

MD			BKC	<input checked="" type="checkbox"/>
CS			DPY	<input checked="" type="checkbox"/>
RO			DIV	<input checked="" type="checkbox"/>
TRA	<input checked="" type="checkbox"/>		AC	<input checked="" type="checkbox"/>
AGM	<input checked="" type="checkbox"/>		SFI	<input checked="" type="checkbox"/>
YE	<input checked="" type="checkbox"/>			<input checked="" type="checkbox"/>

Twelveth

Report  Junction.com

Annual Report

1996-97



COMPETENT AUTOMOBILES CO. LTD.



COMPETENT AUTOMOBILES CO. LTD.

BOARD OF DIRECTORS

RAJ CHOPRA	Chairman cum Mg. Director
GEETA CHOPRA	Whole Time Director
KAVITA AHUJA	Director
SUDHIR CHOPRA	Director
KULDEEP CHOPRA	Director
S.S. GREWAL	Director
PRIYA ANAND	Additional Director

COMPANY SECRETARY

SANJAY GUPTA

AUDITORS

DINESH MEHTA & CO.

Bery Lodge, 21, Dayanand Marg,
Daryaganj, New Delhi-110 002**BANKERS**

VIJAYA BANK

REGISTERED OFFICECOMPETENT HOUSE,
F-14, Connaught Place,
New Delhi-110 001**SHOW ROOMS**

- Competent House,
F-14, Connaught Place, New Delhi-110 001
- 70-B, Rattan Park, Shivaji Park,
(Opp. Ramesh Nagar) New Delhi-110 015
- 5-A, Main Road, Jagatpuri,
(Trans Yamuna) Delhi-110 051
- 48, Ring Road, Lajpat Nagar-III,
New Delhi-110 024
- 3, Gazipur,
Delhi-110 092

WORK SHOPS

- 895/C-8, (Near Jain Mandir)
Dada Bari, Mehrauli, New Delhi-110 030
- 3, Gazipur,
Delhi-110 092

ANNUAL REPORT & ACCOUNTS 1996-97**NOTICE**

NOTICE is hereby given that the 12th Annual General Meeting of the Members of Competent Automobiles Company Limited will be held on Tuesday, the 30th day of September, 1997 at 10.30 A.M. at 3, Gazipur, Delhi - 110092 to transact the following business.

Ordinary Business

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 1997, the Profit & Loss A/C for the financial year ended on that date and the Reports of Directors' and Auditors' thereon.
2. To declare dividend.
3. To appoint a Director in place of Shri Sudhir Chopra who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

Special Business

5. To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution.
"RESOLVED THAT Mrs. Priya Anand, who was appointed as an Additional Director by the Board, holding office as such upto the date of this Annual General Meeting and who has given notice under section 257 of the Companies Act, 1956 signifying her candidature for the Office of the Director of the Company be and is hereby appointed as a Director of the company liable to retire by rotation."
6. To consider and if deemed fit to pass with or without modification(s) the following resolution as a special resolution.
"RESOLVED THAT pursuant to the provisions of Section 149(2A) of the Companies Act, 1956, the consent of the Company at its general meeting be and is hereby accorded to the Commencement of the New Business by the Company as given in Sub-clause (30) of Clause III of the Memorandum of Association of the Company to let out its property to generate additional funds to be utilized for enhancing the profits of the Company thereby yielding best results for the years ahead."
"FURTHER RESOLVED THAT the Board of Directors of the Company may take the decision for letting its property on rent in the best interests of the Company, if the dealership business does not yield fruitful results."

Notes:

1. A Member entitled to attend and vote at the meeting is also entitled to appoint a proxy to attend and on a poll, vote instead of himself and the Proxy need not be a member of the Company. Proxies in order to be effective, must reach the company at its Registered Office at least 48 hours before the time fixed for the meeting. A proxy form is attached herewith.
2. The Relative Explanatory Statements pursuant to section 173(2) of the Companies Act, 1956 in respect of item no 5 & 6 is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, the 23rd Day of September 1997, to Tuesday, the 30th Day of September, 1997 (Both Days inclusive).
4. Any Dividend that may be Declared at the Meeting, will be paid to those Members whose Name appear on the Register of Members as on 30th September, 1997.
5. Shareholders desiring any information as regards the Accounts are requested to write to the Company at an early date so as to enable the Management to keep the information ready.
6. Shareholders are requested to :
 - a) Notify immediately change in their residential address to the Company specifying full address along with THE PIN CODE number.
 - b) Bring their Duly filled attendance slip with them for the purpose of attending the Meeting.
 - c) Bring their copies of Annual Reports, as no separate copy would be provided at the Annual General Meeting.
 - d) Send the particulars of their Bank Account No. alongwith the name and address of the bank so as to enable the company to despatch their dividend warrants safely to them.

By order of the Board,
for **COMPETENT AUTOMOBILES CO. LTD.**,

Place : New Delhi
Date : 23rd August, 1997

(SANJAY GUPTA)
Company Secretary

COMPETENT AUTOMOBILES CO. LTD.**Annexure to the Notice****Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956.****Item No. 5**

Mrs. Priya Anand, aged about 23 years, an experienced businesswomen was co-opted on the Board as Additional Director w.e.f.28.11.96 by virtue of Section 260 of the Companies Act, 1956 and Article 119 of the Articles of Association of the Company. Mrs. Anand who holds office up to the date of this Annual General Meeting, being eligible, offers herself for appointment. Notice, alongwith a Deposit of Rs. 500/- (Rs.Five Hundred Only), as required by Section 257 of the Companies Act, 1956, has been received from Mrs. Priya Anand signifying her candidature for the office of the Director of the Company.

The Board considers it beneficial and in the interests of the Company to continue to have the guidance and advice of Mrs.Anand and accordingly recommend her appointment as Director of the Company.

None of the Directors of the Company except Mr. Raj Chopra, Mrs.Geeta Chopra, Mrs. Kavita Ahuja being relatives of Mrs. Priya Anand are interested in the resolution.

This may be treated as a Notice under Sub-Section (1A) of Section 257 of the Companies Act, 1956.

Item No. 6

With the entry of three more dealers of Maruti Udyog Limited in Delhi , increased competition in the automobile industry as a whole and less profit margin/ commission being provided by Maruti Udyog Limited for servicing and sale of its cars, it has become very difficult to survive with the negligible yield of amount as compared to the investments made in the properties. The Board of Directors of your company therefore, have decided to generate additional funds, if needs be, after comparing income from dealership business with that of rentals by letting out its property(s). For letting a property of the Company, the consent of the shareholders is required.

Letting a property on rent comes under the purview of commencement of new business by the company for which consent of the company in the general meeting is required as per the provisions of Section 149(2A) of the Companies Act, 1956.

The Directors commend the above resolution for your perusal and approval.

None of the Directors of the company is interested in the above resolution.

Report Junction.com

By order of the Board,
for **COMPETENT AUTOMOBILES CO. LTD.**,

Place : New Delhi
Date : 23rd August, 1997

(**SANJAY GUPTA**)
Company Secretary

ANNUAL REPORT & ACCOUNTS 1996-97**DIRECTORS' REPORT**

To The Members,

Your Directors have pleasure in presenting the 12th Annual Report along with the Audited Accounts of the Company for the year ended 31st March, 1997.

Financial Results

The Financial results of the company during the year under review as compared for the previous year are summarized below :

	31-03-97	(Rs. in lacs) 31-03-96
Gross Revenue and Other Income	37123.25	37020.60
Profit before Dep. and Tax	211.67	451.31
Depreciation	65.86	34.26
Provision for Taxation	65.00	175.00
Profit after Tax	80.81	242.05
Add : Profits from previous year	76.92	142.40
Profits available for Appropriation	157.96	<u>384.45</u>
Proposed Dividend	60.73	107.54
Transferred to General Reserves	10.00	200.00

Dividend

Your directors recommend a dividend of 10% (Rs.1.00 per Equity Share of Rs. 10/- each) for the Financial Year ended 31st March,1997, which if approved at the forthcoming Annual General Meeting be paid out of profits of the Company, to all those shareholders whose name appear on the Register of Members on 30th day of September,1997. The actual dividend payout would work out to 11%, if the dividend tax of 10% is taken into account.

Projections and Performance

Projections & performance for the year 1996-97 pursuant to clause 43 of the listing agreement.

The projections of profitability which have been reported in the prospectus of the Company v/s the actual performance of the company for the year 1996-97 are as below :

Particulars	(Rs. in Lacs)	
	Actual (audited)	Projections
Net Sales/Income from Operations	37082.02	47315.39
Profit after Tax	80.81	763.38
Earnings per share (Rs.)	1.26	11.74

Due to overall sluggishness in the economy, increased competition with the entry of more and more car manufacturers and discount war amongst Maruti Dealers, the Company could not achieve the projections as mentioned in the prospectus.

Year in Retrospect

What has endeared Maruti to the customers is its unique value proposition; affordability and strong customer support base. It was Maruti that first brought sleek, fuel efficient models in a market that was dominated by an oldish bunch of Ambassador, Premier Padmini, 118 NE and Contessa.

Over the years, your Company has built core competencies as number one authorised dealer of Maruti Udyog Limited for sale and servicing of cars. Though the year 1996-97 turned out to be a tough one for automobile industry, the Company had still shown endeavor to improve performance. The turnover of the company has risen to Rs.37123.25 lacs as against Rs.37020.60 lacs.

COMPETENT AUTOMOBILES CO. LTD.

The Company sold 15810 Maruti vehicles (All Models including 511 vehicles of Direct billing) during 1996-97. During the year 1996-97, the company has received 15426 vehicles from Maruti Udyog Limited i.e., 5.1% of total dispatches made from Maruti Udyog Ltd. It is indeed a matter of pride that your company sold the highest number of vehicles for the 6th year consecutive in a row of all the dealers of Maruti Udyog Ltd. in the country.

Your Directors have pleasure in stating that Your Company has once again bagged the "BEST DEALER" award during the year 1996-97 among others listed below from the Maruti Udyog Limited.

- Highest lifting of all models as a whole.
- Best workshop.
- Highest offtake for spares.
- Highest sales through DGS&D and other corporate sector.
- Maximum service load workshop.
- Third in category lifting of Esteem & Maruti 1000.

It is indeed a matter of pride that your company has received final approval for one more dealership at Mandi, Himachal Pradesh, for sale and servicing of Maruti cars from its Principal Maruti Udyog Limited. In this direction, the company has invested Rs. 50 lacs (Approx.) in getting the land registered in its name during the current financial year 1997-98.

We have also pleasure in stating that your company has also started its operations from Gazipur, for which it has collected the amount by way of Public issue in 1995-96. This workshop is having a capacity to handle 250 jobs a day.

Directorate

During the year, Shri Rajiv Deva & Shri Surachan Chansri Chawla have resigned. In accordance with the provisions of Section 256 of the Companies Act, 1956 and the Articles of Association of the Company, Shri Sudhir Chopra, Director of the Company, retires by rotation and being eligible offers himself for reappointment.

Pursuant to Section 260 of the Companies Act, 1956 and Article 119 of the Articles of Association of the Company Mrs. Priya Anand was appointed Additional Director by the Board of Directors of the Company at their meeting held on 28.11.96. Notice pursuant to Section 257 along with a Deposit of Rs. 500, have been received by your company from Mrs. Anand, signifying her candidature for the Office of the Director of your Company liable to retire by rotation.

Mrs. Priya Anand, aged about 23 years, is an experienced businesswomen. The Board consider it beneficial and in the interest of the Company to continue to have the guidance and advice of Mrs. Anand and therefore request the members for her appointment on the Board.

Deposits

During the period under review the Company has not accepted any Deposit under the provisions of Section 58A of the Companies Act, 1956.

Auditor's Report

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

Auditors

M/s. Dinesh Mehta & Co., Chartered Accountants, Auditors of the Company holds their office till the conclusion of ensuing Annual General Meeting, and being eligible offer themselves for re-appointment. A Certificate under Section 224(1B) of the Companies Act, 1956 has been obtained from them.

Particulars of Employees

The information required under sub-section (2A) of Section 217 of the Companies Act, 1956 as to the particulars of employees is NIL as there was no employee in receipt of aggregate remuneration of more than Rs. 3,00,000/- for the period or in receipt of monthly remuneration of more than Rs. 25000/- if employed for part of the year.

ANNUAL REPORT & ACCOUNTS 1996-97

Information as per Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Directors) Rules, 1988.

A. Conservation of Energy

Energy saving is one of important factor for the economic growth of the country. As our Company is not a manufacturing company, there is hardly any activity relating to conservation of energy. However, energy conservation has remained an area of high priority for the company. Selective replacement of obsolete equipment with energy efficient equipment has enabled the company to achieve substantial reduction in energy consumption.

B. Technology Absorption

Since the Automobile trade is mainly service oriented, particulars in regard to technological absorption are not applicable.

C. Foreign Exchange Earnings and Outgo

NIL

Acknowledgment

Your Directors wish to place on record their gratitude for the assistance and co-operation received from the principals M/s. Maruti Udyog Limited and Bankers Vijaya Bank.

Employees continue to be our major asset in our pursuit of excellence. Your Directors wish to express their deep appreciation to all personnel of the Company for their Contribution to the performance of the Company.

For and on behalf of the Board

(RAJ CHOPRA)

Chairman & Managing Director

Place : New Delhi
Date : 23rd August, 1997

Report  Junction.com