43.38	Due to COVID 19 Pandemic and sudden lockdown in Apr 20, The opening debtors for FY 2020-21 were very less which bring down the overall average debtor for the year and resulting in corresponding high DT ratio but in 2021-22 sales and debtors were rotate normally.
Inventory Turnover Ratio	18.47	12.56	During 2021-22, Company has cautiously maintained the stock level and focus on quick rotation of stock.
Interest Coverage Ratio	4.28	3.38	In 2021-22, Due to Covid 19 ,interest cost on operating lease as per IND AS 116 being reduced due to termination of few lease agreements.
Current Ratio	1.7	2.15	No Significant Change
Debt Equity Ratio	0.45	1.69	No Significant Change
Operating Ratio	2.8	3.03	No Significant Change
Net Profit Ratio	1.56	1.39	No Significant Change
Return on Net Worth	6.81	6.50	No Significant Change

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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
- 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 Company 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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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 Kartavya Janhit Foundation, 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/upload/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 (Rs. in Lakhs) of the company for last three financial years : Rs. 2162.30 Lakhs.
4. Prescribed CSR Expenditure (Two percent of the amount as in item 3 above)(Rs in Lakhs): Rs. 43.25 Lakhs
5. Details of CSR spend for the financial year
- a) Total amount spent for the financial year : Rs. 45,00,000/-
- 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 spend on the projects or programs sub-heads*: (1) Direct expenditure on projects or program (2) Overheads	Cumulative expenditure upto the reporting period	Amount spend Direct or through implementing agency
1	promoting education	Cl(ii)	Delhi/ NCR Region			Rs. 45,00,000/-	Kartavya Janhit Foundation#

* 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 the Companies Act, 2013 and Listing Regulation, ‘Independent director’ shall mean a non-executive director, other than an 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 percent. or more of its gross turnover or total income or fifty lakh rupees or such higher amount as maybe 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 percent 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.

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 Listing Regulation (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/Independent Director:

The Non - Executive Director/Independent Director 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.

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

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Remuneration:

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

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

1. Director/ Managing Director

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

2. Non-executive Independent Directors

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

3. KMPs / Senior Management Personnel etc.

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

4. Directors and Officers' Insurance

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

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2022

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No.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'). The 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 March 31, 2022 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 March 31, 2022, according to the provisions of:

- (i) The Companies Act, 2013 ('the Act') and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('the 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 (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018;; and
 - i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR Regulations').
- (vi) As informed by the management of the Company based on its sector/ industry there are no specific laws applicable to the Company.

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We further report that in our opinion adequate systems and processes exist in the Company to monitor and ensure required compliance with the applicable labour laws and other general laws.

We have also examined compliance with the applicable clauses of the 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.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above to the extent they were applicable.

We further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Adequate notice is given to all Directors to schedule the Board Meetings and agenda and detailed notes on agenda were sent adequately 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.
- Based on the review of compliance mechanism established by the Company, we are of the opinion that there are adequate systems and processes in the Company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, there were no specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred laws.

For P. P. AGARWAL & CO.
Company Secretaries

Pramod Prasad Agarwal
Proprietor
M. No. F4955,
C.P. No. 10566
P. R.C. No. 1241/2021
UDIN: F004955D000773571

Place: New Delhi
Date: 10.08.2022

Note: 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.

To,
The Members,
Competent Automobiles Company Limited

Our Secretarial Audit Report for the financial year ended March 31, 2022 of even date is to be read along with this letter:

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

For P. P. AGARWAL & CO.
Company Secretaries

Pramod Prasad Agarwal
Proprietor
M. No. F4955,
C.P. No. 10566
P. R.C. No. 1241/2021
UDIN: F004955D000773571

Place: New Delhi
Date: 10.08.2022

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Annexure - J

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Competent Automobiles Company Limited
F-14, Connaught Place
New Delhi- 110001

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Competent Automobiles Company Limited (hereinafter referred 'the Company') having CIN: L34102DL1985PLC020668 and having registered office at F-14, Connaught Place, New Delhi- 110001 produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal (www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its Directors, we hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of the company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

S.No.	Name of Director	DIN	Date of appointment in Company
1.	Raj Chopra	00036705	11-04-1985
2.	Kavita Ahuja	00036803	01-04-1991
3.	Kanwal Krishan Mehta	00036902	15-03-1999
4.	Rohit Gogia	00148977	31-10-2011
5.	Ramesh Chander Murada	01157406	02-11-2006
6.	Raman Sehgal	08535351	04-09-2019

Ensuring the eligibility of the appointment/ continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on the basis of our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For P. P. AGARWAL & CO.
Company Secretaries

Place: New Delhi
Date: 16.08.2022

Pramod Prasad Agarwal
Proprietor
M. No. F4955, C.P. No. 10566
P. R.C. No. 1241/2021
UDIN: F004955D000799518

INDEPENDENT AUDITOR'S REPORT

To the Members of

Competent Automobiles Co. Ltd.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Competent Automobiles Co. Ltd.** ("the Company"), which comprise the Balance Sheet as at 31st March 2022, and the Statement of Profit and Loss and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2022, its profit, statement of changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

1.	Key Audit Matter
	<p>IND AS-116- Leases (Accounting for rent concession arrangements)</p> <p>The company has INR 6,755.19 Lakhs (previous year INR 7,983.82 lacs) of Right of Use (RoU) assets and INR 6,606.37 Lakhs (previous year INR 7,620.33) of Lease Liabilities recognized under IND AS-116 pertaining leased by the Company.</p> <p>During the year, considering the impact of COVID-19 pandemic on its business. The Company negotiated rent concessions with its lessors for its showrooms and workshops and other leased premises</p> <p>The Ministry of Corporate Affairs vide notification dated 24 July 2020, issued an amendment to Ind AS 116 - Leases, by inserting a practical expedient w.r.t. "Covid-19- Related Rent Concessions" effective from the period beginning on or after 01 April 2020. Pursuant to the above amendment, the Company has applied the practical expedient with effect from 01 April 2020. Accordingly, the Company accounted unconditional rent concessions of INR 138.11 Lacs (previous year INR 377.09 Lacs) during the year in "Other income" in the Statement of Profit and Loss, not considering as a lease modification. Accounting of rent concessions pursuant to amendment to Ind AS 116 is considered as a key audit matter considering the number of lease arrangements the assessment of whether individual rent concession arrangements meet the criteria of the practical expedient under Ind AS 116, and the amounts involved.</p>

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How auditor assessed the Key audit matter

Our audit procedures included the following:

- Assessing the Company's accounting policy with respect to recognition of leases and for assessing compliance with Ind AS 116, including accounting for rent concession arrangements.
- Obtained an understanding, evaluated the design and tested the operating effectiveness of controls that the Company has in relation to accounting of rent concession arrangements under Ind AS 116.
- Tested on a sample basis, the rent concessions accounted by the Company, to agreed rent concession arrangements/ underlying documents, calculations and assessed the terms of the same against the requirements of the practical expedient under Ind AS 116.
- Assessed the Company's disclosures made in accordance with the requirements of Ind AS 116 in this matter.

Information other than the financial statements and auditors' report thereon

The Company's Board of Directors & Management are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors & Management are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and Cash Flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors & Management are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the '**Annexure - A**', a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. 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 purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

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- e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 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 with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure - B'.
- g) With respect to the matter to be included in the Auditor's Report under section 197(16), In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, as required to be transferred, to the Investor Education and Protection Fund by the Company.
 - iv.
 - (a) The management has represented that, to the best of it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) The management has represented, that, to the best of it's knowledge and belief, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - (c) Based on such audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material mis-statement.
 - v. The dividend declared or paid during the year by the company is in compliance with section 123 of the Companies Act, 2013.

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

Hitesh Ambani
Designated Partner
M.No. – 506267
UDIN - 22506267AMNHVT7997

Place - New Delhi
Dated – 23rd May, 2022

The Annexure referred to in paragraph 1 of Our Report on “Other Legal and Regulatory Requirements”.

We report that:

- (i) (a) (A) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
(B) The company is maintaining proper records showing full particulars of intangible assets;
- (b) As explained to us, Property, Plant and Equipment have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification;
- (c) The title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company.
- (d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) As explained to us, no proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (ii) (a) As explained to us, physical verification of inventory has been conducted at reasonable intervals by the management. In our opinion, the coverage and procedure of such verification by the management is appropriate. No discrepancy of 10% or more in the aggregate for each class of inventory were noticed on physical verification of stocks by the management as compared to book records.
- (b) The company has been sanctioned during the year, working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of inventories and returns/ statements filed on quarterly basis are in agreement of books of accounts.
- (iii) As per information and explanation given to us, the Company has not made Investment in, provide any guarantee or security or granted any loan or advances in the nature of Loans, Secured or Unsecured to Companies, Firms, Limited Partnerships or any other party. Accordingly, clause 3(iii)(a),3(iii)(b), 3(iii)(c), 3(iii)(d), 3(iii)(e) and 3(iii)(f) of the order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanation given to us, the Company has complied with the provision of section 85 and 186 of the Act, with respect to the loan and investment, guarantee and securities.
- (v) 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 Act, and the Rules framed thereunder could not apply. Accordingly para 3(v) of the order is not applicable.
- (vi) As per information & explanation given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act. Accordingly para 3(vi) of the order is not applicable.
- (vii) (a) According to the records made available to us, company is regular in depositing undisputed statutory dues including Goods and Services Tax, provident fund, employees state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities. According to the information and explanation given to us there were no outstanding statutory dues as on 31st of March, 2022 for a period of more than six months from the date they became payable.
(b) According to the information and explanation given to us, there are no statutory dues which have not been deposited with the appropriate authority on account of any dispute.
- (viii) According to the information and explanations given by the management, no transactions not recorded in the

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books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

- (ix) (a) In our opinion and according to the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given by the management, the company is not declared willful defaulter by any bank or financial institution or any other lender;
- (c) In our opinion and according to the information and explanations given by the management, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained.
- (d) In our opinion and according to the information and explanations given by the management, funds raised on short term basis have not been utilized for long term purposes.
- (e) In our opinion and according to the information and explanations given by the management, the company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures,
- (f) In our opinion and according to the information and explanations given by the management, the company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies.
- (x) (a) The company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.
- (b) The company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year.
- (xi) (a) According to the information and explanations given by the management, no fraud by the company or any fraud on the company has been noticed or reported during the year;
- (b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government;
- (c) We have taken into consideration the whistle blower complains received by the company during the year while determining the nature, timing and extent of our audit procedures.
- (xii) The company is not a Nidhi Company. Therefore, clause 3 (xii) of the order is not applicable on the company.
- (xiii) The company has entered into transactions with related parties in compliance with the provision of section 177 and 188 of the Act. The details of such related parties transactions have been disclosed in the Ind AS Financial Statement as required under Ind AS 24, Related Party Disclosures specified under section 133 of the Act, read with the Rule 7 of the Companies (Accounts) Rules 2014.
- (xiv) (a) According to the information and explanations given by the management, the company has an in house internal audit system commensurate with the size and nature of its business;
- (b) We have considered the Internal Audit reports of Internal Auditor appointed by the management till date for the period under audit.
- (xv) On the basis of the information and explanations given to us, in our opinion during the year the company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) (a) In our Opinion and based on our examination, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). Accordingly, clause 3(xvi)(a) of the order is not applicable.
- (b) In our Opinion and based on our examination, the Company has not conducted any Non-Banking Financial

or Housing Finance activities without a valid Certificate of Registration (CoR) from the Reserve Bank of India as per the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the order is not applicable.

- (c) In our Opinion and based on our examination, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the order is not applicable.
- (d) According to the information and explanations given by the management, the Group does not have not more than one CIC as part of the Group. Accordingly, clause 3(xvi)(d) of the order is not applicable.
- (xvii) Based on our examination, the company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year.
- (xix) On the information obtained from the management and audit procedures performed and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date;
- (xx) (a) As per information and explanation provided to us and of the basis of our examination of books of accounts of company, there are no unspent amounts other than ongoing projects which are required to be transfer to a fund as specified in Schedule VII to the companies act within a period of six months of expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said act.
(b) There are no ongoing projects against which unspent amount is required to be transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said act.

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

Hitesh Ambani
Designated Partner
M.No. – 506267
UDIN – 22506267AMNHVT7997

Place – New Delhi
Dated – 23rd May, 2022

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Annexure 'B'

Report on Internal Financials Controls with reference to Financial Statements

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 Co. Ltd.** ("the Company") as of March 31, 2022 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. 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 & internal financial controls over financial reporting based on 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 judgement, 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

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
2. 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

3. 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 March 31, 2022, 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

Hitesh Ambani
Designated Partner
M.No. – 506267
UDIN – 22506267AMNHVT7997

Place – New Delhi
Dated – 23rd May, 2022

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BALANCE SHEET AS AT 31ST MARCH 2022

(Rs. In lacs)

Particulars	Note No.	As at 31st March 2022	As at 31st March 2021
I ASSETS			
1 Non-Current Assets			
a Property, Plant and Equipment & Intangible Assets	2	12,303.24	11,444.28
b Capital work in progress	3a	143.49	1,698.41
c Right of use Assets	3b	6,755.19	7,983.82
d Financial Assets			
i) Investments	4	3,485.00	3,485.00
ii) Other financial assets	5	698.26	712.41
e Deferred Tax Assets (Net)	6	559.14	472.07
f Other non-current assets	7	584.52	612.18
Total Non-Current Assets		24,528.84	26,408.19
2 Current Assets			
a Inventories	8	6,938.74	4,901.75
b Financial Assets			
i) Trade receivables	9	5,554.58	4,458.48
ii) Cash and cash equivalents	10	5,245.64	1,695.63
iii) Bank balances other than (iii) above	10	4,313.13	4,559.40
iv) Loans	11	38.55	18.34
c Other current assets	12	4,273.83	3,112.03
Total Current Assets		26,364.46	18,745.62
Total Assets		50,893.30	45,153.80
II EQUITY AND LIABILITIES			
1 Equity			
a Equity Share Capital	13	627.85	627.85
b Other Equity	14	27,944.37	26,060.30
Total equity		28,572.22	26,688.15
LIABILITIES			
2 Non-Current Liabilities			
a Financial Liabilities			
i) Borrowings	15	-	1,926.81
ii) Other financial liabilities	16	196.63	197.96
iii) Lease liability		6,606.37	7,620.33
b Other non-current liabilities		-	-
Total Non-Current Liabilities		6,803.00	9,745.10
3 Current Liabilities			
a Financial Liabilities			
i) Borrowings	17	12,905.91	6,217.36
ii) Trade payables	18	542.41	528.60
iii) Other financial liabilities	19	239.16	303.21
iv) Lease Liability		834.59	819.76
b Provisions for Employee Benefits	20	832.77	673.23
c Other current liabilities	21	163.24	178.39
Total Current Liabilities		15,518.08	8,720.56
Total Equity and Liabilities		50,893.30	45,153.80

Significant Accounting policies and Notes to Accounts forming part of Financial Statements

1 to 54

As Per our report of even date attached
For Ambani & Associates LLP
 Firm Registration No: 016923N
 Chartered Accountants

For and on behalf of the Board of Directors

(Hitesh Ambani)
 Partner
 Membership Number-506267

(Raj Chopra)
 Chairman & Managing Director
 DIN-00036705

(Kavita Ahuja)
 Whole Time Director
 DIN-00036803

Place: New Delhi
 Date : 23rd May, 2022

(Krishan Kumar Mishra)
 Company Secretary

(Siddhant Mehra)
 Chief Financial Officer

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2022

(Rs. In lacs)

	Note No.	For the Year ended 31st March 2022	For the Year ended 31st March 2021
A Revenue			
I Revenue from Operations	22	124,557.24	120,545.25
II Other Income	23	506.87	630.86
III Total Income (I+II)		125,064.10	121,176.11
IV Expenses			
Purchases of Stock in Trade	24	111,409.75	99,009.96
Changes in Inventories of Stock in Trade	25	(2,036.99)	7,089.49
Employee Benefit Expenses	26	5,224.86	4,241.07
Finance Cost	27	826.08	1,084.11
Depreciation and Amortization Expense	28	2,484.07	2,419.08
Other Expenses	29	4,447.87	4,757.43
Total Expenses (IV)		122,355.64	118,601.14
V Profit before Exceptional items and Tax (V)=(III)-(IV)		2,708.46	2,574.97
VI Exceptional items			-
VII Profit / (Loss) After Exceptional items and Taxes VII=(V-VI)		2,708.46	2,574.97
VIII Profit / (Loss) before Tax		2,708.46	2,574.97
IX Less: Tax Expenses	42		
- Current Tax		850.00	825.00
- Deferred Tax		(87.07)	(82.52)
- Reversal of MAT credit		-	99.08
Profit after Tax for the Year (VIII-IX)		1,945.53	1,733.41
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)		1,945.53	1,733.41
Earnings per Equity share	30		
Basic and Diluted		31.66	28.20
Earnings per Equity share	30		
Basic and Diluted		31.66	28.20

Significant Accounting policies and Notes to Accounts 1 to 54 forming part of Financial Statements

As Per our report of even date attached

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

Place: New Delhi

Date : 23rd May, 2022

(Krishan Kumar Mishra)

Company Secretary

(Siddhant Mehra)

Chief Financial Officer

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CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2022

(Rs. In lacs)

	Year ended 31st March 2022	Year ended 31st March 2021
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax	2,708.46	2,574.97
Adjustments for :		
Depreciation and Amortisation	2,484.07	2,419.08
Loss/(Profit) on Sale of Property, Plants & Equipment & Intangible Assets	(47.38)	(8.96)
Provisions no longer required written back		
Rent Concession due to COVID	(138.11)	(377.09)
Provision for Doubtful Debts	-	-
Financial Expenses	826.08	1,084.11
Interest Income	(186.13)	(99.52)
	2,938.53	3,017.63
Operating gain before working capital changes	5,646.99	5,592.60
Changes in working capital		
(Increase)/ Decrease in Inventories	(2,036.99)	7,089.49
(Increase)/Decrease in Trade Receivables	(1,096.10)	(3,359.28)
(Increase)/Decrease in Loans and Advances	(1,122.76)	285.43
Increase/(Decrease) in Current Liabilities and Provisions	97.38	(350.28)
	(4,158.48)	3,665.37
Cash generated from Operating activities before Taxes	1,488.52	9,257.97
Direct Taxes paid (net of refunds)	(851.67)	(623.09)
Net cash generated from/ (used in) Operating activities	636.84	8,634.88
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Property , Plants & Equipment & Intangible Assets	(593.06)	(957.13)
Purchase of Investments	-	-
Proceeds from Sale of Investments	-	-
Proceeds from Sale of Property, Plants & Equipment & Intangible Assets	203.31	305.48
Interest received	186.13	99.52
	(203.62)	(552.12)
Net cash generated from / (used in) investing activities		
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds/(Repayment) from Bank and other Borrowings	6,683.98	(4,404.57)
Proceeds/(Repayment) from Long Term Bank Borrowings	(1,926.81)	1,872.11
Repayment of lease liability	(999.12)	(588.03)
Financial expenses paid	(826.08)	(1,084.11)
Dividend paid	(61.46)	(61.46)
	2,870.50	(4,266.06)
INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS	3,303.73	3,816.69
Cash and Bank balance at the beginning of the year	6,255.03	2,438.34
Effect of exchange gain on cash and cash equivalents		
Cash and Bank balance at the end of the year	9,558.76	6,255.03
Component of Cash and Bank balance		
Cash and cash equivalents include :		
Cash on hand	108.81	130.89
Cheques on hand	32.70	66.29
Balances with Banks:		
Deposit accounts		
Current accounts	5,104.12	1,498.44
	5,245.64	1,695.63
Add:		
Fixed deposits with original maturity of more than 90 days	4,306.43	4,549.95
Unpaid Dividend	6.70	9.45
	9,558.76	6,255.03

Notes:

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

As Per our report of even date attached
For Ambani & Associates LLP
 Firm Registration No: 016923N
 Chartered Accountants

For and on behalf of the Board of Directors

(Hitesh Ambani)
 Partner
 Membership Number-506267

(Raj Chopra)
 Chairman & Managing Director
 DIN-00036705

(Kavita Ahuja)
 Whole Time Director
 DIN-00036803

Place: New Delhi
 Date : 23rd May, 2022

(Krishan Kumar Mishra)
 Company Secretary

(Siddhant Mehra)
 Chief Financial Officer

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31st MARCH 2022

a. Equity share capital	(Rs. In lacs)
Balance at 31st March, 2020	627.85
Changes in equity share capital due to prior period errors	-
Restated balance at the 31st March, 2020	-
Changes in equity share capital during the year	-
Balance at 31st March, 2021	627.85
Changes in equity share capital due to prior period errors	-
Restated balance at the 31st March, 2021	-
Changes in equity share capital during the year	-
Balance at 31st March, 2022	627.85

PARTICULARS	RESERVES AND SURPLUS			TOTAL
	GENERAL RESERVE	SECURITIES PREMIUM	RETAINED EARNINGS	
BALANCE AS AT 1st APRIL, 2020	3,517.51	1,431.65	19,439.19	24,388.35
Changes in other equity due to accounting policy or prior period errors	-	-	-	-
Restated balance at the 31st March, 2020	-	-	-	-
Total Comprehensive Income for the period ended 31st March 2021	-	-	1,733.41	1,733.41
Transfer to General Reserves	-	-	-	-
Payment of dividend	-	-	(61.46)	(61.46)
BALANCE AS AT 31ST MARCH, 2021	3,517.51	1,431.65	21,111.14	26,060.30
Changes in other equity due to accounting policy or prior period errors	-	-	-	-
Restated balance at the 31st March, 2021	-	-	-	-
Total Comprehensive Income for the period ended 31st March 2022*	-	-	1,945.53	1,945.53
Transfer to General Reserves	-	-	-	-
Payment of dividend	-	-	(61.46)	(61.46)
BALANCE AS AT 31ST MARCH, 2022	3,517.51	1,431.65	22,995.21	27,944.37

* Includes Unwinding of amortised cost of Security Deposits amounting to INR 2.10 Lakhs and Finance Cost under IND AS 116 amounting INR 95.80 Lakhs.

As per our report of even date annexed.

For and on behalf of the Board of Directors

For Ambani & Associates LLP

Firm Registration No: 016923N
Chartered Accountants

(Raj Chopra)
Chairman & Managing Director
DIN-00036705

(Kavita Ahuja)
Whole Time Director
DIN-00036803

(Hitesh Ambani)
Partner
Membership Number- 506267

(Krishan Kumar Mishra)
Company Secretary

(Siddhant Mehra)
Chief Financial Officer

Place: New Delhi
Date : 23rd May, 2022

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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 as amended and other relevant provisions of the Act.

The Company has prepared the Financial Statements up to 31 st March, 2017 in accordance with the requirements of previous IGAAP, 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 1 st 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 is accounted over the period of rendering of services.

(iii) Dividend and interest income

Dividend income from investments is recognized 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 recognized when it is probable

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

2. Property, plant and equipment & Intangible Assets

- 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 carrying amount or recognized 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 is 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 whichever 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 insignificant risk of changes in value. Bank overdrafts are shown as a part of Cash and Cash Equivalents in the cash flow statement.

8. Leases

Leases Prior to 01-04-2019 – Ind AS 17

A Lease is an agreement whereby the lessor conveys to the lessee the right to use an asset for an agreed period of time in return for a payment or series of payments. A lease is classified at the inception date as a finance lease or an operating lease. Lease transactions that transfer substantially all the risk and rewards incidental to ownership of the leased asset to the lessee are classified as finance leases. All other lease agreements are classified as operating leases. Whether an agreement constitutes a lease or contain a lease is determined upon inception of the lease.

Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term unless the receipts are structure to increase in line with expected general inflation to compensate for expected inflationary cost increases.

“MCA” vide its notification dated 30th March 2019, has notified Ind AS 116 replacing existing Ind AS 17- Leases with effect from accounting year beginning on or after 01, April 2019. Transition to Ind AS -116

The Company has elected to apply Modified Alternative-1 Approach for Transition from Ind AS 17 to Ind AS 116 as Notified by “MCA” vide Notification dated 30-03-2019, effective from 01-4-2019 onwards for which the Company has initially measure its Lease Liabilities and Corresponding Right of use of underlying asset by considering the Incremental Borrowing Rate as on date of transition (i.e., 01st April, 2019) under Transitional Approach – Alternative -1

After 01-04-2019 Ind AS 116:

LEASES

Company as a lessee

Recognition

At the inception of the lease, right of use is recognized at cost including any indirect costs to acquire the asset and dismantling costs (if any), reduced by lease incentives with a corresponding lease liability equal to the present value of unpaid lease payments except in the following cases:

- i. Short-term leases; or
- ii. Leases for which the underlying asset is of low value

In case of lease to be short term or low value lease payments associated with those leases are charged as an expense on either a straight-line basis over the lease term or another systematic basis. The Company as a lessee applies another systematic basis if that basis is more representative of the pattern of the Company as a lessee's benefit.

The interest element of lease payments is charged to Statement of Profit and Loss, as Finance Costs over the period of the lease.

Subsequent measurement (Depreciation)

The right of use is depreciated over the useful life of the underlying asset or the validity of the lease term whichever is shorter and is subject to impairment loss.

The residual values, useful lives and methods of depreciation of right of use are reviewed at each financial year end and adjusted prospectively, if appropriate.

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Subsequent measurement (Lease Liabilities)

The lease liability is measured at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using interest rate implicit in the lease, if that rate can be readily determined otherwise incremental borrowing rate is used to discounts the lease payments

Re-measurement of lease liability

The lease liability is re-measured (with corresponding adjustment to the right of use asset) when:

1. The lease term is revised – the lessee must reassess whether it is reasonably certain to exercise an extension option, or not to exercise a termination option, if there is a significant event or change in circumstances that:
 - is within the lessee's control; and
 - affects whether exercise (or non-exercise) is reasonably certain.
2. Future lease payment based on an index or rate are revised.
3. The lease is modified
4. There is a change in the amounts expected to be paid under residual value guarantees.

A lessee shall remeasure the lease liability by discounting the revised lease payments, if either:

- (a) there is a change in the amounts expected to be payable under a residual value guarantee. A lessee shall determine the revised lease payments to reflect the change in amounts expected to be payable under the residual value guarantee.
- (b) there is a change in future lease payments resulting from a change in an index or a rate used to determine those payments, including for example a change to reflect changes in market rental rates following a market rent review. The lessee shall remeasure the lease liability to reflect those revised lease payments only when there is a change in the cash flows (i.e., when the adjustment to the lease payments takes effect). A lessee shall determine the revised lease payments for the remainder of the lease term based on the revised contractual payments.

A lessee shall use an unchanged discount rate, unless the change in lease payments results from a change in floating interest rates. In that case, the lessee shall use a revised discount rate that reflects changes in the interest rate.

Lease modification

A lessee shall account for a lease modification as a separate lease if both:

- (a) the modification increases the scope of the lease by adding the right to use one or more underlying assets; and
- (b) the consideration for the lease increases by an amount commensurate with the stand-alone price for the increase in scope and any appropriate adjustments to that stand-alone price to reflect the circumstances of the particular contract.

For a lease modification that is not accounted for as a separate lease, at the effective date of the lease modification a lessee shall:

- (a) allocate the consideration in the modified contract
- (b) determine the lease term of the modified lease
- (c) remeasure the lease liability by discounting the revised lease payments using a revised discount rate. The revised discount rate is determined as the interest rate implicit in the lease for the remainder of the lease term, if that rate can be readily determined, or the lessee's incremental borrowing rate at the effective date of the modification, if the interest rate implicit in the lease cannot be readily determined.

For a lease modification that is not accounted for as a separate lease, the lessee shall account for the remeasurement of the lease liability by:

- (a) decreasing the carrying amount of the right-of-use asset to reflect the partial or full termination of the lease for lease modifications that decrease the scope of the lease. The lessee shall recognize in profit or loss any gain or loss relating to the partial or full termination of the lease.

- (b) making a corresponding adjustment to the right-of-use asset for all other lease modifications.
- (c) As a practical expedient, a lessee may elect not to assess whether a rent concession that meets the conditions in Para 46B is a lease concession. A lessee that makes this election shall account for any change in lease payments resulting from the rent concession the same way it would account for the change applying this Standard if the change were not a lease modification
- (d) rent concession occurring as a direct consequence of Covid 19 pandemic and only if all of the following conditions are met:
 - (i) the change in lease payments results in revised consideration for the lease that is substantially the same as or less than, the consideration for the lease immediately preceding the change;
 - (ii) any reduction in lease payments affects only payments originally due on or before the 30th June, 2021 (a concession would meet this condition if it results in reduced lease payments on or before the 30th June 2021, and increased lease payments that extend beyond the 30th June 2021);
 - (iii) there is no substantive change to other terms and conditions of the lease.

De-Recognition

A right of use asset initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the right of use asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss account when the right of use asset is derecognized.

Company as a Lessor

Finance Lease

The Company recognize assets held under a finance lease as a receivable at an amount equal to the net investment in the lease. The Company further recognizes finance income over the lease term, based on straight-line basis reflecting a constant periodic rate of return on the net investment in the lease.

Operating lease

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Assets leased out under operating leases are capitalized. Rental income is recognized on straight-line basis over the lease term except where scheduled increase in rent compensates the Company with expected inflationary costs.

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 recognized 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 recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences and incurred tax losses to the extent that it is probable that taxable profits will

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be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognized 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.

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 recognized in profit or loss. They are deferred in equity if they relate to qualifying cash flow hedges.

11. Earnings 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.

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 - 108; Segment Reporting; issued by Ministry of Corporate Affairs ("MCA"). 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.

STANDARDS ISSUED BUT NOT EFFECTIVE

Ministry of Corporate Affairs ("MCA") notifies new Standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 23, 2022 MCA amended the Companies (Indian Accounting Standards) Amendment Rules 2022, as below :-

Ind AS 16 – Property Plant and Equipment :- The amendment clarifies that excess of net sale proceeds of items produced over the cost of testing, if any shall not be recognized in the statement of profit or loss but deducted from the directly attributable costs considered as part of cost of an item of property, plant and equipment. The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

Ind AS 37 :- Provisions, Contingent Liabilities and Contingent Assets :- The amendment specifies that the "cost of fulfilling" a contract comprises the 'Costs that relate directly to the contract'. Costs that relate directly to a contract consists of both:-

- (a) The Incremental costs of fulfilling that contract (examples would be direct Labour, materials) and;
- (b) an allocation of other costs that relate directly to fulfilling contracts (an example would be the allocation of the depreciation charge for an item of property, plant and equipment used in fulfilling the contract).

The effective date for adoption of this amendment is annual periods beginning on or after April 1, 2022. The Company has evaluated the amendment and there is no impact on its financial statements.

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

2 Property, Plants & Equipment & Intangible Assets# (Rs. In lacs)

Particulars	Land	Buildings	Plant & Machinery	Electric Installation	Office Equip-ments	Furniture & Fixtures	Vehicles	Total
Balance as at March 31, 2020	5,849.13	4,573.04	1,676.24	460.58	1,305.32	1,274.60	3,123.32	18,305.72
Additions	-	125.31	70.21	28.69	74.06	83.02	236.44	617.74
Disposals	-	-	(2.96)	-	(0.71)	-	(811.82)	(815.48)
Balance as at March 31, 2021	5,849.13	4,698.35	1,743.49	489.27	1,378.68	1,357.62	2,547.94	18,107.98
Additions	289.35	952.91	211.32	157.61	177.68	46.58	315.73	2,151.18
Disposals	-	-	-	(28.18)	(2.03)	-	(510.72)	(540.93)
Gross Carrying value As at March 31, 2022	6,138.48	5,651.26	1,954.81	618.70	1,554.33	1,404.20	2,352.95	19,718.23
Accumulated Depreciation as at 31st March 2020	-	1,286.11	1,072.26	241.04	1,089.77	674.95	1,621.40	5,985.56
Depreciation for the year	-	249.43	115.80	58.68	109.86	160.97	458.44	1,153.19
Disposals/adjustments during the year	-	-	(2.58)	-	(0.67)	-	(515.27)	(518.52)
Balance as at March 31, 2021	-	1,535.54	1,185.48	299.71	1,198.97	835.93	1,564.57	6,620.23
Depreciation for the year	-	320.61	131.46	85.56	143.22	144.22	311.26	1,136.33
Disposals/adjustments during the year	-	-	-	(22.68)	(1.78)	-	(360.58)	(385.04)
Accumulated Depreciation As at March 31, 2022	-	1,856.15	1,316.94	362.59	1,340.41	980.15	1,515.25	7,371.52

Net carrying value as at 31st March 2020	5,849.13	3,286.93	603.97	219.55	215.55	599.64	1,501.92	12,276.69
Net carrying value as at 31st March 2021	5,849.13	3,162.81	558.01	189.56	179.71	521.69	983.37	11,444.28
Net carrying value as at 31st March 2022	6,138.48	3,795.11	637.87	256.11	213.92	424.05	837.70	12,303.24

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

* All title deeds of immovable properties are held in the name of the Company.

The Company has not revalued any of its Property, Plant and Equipment under Rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017.

3a Capital Work in Progress (CWIP) (Rs. In Lakhs)

As at 31st March 2020	1,359.03
Additions	582.56
Less: Amount capitalized in Property, Plant & Equipment	243.18
Less: Amount disposal during the year	-
Balance at March 31, 2021	1,698.41
Additions	130.05
Less: Amount capitalized in Property, Plant & Equipment	1,684.97
Less: Amount disposal during the year	-
Balance at March 31, 2022	143.49

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

For the CWIP, ageing schedule shall be given as at 31st March, 2022

(Rs. In Lakhs)

Capital Work in progress (CWIP)	Amount of CWIP for a period of				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
-Project in progress	130.05	13.44	-	-	143.49
-Project temporarily suspended	-	-	-	-	-
Total	130.05	13.44	-	-	143.49

For the CWIP, ageing schedule shall be given as at 31st March, 2021

(Rs. In Lakhs)

Capital Work in progress (CWIP)	Amount of CWIP for a period of				
	Less than 1 Year	1-2 years	2-3 years	More than 3 years	Total
-Project in progress	582.56	1,115.85	-	-	1,698.41
-Project temporarily suspended	-	-	-	-	-
Total	582.56	1,115.85	-	-	1,698.41

3b Right of Use Assets

(Rs. In Lakhs)

Gross Carrying value As at March 31, 2020	7,651.40
Additions	1,598.31
Disposals	94.38
Gross Carrying value As at March 31, 2021	9,155.34
Additions	119.11
Disposals	308.85
Gross Carrying value As at March 31, 2022	8,965.60
Accumulated Depreciation as at April 01, 2020	
Depreciation for the year	1,171.51
Disposals/adjustments during the year	
Accumulated Depreciation as at April 01, 2021	1,171.51
Depreciation for the year	1,038.89
Disposals/adjustments during the year	
Accumulated Depreciation as at April 01, 2022	2,210.40
Net carrying value as at 31st March 2021	7,983.82
Net carrying value as at 31st March 2022	6,755.19

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

		(Rs. In lacs)	
4 Investment		As at 31st March 2022	As at 31st March 2021
Non current			
Investment in equity instruments			
- Equity Shares of Raj Chopra & Company Pvt Ltd. 85,00,000 (85,00,000 equity shares @ Rs. 40/- per share)		3,400.00	3,400.00
Investments in equity Instruments at Fair Value through other comprehensive income			
- Equity Shares of Raj Chopra & Company Pvt Ltd.		85.00	85.00
		<u>3,485.00</u>	<u>3,485.00</u>
5 Other Non Current Financial Assets			
		As at 31st March 2022	As at 31st March 2021
Financial Assets measured at amortised cost			
- Security Deposit to MSIL		261.50	246.50
- Security Deposits for Showrooms		44.14	84.59
- Amortised cost of Security deposits		331.06	304.82
- Other Security Deposits*		61.56	76.50
		<u>698.26</u>	<u>712.41</u>
* These includes deposits with Public/ Government Authorities for utilities.			
6 Deferred tax Liability/Assets (net)			
		As at 31st March 2022	As at 31st March 2021
Deferred Tax Assets on account of:	Recognised in Statement of Profit & Loss		
- WDV of Property, Plants & Equipment & Intangible Assets	17.83	304.60	286.77
- Right-of-use assets	57.76	190.21	132.45
- Employee benefits	11.47	64.32	52.85
Deferred tax Assets (Net)	<u>87.07</u>	<u>559.14</u>	<u>472.07</u>
7 Others Non current Assets			
		As at 1st March 2022	As at 31st March 2021
Advance Income Tax and Tax Deducted at Source (Net of Provision)		505.55	503.88
Capital Advances		14.80	20.00
Prepaid Rent (SD)		64.17	88.30
Other Security Deposits		-	-
		<u>584.52</u>	<u>612.18</u>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. In lacs)

8 Inventories	As at 31st March 2022	As at 31st March 2021
(At cost or net realisable value whichever is lower)		
Vehicles*	5,797.21	3,751.01
Spare Parts, Accessories, Oil & Lubricants*	1,141.53	1,150.73
	<u>6,938.74</u>	<u>4,901.75</u>
*Refer to Point no 5 of Accounting policies Inventories are valued and certified by the management.		

9 Trade Receivables	As at 31st March 2022	As at 31st March 2021
Unsecured & Considered good	5,554.58	4,458.48
Unsecured & Considered doubtful	-	-
	<u>5,554.58</u>	<u>4,458.48</u>
Less: Provision for Doubtful Debts	-	-
	<u>5,554.58</u>	<u>4,458.48</u>

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

9.2 Age to Trade receivables

Particulars	As at 31st March 2022	As at 31st March 2021
(i) Undisputed trade receivable-Considered good		
Less than 6 months	5,554.58	4,458.48
6 months - 1 year	-	-
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
(ii) Undisputed trade receivable-Significant increase in Credit risk	-	-
(iii) Undisputed trade receivable-Credit impaired	-	-
(iv) Disputed trade receivable-Considered good	-	-
(v) Disputed trade receivable-Significant increase in Credit risk	-	-
(vi) Disputed trade receivable-Credit impaired	-	-
	<u>5,554.58</u>	<u>4,458.48</u>

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. In lacs)

10 Cash and Bank Balances	As at 31st March 2022	As at 31st March 2021
Cash and Cash Equivalents:		
Cash on hand	108.81	130.89
- Balance with Bank Accounts	5,104.12	1,498.44
- Cheques in Hand	32.70	66.29
	<u>5,245.64</u>	<u>1,695.63</u>
Other Bank Balances		
- In Fixed Deposits* (More than 3 months & less than 12 months maturity), and includes Fixed deposits with govt. authorities	4,306.43	4,549.95
Earmarked Balances with Banks		
Unpaid Dividend (Refer Note No 36)	6.70	9.45
	<u>4,313.13</u>	<u>4,559.40</u>
	<u>9,558.76</u>	<u>6,255.03</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.

* **Fixed Deposits under lien** **724.00** **2,800.00**

11 Loans	As at 31st March 2022	As at 31st March 2021
(Unsecured and considered good)		
Others:		
Staff Advances	38.55	18.34
	<u>38.55</u>	<u>18.34</u>

12 Other Current Assets	As at 31st March 2022	As at 31st March 2021
Interest accrued but not due on Fixed Deposits	104.54	104.57
Advance Recoverable in Cash or in Kind	629.33	259.91
Recoverable from MSIL	2,902.05	3,129.87
Staff Imprest	42.44	46.49
Prepaid Expenses	67.44	58.98
GST paid on Advance receipts	19.71	19.98
GST Input	508.32	(507.78)
	<u>4,273.83</u>	<u>3,112.03</u>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. In lacs)

13 Equity Share Capital	As at 31st March 2022	As at 31st March 2021
Authorized		
1,00,00,000 Equity shares of Rs. 10 each (As at 31st March 2021, 1,00,00,000 Equity shares of Rs. 10 each)	1,000.00	1,000.00
Issued, Subscribed		
64,09,500 Equity shares of Rs. 10 each (As at 31st March 2021, 64,09,500 Equity shares of Rs. 10 each)	640.95	640.95
Paid -up		
61,46,000 Equity Shares of Rs. 10 each (As at 31st March 2021, 61,46,000 Equity Shares of Rs. 10 each)	614.60	614.60
Add : Amount paid up on Forfeited 2,63,500 Equity Shares (As at 31st March 2021: Amount Paid up on forfeited 2,63,500 Equity Shares)	13.25	13.25
	627.85	627.85

Particulars	As at 31st March 2022		As at 31st March 2021	
	Number of Shares	Amount	Number of Shares	Amount
Equity Shares outstanding at the beginning of the year and at the end of the year	6,146,000	614.60	6,146,000	614.60
Changes in equity share capital during the year		-		-
Balance at the end of the reporting period		614.60		614.60

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

Particulars	As at 31st March 2022		As at 31st March 2021	
	%	Number of Shares	%	Number of Shares
Name of the Share Holder				
Mrs. Kavita Ahuja	61.48%	3,778,680	61.48%	3,778,680
Ms. Priya Chopra	13.43%	825,625	13.43%	825,625

Details of share held by promoters of the Company are as under

Name of the Promoters	As at 31st March 2022		As at 31st March 2021	
	Number (in lakhs)	% Holding	Number (in lakhs)	% Holding
Mr. Raj Chopra	-	0.00%	-	0.00%
Mrs. Geeta Chopra	-	0.00%	-	0.00%
Mrs. Kavita Ahuja	3,778,680	61.48%	3,778,680	61.48%
Ms. Priya Chopra	825,625	13.43%	825,625	13.43%

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. In Lakhs)

14 Other Equity	As at 31st March 2022	As at 31st March 2021
i. General Reserve		
As per last Balance Sheet	3,517.51	3,517.51
Add : Balance Transferred from Profit and Loss Account	-	-
Closing balance	3,517.51	3,517.51
ii. Securities Premium Account		
As per last Balance Sheet	1,431.65	1,431.65
Add : Balance Transferred from Profit and Loss Account	-	-
Closing balance	1,431.65	1,431.65
iii. Surplus in Statement of Profit and Loss		
As per last Balance Sheet	21,111.14	19,439.19
Add : Net Profit for the Year	1,945.53	1,733.41
Add : Other comprehensive income	-	-
Amount available for Appropriations	23,056.67	21,172.60
Less:		
Dividend on Equity Shares	61.46	61.46
Tax adjustments for earlier years	-	-
Transferred to General Reserve	-	-
	22,995.21	21,111.14
Total	27,944.37	26,060.30

15 Non current Financial Liabilities	As at 31st March 2022	As at 31st March 2021
Borrowings (Secured)		
Loan under ECLGS scheme from HDFC Bank	-	1,900.00
Term Loan- vehicle	-	26.81
	-	1,926.81

16 Other Financial Liabilities	As at 31st March 2022	As at 31st March 2021
Security Deposits	196.63	197.96
	196.63	197.96

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. In lacs)

17 Borrowings	As at 31st March 2022	As at 31st March 2021
Loan repayable on Demand		
From Banks		
Secured		
OD facility - From Bank of Baroda ***	-	200.03
Loan under ECLGS scheme from HDFC Bank	1,900.00	-
Cash Credit Facility From HDFC *	-	-
Cash Credit Facility From State Bank of India #	-	-
Inventory Funding From HDFC Bank/SBI **	10,943.96	3,875.75
OD facility - From ICICI Bank ***	-	795.39
Unsecured		
From others	-	-
Due to Directors ****	61.96	1,346.18
	<u>12,905.91</u>	<u>6,217.37</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 7.10% P.A. (Previous Year @ 7.8% P.A.)

Cash Credit from SBI Banks is secured by mortgage of immovable property and personal guarantees of Directors. The Cash credit is repayable on demand and carries interest at 7.50% P.A. (Previous Year from @ 7.50% P.A.)

** Inventory funding (HDFC) is repayable on demand and carries interest of 7.10%. P.A. (Previous Year interest rate @ 7.60% P.A.)

** Inventory funding (SBI) is repayable on demand and carries interest of 7.15%. P.A. (Previous Year interest rate @ 7.15% P.A.)

*** Bank overdraft was secured by FDR Bank of Baroda and ICICIC Bank in Current Year is 1% plus FDR Rate and 0.30% plus FDR rate respectively.

**** Loans from Directors is repayable on demand and carries interest rate of 6% P.A. (Previous Year interest rate @ 7% P.A.)

18 Trade Payables	As at 31st March 2022	As at 31st March 2021
Due to Micro, Small and Medium Enterprises	27.32	17.68
Due to Others	515.10	510.92
	<u>542.41</u>	<u>528.60</u>

18.1 The disclosure in respect of MSME have been made in the financial statements based on the information/ confirmation received and available with the company. On the basis of confirmations obtained from supplier registered themselves under Micro, Small & Medium Enterprises Development Act, 2006 (MSMED Act, 2006) and on the basis of information available with the company following are the details:

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. In lacs)

Particulars	FY 2021-22	FY 2021-22
a) Principal amount remaining unpaid to any supplier as at end of accounting year.	27.32	17.68
b) Interest due thereon remaining unpaid to any supplier as at end of accounting year.	-	-
c) The amount of interest paid by buyer in terms of section 16 alongwith the amount of payment made to the supplier beyond the appointed day during each accounting year.	-	-
d) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	-	-
e) The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
f) The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues above are actually paid to the small enterprises, for the purpose of disallowance as a deductible expenditure u/s 23.	-	-

18.2 Age analysis of trade payable

Particulars	As at 31st March 2022	As at 31st March 2021
(i) MSME		
- 0 to 1 year	27.32	17.68
- 1 year to 2 year	-	-
- 2 year to 3 year	-	-
- more than 3 years	-	-
(ii) Others		
- 0 to 1 year	515.10	510.92
- 1 year to 2 year	-	-
- 2 year to 3 year	-	-
- more than 3 years	-	-
(iii) Disputed dues-MSME	-	-
(iv) Disputed dues-Others	-	-
	542.41	528.60

19 Other Current Financial Liabilities

	As at 31st March 2022	As at 31st March 2021
Current Maturities of Long Term Loans	26.81	31.39
Expenses Payable	205.65	262.38
Unclaimed Dividend**	6.70	9.45
	239.16	303.21

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

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

		(Rs. In lacs)	
20 Provision for Employees Benefits	As at 31st March 2022	As at 31st March 2021	
Salary and other benefits*	832.77	673.23	
	832.77	673.23	
<i>*(includes Salary, Bonus, Exgratia, contribution to PF and other funds)</i>			
21 Other Current Liabilities	As at 31st March 2022	As at 31st March 2021	
Advance from Customers	82.63	114.56	
Statutory Dues*	80.60	63.83	
	163.24	178.39	
<i>*(includes T.C.S and T.D.S. payable)</i>			

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

	(Rs. In lacs)	
	For the Year ended 31st March 2022	For the Year ended 31st March 2021
22 Revenue from Operations		
Sale of products		
- Vehicles	109,056.78	106,901.38
- Spare Parts & Accessories	9,346.97	7,773.73
- Sales Others	40.88	49.75
	-	-
Services Rendered		
- Services & Labour Charges	3,848.99	3,531.74
Commission Received		
- Extended Warranty	214.44	220.25
- Insurance Business	936.84	1,018.24
- Direct Billing & Other	305.15	269.29
- Sourcing Fees	558.90	506.34
- Other Commission	108.07	124.93
Interest Income	140.23	149.60
Stock Transfer Vehicles		
Stock Transfer Spare parts & Accessories	<u>124,557.24</u>	<u>120,545.25</u>
23 Other Income	For the Year ended 31st March 2022	For the Year ended 31st March 2021
Net Gain on Sale of (Property, Plant & Equipment)	47.38	8.96
Booking Cancellation Charges	10.71	6.79
Miscellaneous income*	96.44	128.29
Other non operating income**	25.99	10.47
Interest Income on FDR	186.13	99.52
Unwinding Interest of Security Deposits (IND AS 109)	2.10	(0.25)
Rent Concession due to COVID (Refer note no. 40 iv)	138.11	377.09
	<u>506.87</u>	<u>630.86</u>
(*includes Unclaimed Balance write back)		
(**includes MDS school income)		
24 Purchase of Stock In Trade	For the Year ended 31st March 2022	For the Year ended 31st March 2021
Purchases during the year		
- Vehicle	106,303.22	96,994.46
- Less : Rebate /Discount Received	(2,843.27)	(3,939.11)
- Spare Parts & Accessories	7,935.30	6,253.20
Less:		
- Spares issued against Warranty	14.50	(20.47)
- Short & Excess (MSIL)	-	(0.09)
	<u>111,409.75</u>	<u>99,287.99</u>

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. In lacs)

25 Changes in Inventories of Stock in Trade	For the Year ended 31st March 2022	For the Year ended 31st March 2021
Inventories at the end of the year:		
- Vehicles	5,797.21	3,751.01
- Spare Parts & Accessories	1,141.53	1,150.73
	6,938.74	4,901.75
Less:		
Inventories at the beginning of the year:		
- Vehicles	3,751.01	10,579.79
- Spare Parts & Accessories	1,150.73	1,411.45
	4,901.75	11,991.23
	(2,036.99)	7,089.48
26 Employee Benefit Expenses	For the Year ended 31st March 2022	For the Year ended 31st March 2021
Salaries, Wages and Bonus	4,508.71	3,702.55
Directors Remuneration	73.49	57.03
Commission paid to Directors	65.00	65.00
Contribution to Provident Fund and Other Funds	427.23	299.13
Staff Welfare Expenses	150.43	117.37
	5,224.86	4,241.07
27 Finance Cost	For the Year ended 31st March 2022	For the Year ended 31st March 2021
Interest on Term Loan	134.01	9.43
Interest on Working capital	72.89	128.04
Interest on Inventory Funding	407.62	364.99
Interest Paid To MSIL	0.20	0.38
Interest Paid to others	57.50	163.04
Other Finance charges	58.06	82.32
Interest Cost on Operating Leases (IND AS 116)	95.80	335.92
	826.08	1,084.11
28 Depreciation and Amortization Expenses	For the Year ended 31st March 2022	For the Year ended 31st March 2021
Depreciation on Property, Plant and Equipment's	1,136.33	1,153.19
Amortisation expense on ROU Assets (IND AS 116)	1,347.74	1,265.89
	2,484.07	2,419.08

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. In lacs)

29 Other Expenses	For the Year ended 31st March 2022	For the Year ended 31st March 2021
A) Administration & Other Expenses:		
Consumable Stores	116.62	116.93
Job work & Labour Charges	534.51	479.72
Security Services Charges	259.45	243.59
Services Charges	259.19	283.80
Petrol For New Car	147.33	129.61
Delivery Charges	176.77	137.33
Insurance	156.25	132.17
Repair & Maintenance		
Building	179.06	220.80
Plant & Machinery	63.20	83.68
Others	162.12	131.75
Legal & Professional Charges	93.34	109.66
Short Term Lease Expense	141.99	75.94
Rates & Taxes	55.02	49.14
Communication Expenses	121.35	104.77
Charity & Donation	37.64	2.92
CSR Expenditure (Refer Note No. 35)	45.00	41.50
Power & Fuel	433.45	334.69
Printing & Stationery	87.26	79.21
Travelling & Conveyance	102.36	73.49
Auditors Remuneration (Refer Note No. 32)	9.95	9.95
Miscellaneous Expenses	55.36	27.16
B) Selling & Distribution Expenses:		
Advertising & Publicity	59.55	39.45
Discount	971.90	1,470.62
Sales Promotion	179.22	101.51
	4,447.87	4,479.39

30 Earnings per Share	2021-22	2020-21
Basic earning per share	31.66	28.20
Diluted earning per share	31.66	28.20
Profit After Tax	1,945.53	1,733.41
Weighted average number of Equity Shares	61.46	61.46

31 Contingent Liabilities	2021-22	2020-21
Bank Guarantee obtained from Banks	-	250.00
	-	250.00

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

		(Rs. In lacs)	
32 Auditors Remuneration*		2021-22	2020-21
(i) Statutory Audit Fees		8.85	8.85
(ii) Tax Audit Fees		1.10	1.10
		<u>9.95</u>	<u>9.95</u>
*Excluding GST			
33 Managerial Remuneration		2021-22	2020-21
Salary		73.49	57.03
Commission		65.00	65.00
		<u>138.49</u>	<u>122.03</u>
34 Computation of Net Profit in accordance with Section 197 r/w Section 198 of Companies Act 2013		2021-22	2020-21
Net Profit after Tax as per Profit and Loss Account		1,945.53	1,733.41
Add:			
Income Tax		762.93	742.48
Director Remuneration		138.49	122.03
Less:			
Profit on Sale of Property, Plants & Equipment & Intangible Assets		47.38	8.96
		<u>2,799.57</u>	<u>2,588.96</u>
Maximum Remuneration payable including commission@11%		307.95	284.79
35 CSR Expenditure			
(i) Gross amount required to be spent by the company during the year (FY 2021-22): INR 43.25 Lakhs			
(ii) Amount of expenditure incurred during the year			
		Spent	Unspent
a. Construction / acquisition of any asset		-	-
b. On purposes other than a. above		45.00	-
(iii) Shortfall at the end of the year out of the amount required to be spent by the Company during the year (FY 2021-22): Nil			
(iv) Total of previous years shortfall (FY 2020-2021): Nil			
(v) Reason for shortfall: Not Applicable			
(vi) Nature of CSR activities			
Nature of CSR activities during FY 2021-2022		Expenditure related to FY 2021-2022	Expenditure related to previous years
a) Promoting education		45.00	-
Total		<u>45.00</u>	<u>-</u>

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. In lacs)

(vii) details of related party transactions, e.g., contribution to a trust/society/section 8 company, controlled by the company in relation to CSR expenditure as per Ind AS 24, Related Party Disclosures: Not applicable

(viii) Provisions made during the year: No provision made

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

36 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. Lakhs as on 31st March, 2021 is lying in unclaimed / unpaid dividend account as under :

Financial Year	Amount (Rs. in Lakhs)
2014-2015	1.22
2015-2016	1.44
2016-2017	1.44
2017-2018	0.70
2018-2019	0.59
2019-2020	0.80
2020-2021	0.50
Total	6.69

37 Information about Business Segment

For the Year ended
31st March 2022

For the Year ended
31st March 2021

Segment Revenue

(a) Showroom Revenue	112,169.78	110,104.12
(b) Service & Spares	12,387.46	10,441.13
Total	124,557.24	120,545.25

Segment Results

(a) Showroom Revenue	1,497.20	1,307.36
(b) Service & Spares	1,530.48	1,720.86
Total	3,027.68	3,028.22

Less:

Interest and Financial Charges	826.08	1,084.11
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Add:

Un-Allocated Income	506.87	630.86
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Profit before Tax and Extraordinary item

	2,708.46	2,574.97
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Less :Taxation Expenses including Deferred Tax

	762.93	841.56
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Profit after Tax

	1,945.53	1,733.41
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Total Capital Employed

	41,504.94	34,863.70
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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

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.

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.

38 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 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 Wellness Ventures Private Limited
- Competent Car Care Private Limited
- Competent Construction Company (Proprietorship)
- Competent Exporters (Proprietorship)
- Competent Leasing & Finance (Proprietorship)
- Competent Film Enterprises (Proprietorship)

(b) i) Director/Key Managerial Personnel

Mr. Raj Chopra	Chairman and Managing Director (CMD)
Mrs. Kavita Ahuja	Whole Time Director
Mr. K K Mehta	Whole Time Director
Mr. Ravi Arora	Company Secretary (upto 31st Jan 2022)
Mr. Krishan Kumar Mishra	Company Secretary (from 10th Feb 2022)
Mr. Siddhant Mehra	Chief Financial Officer

ii) Independent Directors:

Mr. Rohit Gogia
 Mr. Ramesh Chander Murada
 Mr. Raman Sehgal

(c) Others:

- | | |
|---------------------------------|---------------------------------|
| - Ash Assure (Mr. Ashish Ahuja) | Relative of Whole Time Director |
| - PGR Enterprises LLP | Group Concern |

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(d) For related party transactions :-

(Rs. In Lakhs)

Particulars	2021-22	2020-21
Unsecured Loan Taken:		
Mr. Raj Chopra	-	250.00
Mrs. Kavita Ahuja	-	250.00
Unsecured Loan Repaid:		
Mr. Raj Chopra	1,174.69	1,180.74
Mrs. Kavita Ahuja	109.53	301.23
Unsecured Loan:		
Mr. Raj Chopra	-	1,174.69
Mrs. Kavita Ahuja	61.96	171.49
Sale of Property, Plants & Equipment & Intangible Assets:		
Raj Chopra & Co. Private Limited	-	2.80
Purchase of Property, Plants & Equipment & Intangible Assets:		
Raj Chopra & Co. Private Limited	1.55	-
Salary:		
Mr. Raj Chopra	38.68	35.53
Mrs. Kavita Ahuja	23.52	10.20
Mr. K K Mehta	11.30	11.30
Mr. Ravi Arora	14.57	12.07
Mr. Krishan Kumar Mishra	2.48	-
Mr. Siddhant Mehra	43.20	19.82
Commission Expense:		
Mr. Raj Chopra	30.00	30.00
Mrs. Kavita Ahuja	30.00	30.00
Mr. K K Mehta	5.00	5.00
Rent Expense:		
Mr. Raj Chopra	-	5.00
Mrs. Kavita Ahuja	51.63	28.75
Interest Expense:		
Mr. Raj Chopra	49.59	150.52
Mrs. Kavita Ahuja	7.31	11.63
Facility Expense:		
Mrs. Kavita Ahuja	66.30	48.00
Commission Expense:		
PGR Enterprises LLP	161.00	140.00
Ash Assure	101.04	51.03
Commission Payable:		
Mr. Raj Chopra	19.00	20.00
Mrs. Kavita Ahuja	19.00	20.00
Mr. K K Mehta	4.00	3.50
Outstanding Payable:		
PGR Enterprises LLP	15.82	16.00

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

- 39** The balances of clients as on reporting date in the nature of Trade Receivables, Loans & Advances, Security Deposits and Trade Payables classified as Current and Non-Currents are subject to confirmations, reconciliations and consequential adjustments. The management does not expect any significant impact on such reconciliations.

(Rs. In Lakhs)

40 Leases (IND AS-116)

(i) Amount recognised in the balance sheet

The balance sheet shows the carrying value relating to ROU Assets.

Right of Use Assets

	As at 31st March 2022	As at 31st March 2021
Building	6,755.19	7,983.82
Lease Liabilities		

Particulars

	As at 31st March 2022	As at 31st March 2021
Non Current	6,606.37	7,620.33
Current	834.59	819.76
Total	7,440.97	8,440.09

(ii) Amount recognised in the statement of Profit & Loss Account :

The statement of Profit and loss shows the following amount relating to ROU Assets:

Particulars

	For the Year ended 31st March 2022	For the Year ended 31st March 2021
Depreciation charge of Right of use assets		
Building	1,347.74	1,265.89
Interest Expense included in Finance Cost	95.80	335.92

(iii) Future minimum lease payments as on March 31, 2022 are as follows:

	As at 31st March 2022		
Particulars	Lease payments	Finance Charges	Net present Values
Within 1 year	1,231.84	397.24	834.59
1-2 year	1,268.20	341.75	926.45
2-3 year	1,220.04	289.90	930.14
3-4 year	1,181.50	230.12	951.39
4-5 year	1,090.48	176.01	914.47
After 5 year	3,119.78	235.85	2,883.93
Total	9,111.84	1,670.87	7,440.97

- (iv)** As per the notification issued by the Ministry of Corporate Affairs (MCA) dated 24th July 2020, IND AS 116 was amended in respect of rent concessions arising due to Covid-19 pandemic. The Company has recognised concessional rent amounting to Rs. 138.11 Lakhs (previous year Rs. 377.09 Lakhs) upto 30th June 2021 from various landlords.

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

(Rs. In Lakhs)

41 Financial Instruments and Risk Management

Financial Instruments	As at 31st March 2022		As at 31st March 2021	
	FVOCI	Amortized cost	FVOCI	Amortized cost
Financial Assets				
Investments in Equity Instruments (unquoted shares- Level 3)	3,485.00	-	3,485.00	-
Trade Receivables	-	5,554.58	-	4,458.48
Cash and Bank Balances	-	9,558.76	-	6,255.03
Loans	-	38.55	-	18.34
Other Financial Assets	-	698.26	-	712.41
Total Financial Assets	3,485.00	15,850.16	11,444.26	
Financial Liabilities				
Borrowings	-	12,905.91	-	8,144.17
Other current maturities of Long term Debts	-	26.81	-	31.39
Trade Payables	-	542.41	-	528.60
Others	-	408.97	-	469.78
Total Financial Liabilities	-	13,884.11	9,173.93	

Fair Value hierarchy

Financial Assets valued according to Level 3 valuation	As at 31st March 2022	As at 31st March 2021
Unquoted Equity Instruments	3,485.00	3,485.00

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.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

Reconciliation of Level 3 Fair value measurement	(Rs. In Lakhs)
Particulars	Unquoted Equity shares
As at 31st March 2021	3,485.00
Acquisition	
Gain and Loss recognised in Other Comprehensive Income	
As at 31st March 2022	3,485.00

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 :

Particulars	As at 31st March 2022	As at 31st March 2021
Cash Credit Facilities and other Facilities within one year	12,905.91	6,217.36
More than one Year	-	-
	12,905.91	6,217.36

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.

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NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

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.

42 Income Tax and its Reconciliation:	For the Year ended 31st March 2022	For the Year ended 31st March 2021
A) Income Tax		
Current Tax	850.00	825.00
Deferred Tax	(87.07)	(82.52)
Reversal of MAT Credit	-	99.08
Total	762.93	841.56
B) Tax Reconciliation		
Accounting profit before income tax	2,708.46	2,574.97
Income Tax Rate on Business Income	25.168%	25.168%
Income Tax Rate on Long Term Capital Gain (LTCG)	23.296%	23.296%
Income Tax	681.67	648.07
Net Tax impact on expenses allowed/disallowed	70.36	91.23
Reversal of MAT Credit	-	99.08
Others	10.91	3.18
Tax Expense	762.93	841.56
Actual Tax Expense	762.93	841.56

43 Analytical Ratios Analysis for the year ended

Particulars	Numerator	Denominator	Unit	As at 31 March, 2022	As at 31 March, 2021	% Variance	Remarks
Current Ratio	Current Assets	Current Liabilities	Times	1.70	2.15	-20.96%	-
Debt Equity Ratio	Total Debt	Total Equity	Times	0.45	0.31	48.02%	Increased due to increase in Inventory Funding Loan
Debt Service Coverage Ratio	Net Operating Income	Total Debt	Times	1.18	1.77	-33.67%	Increased due to increase in Inventory Funding Loan
Return on Equity Ratio	PAT	Average Equity	%	7.04%	6.71%	5.01%	-
Inventory Turnover Ratio	COGS	Average Inventory	Times	18.47	12.56	47.07%	Due to increase in inventory levels for near festive
Trade Receivables turnover Ratio	Net Sales	Average Trade Receivables	Times	24.88	43.38	-42.65%	Due to effective collection of receivables
Trade Payable turnover Ratio	Net Purchases	Average Trade Payables	Times	208.05	182.41	14.06%	-
Net Capital turnover Ratio	Net Sales	Working Capital	Times	11.48	12.02	-4.50%	-
Net Profit Ratio	PAT	Sales	%	1.56%	1.44%	8.62%	-
Return on Capital Employed	EBIT	Capital Employed	%	8.52%	10.50%	-18.88%	-
Return on Investment	Income from Investments	Investments	%	0.00%	0.00%	0.00%	-

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2022

- 44** The Company has not granted any loan or advance during the year to Promoters, Director, KMP and the related parties either severally or jointly with any other person.
- 45** During the year, there is no proceedings have been initiated or are pending against the Company for holding any Benami Property under the Benami Transactions (Prohibitions) Act, 1988 (45of 1988) and Rule made thereunder.
- 46** The Company is regular in submitting the quarterly statements to Banks and the same is in agreement with books of accounts.
- 47** During the financial year, the Company has not been declared as wilful defaulter by any Banks or Financial Institutions.
- 48** The Company has not entered into any transactions during the financial year with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- 49** The Company has neither advanced, loaned or invested funds nor received any funds to/from any person or entity for lending or investing or providing gurantee to/on behalf of the Ultimate Beneficiary during the reporting period.
- 50** During the financial year, there is no charge or satisfaction with Registrar of Companies which is yet to file/register beyond statutory period.
- 51** During the financial year, there is no undisclosed income which is not recorded in the books of accounts of the Company.
- 52** The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.
- 53 Events after Balance Sheet date:**
- i) The Board of Directors have recommended final dividend of Rs. 1 per share i.e. 10% of the face value of Rs. 10 per share subject to approval of shareholders in the ensuing Annual General Meeting.
- 54** The Previous Year Figures have been restated, regrouped and rearranged wherever necessary to make them Comparable with current year.

As per our report of even date annexed.

For and on behalf of the Board of Directors

For Ambani & Associates LLP

Firm Registration No: 016923N
Chartered Accountants

(Raj Chopra)
Chairman & Managing Director
DIN-00036705

(Kavita Ahuja)
Whole Time Director
DIN-00036803

(Hitesh Ambani)
Partner
Membership Number- 506267

(Krishan Kumar Mishra)
Company Secretary

(Siddhant Mehra)
Chief Financial Officer

Place: New Delhi
Date : 23rd May, 2022

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