

MARUTI  **SUZUKI**



HIRA AUTOMOBILES LIMITED

28th
ANNUAL REPORT
2016-17

BOARD OF DIRECTORS

S. Rahulinder Singh Sidhu
Chairman and Managing Director

Mrs. Neha Sidhu
Whole time Director

Mrs. Rupinder Kaur
Director

Mrs. Rajbir Kaur
Director

CFO

SANDEEP RANA

BANKERS

PUNJAB NATIONAL BANK

AUDITORS

PANKAJ CHUGH & ASSOCIATES

Chartered Accountants, #11-S, Swaran Vihar, Near Vikas Colony
Rajpura Road, Patiala

PRINCIPAL

MARUTI SUZUKI INDIA LIMITED
PALAM-GURGAON ROAD, GURGAON

REGISTERED OFFICE

REGISTERED OFFICE- # 0598, SECTOR 18-B, CHANDIGARH, 160018

SHOWROOMS & WORKSHOPS

SHOWROOM (SALES OUTLETS):-

1. Rajbaha Road, PATIALA
2. Bhai Complex, Malout Road ,MUKTSAR
3. Patiala Rajpura Road, RAJPURA
4. Muktsar Road, MALOUT
5. Radhaswamy Satsang Road, NABHA
6. Patiala Pehowa Road, Devigarh
7. Bathinda Malout Road, Gidderbaha
8. Nabha Road, Bhadson
9. Malout Road, Killianwali
10. Cheeka Road, Samana.

WORKSHOPS:

1. 13-B, Factory Area, PATIALA
2. Narwana Road, PATRAN (Patiala)
3. Bhai Complex, Malout Road ,MUKTSAR
4. C-20, Focal Point, PATIALA.
5. Patiala Rajpura Road, RAJPURA
6. Muktsar Road, MALOUT
7. Radhaswamy Satsang Road, NABHA
8. Patiala Pehowa Road, Devigarh
9. B-1A, Focal Point, Patiala
10. Bathinda Malout Road, Gidderbaha
11. Nabha Road, Bhadson



HIRA AUTOMOBILES LIMITED

Registered Office- # 0598, Sector 18B, Chandigarh, 160018, CIN-L50101CH1989PLC009500

Email: hiraaccounts@gmail.com, website: www.hiraautomobiles.com,

Telephone: 0175-2209100/101/102

NOTICE

Notice is hereby given that the 28th Annual General Meeting of the Company will be held on Friday, the 8th day of September, 2017 at 05:00 p.m. at the registered office of the company situated at -# 0598, Sector 18B, Chandigarh, 160018 to transact the following business,

ORDINARY BUSINESS

1.To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2017 and the Reports of the Board of Directors and the Auditors thereon.

2.APPOINTMENT OF STATUTORY AUDITORS AND TO FIX THEIR REMUNERATION

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

“**RESOLVED THAT** pursuant to the provisions of section 139 of the Companies Act, 2013 and other applicable provisions of the Act, if any and the Rules framed there under, as amended from time to time, M/s Mohan Juneja Co, chartered accountants, Patiala Firm Register No. 020488 be and is hereby appointed as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of 33rd Annual General Meeting of the Company to be held in the year 2022 (subject to ratification of their appointment at every AGM) at such remuneration as may Be mutually agreed upon between the Board of Directors of the Company and the Auditors.”

SPECIAL BUSINESS

3. REAPPOINTMENT OF MR. RAHULINDER SINGH SIDHU AS MANAGING DIRECTOR

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

RESOLVED THAT pursuant to the provisions of Section 196 of The Companies Act, 2013 and other applicable provisions, if any and The Companies (Appointment and Remuneration of Managing Personnel) Rules, 2014, the approval of the Members of the Company be and is hereby given to the reappointment of Sh. Rahulinder Singh Sidhu (DIN-00447452) as Managing director of the company liable to retire by rotation for the period of five years from 01.10.2017 to 30.09.2022 on a remuneration of Rs. 1,25,000/- per month and on such terms and conditions as may be decided by the Board.”

4. REAPPOINTMENT OF MRS. NEHA SIDHU AS WHOLE TIME DIRECTOR

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

RESOLVED THAT pursuant to the provisions of Section 196 of The Companies Act, 2013 and other applicable provisions, if any and The Companies (Appointment and Remuneration of Managing Personnel) Rules, 2014, the approval of the Members of the Company be and is hereby given to the appointment of Mrs. Neha Sidhu (DIN-00460875) as Whole time director of the company liable to retire by rotation for the period of five years from 01.10.2017 to 30.09.2022 on a remuneration of Rs. 1,25,000/- per month and on such terms and conditions as may be decided by the Board

By Order of The Board
For Hira Automobiles Limited

Rahulinder Singh Sidhu
Chairman And Managing Director
DIN-00447452

Date: 30.05.2017

Place: Chandigarh



NOTES

1. A member entitled to attend and vote at the Annual General Meeting (the "Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of him and the proxy need not be a member of the Company. The instrument appointing the proxy should, however be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. The Register of Members and the Share Transfer Books of the Company shall remain closed from 7th day of September, 2017 to 8th day of September, 2017 (both days inclusive).
3. The Company has appointed Mr. Ravinder Kumar, Company Secretary in Practice as Scrutinizer to scrutinize the e-voting process in a fair and transparent manner and to declare results.
4. Pursuant to the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing and Disclosure Requirements) Regulations, 2015., the Company is pleased to provide members facility to exercise their votes by electronic means and the business may be transacted through e-voting as per time schedule and as per instructions annexed with the notice.
5. Members are requested to register their e-Mail id with the company or its Registrar or their depository participant to enable the company to send the notices and other reports through email.
6. The Scrutinizer shall within a period of two working days from the conclusion of e-voting period, unblock the votes in presence of at least two witnesses not in employment of the Company and make a report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company. The results shall be declared within two working days from the conclusion of the AGM. □ The results declared along with the report of Scrutinizer shall be placed on the Company's website and the website of CDSL and communicated to the stock exchanges.
7. Explanatory Statement under Section 102 of The Companies Act, 2013 is **enclosed** herewith.
8. Details of Directors seeking re-appointment/appointment at the forthcoming Annual General Meeting as required under Secretarial Standards-2 on General Meetings and in pursuance of Regulation 36 (3) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 is given as an Attachment to the notice.

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 2- The present statutory auditors M/s. Pankaj Chugh & Associates, Chartered Accountants, Patiala holds the office up to the conclusion of ensuing annual general meeting. The audit committee has proposed and the Board has recommended the appointment of M/s Mohan Juneja, Patiala, Punjab as statutory auditors for a period of 5 years as required under section 139(2) of the Companies Act, 2013.

ITEM NO. 3-The present term of Mr. Rahulinder Singh Sidhu (DIN-00447452) is expiring on 30.09.2017. It is now proposed to reappoint him as Managing Director of the Company for a further period of 5 years. The remuneration and terms and conditions are mentioned in the proposed resolution. This resolution is put before shareholders to seek their approval by way of an ordinary. None of the Directors and KMP is interested/concerned directly or indirectly, financially or otherwise in the proposed resolution except Mr. Rahulinder Singh Sidhu being the appointee and Mrs. Neha Sidhu being the relative.

ITEM NO. 4- The present term of Mrs. Neha Sidhu (DIN-00460875) is expiring on 30.09.2017. It is now proposed to reappoint her as whole time director of the Company for a further period of 5 years. The remuneration and terms and conditions are mentioned in the proposed resolution. This resolution is put before shareholders to seek their approval by way of ordinary. None of the Directors and KMP is interested/concerned directly or indirectly, financially or otherwise in the proposed resolution except Ms. Neha Sidhu being the appointee and Mr. Rahulinder Singh Sidhu being the relatives.

By order of the Board
For Hira Automobiles Limited

Rahulinder Singh Sidhu
Chairman And Managing Director
DIN-00447452

Date: 30.05.2017
Place: Chandigarh



TIME SCHEDULE FOR E-VOTING PROCESS IS GIVEN BELOW

(a) Date and time of commencement of voting through electronic means:

Monday, September 04, 2017 at 9.00 a.m.

(b) Date and time of end of voting through electronic means beyond which voting will not be allowed:

Thursday, September 07, 2017 at 5.00 p.m.

(c) Details of Website: www.evotingindia.com

(d) Details of persons to be contacted for issues relating to e-voting: Mr. Puneet Mittal, M/s Beetal Financial and Computer Services Private Limited, New Delhi, Tel. No.011-29961281-283, e-mail: beetalrta@gmail.com; and CDSL at Tel No. 18002005533, e-mail: helpdesk.evoting@cdslindia.com

(e) Details of Scrutinizer Mr. Ravinder Kumar, Company Secretary in Practice

The e-voting module shall be disabled for voting on Thursday, September 07, 2017 at 5.00 p. m. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently. 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(record date) date as on 1st September, 2017.

THE INSTRUCTIONS FOR SHAREHOLDERS VOTING ELECTRONICALLY ARE AS UNDER

(i) The voting period begins on September 04, 2017 and ends on September 07, 2017.

During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Friday, 1st September, 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period

(iv) Click on "Shareholders" tab.

(v) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(vi) Next enter the Image Verification as displayed and Click on Login.

(vii) If you are holding shares in dematerialised form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

	For Members holding shares in Dematerialised Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Details or Date of birth (DOB)	Enter the Dividend Bank Details or Date of Birth (dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv)

(ix) After entering these details appropriately, click on "SUBMIT" tab.

(x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.



- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the <HIRAAUTOMOBILES LIMITED> on which you choose to vote.
- (xiii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (Xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xviii) If Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (Xix) Shareholders can also cast their vote using CSDL’s mobile app m-voting available for android based mobiles. The m-voting app can be downloaded from the Google play store. I-phone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) Note for Non – Individual Shareholders and Custodians
- Non – Individual Shareholders (i.e. other than Individuals, HUF, NRI etc.) and custodians are required to log on to www.evotingindia.com and register themselves as Corporate(s).
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.



Additional information on Directors seeking re-appointment/appointment

Name	Rahulinder Singh Sidhu	Neha Sidhu
Age	35	34
Brief Resume	Working as Director in the company for the last 16 years	Working as Director in the company for the last 11 years
Nature of his expertise in specific functional areas	Vehicle industry	Vehicle industry
Date of first appointment on the Board,	29.09.2001	25.05.2006
Qualifications	Graduate	Graduate
Experience	Sixteen years	Eleven years
Terms and conditions of appointment or re-appointment along with details of remuneration sought to be paid	As per Company's policy on appointment of Board members	As per Company's policy on appointment of Board members
Last drawn remuneration, if applicable	As mentioned in the Corporate Governance Report (forming part of Annual Report 2016 -17)	As mentioned in the Corporate Governance Report (forming part of Annual Report 2016 -17)
Shareholding in the company held either himself or on a beneficial basis for any other persons	270000 equity shares of Rs.10/- each	1000 equity shares of Rs.10/- each
Relationship with other Directors, Manager and other Key Managerial Personnel of the company	Related with Smt. Neha Sidhu, Whole Time Director of the Company as Husband	Related with Shri Rahulinder Singh Sidhu, Chairman and Managing Director of the Company as wife
The number of Meetings of the Board attended during the Year	eleven (for details please refer to the Corporate Governance Report, forming part of Annual Report 2016-17)	eleven (for details please refer to the Corporate Governance Report, forming part of Annual Report 2016-17)
Names of companies in which the person also holds the directorship and the membership/Chairman of Committees of the Board	1. Rahul Sidhu Enterprises Private Limited 2. Rahul Sidhu Media Private Limited 3. Pacific Finlease Private Limited 4. RSG Studios Private Limited	1. Rahul Sidhu Enterprises Private Limited 2. Rahul Sidhu Media Private Limited 3. Pacific Finlease Private Limited 4. RSG Studios Private Limited
Chairmanship/member of the Committees of Board of Directors of other Indian Public Companies	Nil	Nil



PROXY FORM

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

Name of the Company	Hira Automobiles Limited
CIN	L50101CH1989PLC009500
Registered Office-	# 0598, Sector 18B, Chandigarh, 160018
Email	hiraaccounts@gmail.com
Website	www.hiraautomobiles.com
Tel. No.	0175-2209100/101/102

Name of the member (s):	
Registered address:	
E-mail Id:	
Folio No/ Client Id:	
DP ID:	

I/We, being the member (s) of shares of the above named company, hereby appoint

1. Name:	
Address:	
E-mail Id:	
Signature:....., or failing him	
2. Name:	
Address:	
E-mail Id:	
Signature:, or failing him	
3. Name:	
Address:	
E-mail Id:	
Signature :.....	

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 28th Annual General Meeting of the company to be held on Friday the 8th day of September, 2017 at 05.00 p.m. at Registered Office of the Company # 0598, Sector 18B, Chandigarh, 160018 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	Vote*	
		For	Against
Ordinary Business			
1.	Approval of Annual Accounts for the year ended 31.03.2017		
2.	Appointment of Auditors and to fix their remuneration		
Special Business			
3.	Reappointment of Mr.Rahulinder Singh Sidhu as Managing Director		
4.	Reappointment of Mrs. Neha Sidhu as Whole Time Director		

Signed this..... day of..... 2017

Affix Revenue Stamp

Signature of shareholder -----,

Signature of Proxy holder(s) -----

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



BALLOT PAPER

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1) (c) of the Companies (Management and Administration) Rules, 2014]

HIRA AUTOMOBILES LIMITED

CIN – L50101CH1989PLC009500

Registered Office- # 0598, Sector 18 B, Chandigarh, 160018

Email- hiraaccounts@gmail.com website- www.hiraautomobiles.com

Tel. No. 0175-2209100/101/102

28TH ANNUAL GENERAL MEETING TO BE HELD ON FRIDAY THE 8TH DAY OF SEPTEMBER, 2017 AT 05.00 P.M. AT
REGISTERED OFFICE OF THE COMPANY # 0598, SECTOR 18 B, CHANDIGARH, 160018

S.NO	Particulars	Details
1.	Name of the First Named Shareholder (In block letters)	
2.	Postal address	
3.	Registered folio No./ *Client ID No.(*Applicable to investors holding shares in dematerialized form)	
4.	Class of Share	

I hereby exercise my vote in respect of Ordinary/ Special resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

No.	Item No.	No. of shares held by me	I assent to the resolution	I dissent from the resolution
Ordinary Business				
1.	Approval of Annual Accounts for the year ended 31.03.2017			
2.	Appointment of Auditors and to fix their remuneration			
Special Business				
3.	Reappointment of Mr.Rahulinder Singh Sidhu as Managing Director			
4.	Reappointment of Mrs. Neha Sidhu as Whole Time Director			

Place:

Date:

(Signature of the Shareholder)



ATTENDANCE SLIP

Name of the Company	Hira Automobiles Limited
CIN	L50101CH1989PLC009500
Registered Office-	# 0598, Sector 18B, Chandigarh, 160018
Email	hiraaccounts@gmail.com
Website	www.hiraautomobiles.com
Tel. No.	0175-2209100/101/102

(Please complete this attendance slip and hand it over at the entrance of the Hall)

I hereby record my presence at 28th Annual General Meeting of the company to be held on Friday the 08th day of September, 2017 at 05.00 p.m. at Registered Office of the Company at # 0598, Sector 18 B, Chandigarh, 160018

Folio No./DP ID-Client ID	
Full Name of the Shareholder in Block Letters	
No. of Shares Held	
Name of Proxy (if any) in Block Letters	
Signature of the Shareholder/Proxy/Representative*	

*Strike out whichever is not applicable



BOARD'S REPORT

TO,

**THE MEMBERS OF
HIRA AUTOMOBILES LIMITED**

Your Directors have pleasure in presenting the 28th Board's Report of your Company together with the Audited Statement of Accounts and the Auditors' Report of your company for the financial year ended 31st March, 2017.

FINANCIAL HIGHLIGHTS

Particulars	Standalone F.Y. 2016-17	(Rs in Lacs) F.Y. 2015-16
Gross Income	32144.64	31050.99
Profit Before Interest and Depreciation	841.79	796.37
Finance Charges	570.75	560.48
Depreciation & Amortization Expenses	157.13	135.82
Profit Before Tax	113.91	100.07
Provision for Tax	42.01	39.65
Net Profit After Tax	71.90	60.42
Prior Period Tax Expenses	4.01	4.11
Surplus carried to Reserve	67.89	56.31

STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

The Company is an authorized dealer of Maruti Suzuki India Limited and is engaged in selling and providing after sale services of all its Brands. The Company foresees tough competition in selling of cars in future.

CHANGE IN NATURE OF BUSINESS

There has been no change in the business activities of the Company during the year under report.

DIVIDEND

The Board of Directors with the view to conserve the resources of company has not recommended any dividend this year.

AMOUNTS TRANSFERRED TO RESERVES

The Board of the company has decided to carry Rs. 67.89 lacs to its reserves and surplus account.

CHANGES IN SHARE CAPITAL

There has been no change in Share Capital of the Company during the Financial Year 2016-17.

INFORMATION ABOUT SUBSIDIARY/ JV/ ASSOCIATE COMPANY

The Company does not have any Subsidiary, Joint venture or Associate Company.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year and there is no unclaimed dividend.

MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial position of the Company occurred between the period from the end of the financial year to which these financial statements relate and on the date of this report

EXTRACT OF ANNUAL RETURN

The Extract of Annual Return as required under section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, in Form MGT-9 is annexed herewith for your kind perusal and information.

MEETINGS OF THE BOARD OF DIRECTORS

During the Financial Year 2016-17, the Company held 11 Board meetings of the Board of Directors as per Section 173 of Companies Act, 2013 which is summarized below. The provisions of Companies Act, 2013 and listing agreement were adhered to while considering the time gap between two meetings.



11.05.2016	30.05.2016	16.06-2016	1.08-2016	12.08-2016	14-09-2016
01.10.2016	14.11.2016	22-12-2016	14.02-2017	06.03.2017	

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013 the Board of Directors of the Company confirms that-

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The directors have prepared the annual accounts on a going concern basis; and
- (e) The directors have 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 have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITORS AND REPORT THEREON

M/s. Pankaj Chugh & Associates, Chartered Accountants, Patiala was appointed as Statutory Auditors for a period of three years in the Annual General Meeting held on 30th September, 2014. The tenure of present auditors will come to an end at the conclusion of ensuing annual general meeting. The audit committee has proposed and the Board has recommended the appointment of Mohan Juneja Co. Chartered Accountants, Patiala, Punjab as statutory auditors for a period of 5 years as required under section 139(2) of the Companies Act, 2013 which is to be confirmed and approved by the members.

There are no qualifications or adverse remarks in the Auditors' Report which require any clarification/ explanation. The Notes on financial statements are self-explanatory, and needs no further explanation. Further the Auditors' Report for the financial year ended, 31st March, 2017 is annexed herewith for your kind perusal and information.

LOANS, GUARANTEES AND INVESTMENTS

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 for third party during the year under review and hence the said provision is not applicable.

RELATED PARTY TRANSACTIONS

The Company has entered into various Related Parties Transactions as defined under Section 188 of the Companies Act, 2013 with related parties as defined under Section 2 (76) of the said Act. Further all the necessary details of transaction entered with the related parties are attached herewith in Form No.AOC-2 for your kind perusal and information.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO

The Information pursuant to Section 134(3) (m) pertaining to Conservation of Energy, Technology Absorption and Foreign Exchange Outgo is provided in annexure herewith.

RISK MANAGEMENT

The Company has insurance policy for all the assets of the Company and all the insurance policies are renewed well in advance.

DIRECTORS AND KMP

During the current financial year the following changes have occurred in the constitution of Board of Directors and KMP of the company,



S.No.	Name	Designation	Changes	Date of Cessation
1.	Jasleen Kaur	Company Secretary	Appointment	01.08.2016
2.	Isher Singh	Independent Director	Expired	27.02.2017

DEPOSITS

The company has not accepted or renewed any deposits during the year and there are no unclaimed or unpaid deposits at the end of the financial year.

CORPORATE SOCIAL RESPONSIBILITY

The company does not meet the criteria of Section 135 of Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 so there is no requirement to constitute Corporate Social Responsibility Committee.

PERSONNEL

The information required pursuant to Section 134(3) and Section 197(12) read with Rule 5 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company and Directors is attached herewith. Further, information required under Rule 5 (2) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is nil as no employee of the Company is in receipt of remuneration as stated therein.

ANNUAL EVALUATION

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committee. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department.

CORPORATE GOVERNANCE

Report on Corporate Governance along with the Certificate of M/s. Pankaj Chugh & Associates, Chartered Accountants, Patiala, Statutory Auditors of the Company confirming compliance of conditions of Corporate Governance as stipulated in the Listing Agreement with the Stock Exchanges forms part of the Board Report.

The information under Schedule V Part II Section II point IV is as under,

(a) The remuneration package of the directors are as follows

Name of Director	Rahulinder Singh Sidhu	Neha Sidhu
Salary	Rs. 12,59,200/-	Rs. 8,40,000.00/-
Bonus	0.00	0.00
Stock Option	0.00	0.00
Pension	0.00	0.00

- A) Performance linked incentives- Nil
- b) Service contracts, notice period, servant fees- Nil
- c) Stock option details- Nil

INDEPENDENT DIRECTORS AND DECLARATION

Smt. Rajbir Kaur and Smt. Rupinder Kaur were appointed as independent directors by shareholders on 30th September, 2014 as per Section 149(10) of the Companies Act, 2013 for a term of 5 consecutive years on the Board of the Company. The Board of Directors of the Company hereby confirms that all the Independent directors duly appointed by the Company have given the declaration and they meet the criteria of independence as provided under section 149(6) of the Companies Act, 2013.



NOMINATION AND REMUNERATION COMMITTEE

Nomination and Remuneration Committee was reconstituted during the year and as per the section 178(1) of the Companies Act, 2013 the Company's Nomination and Remuneration Committee comprises of two Non-executive Directors and one executive Director and Chairman of the committee is Independent and Non executive Director. The table sets out the composition of the Committee as on 31.03.2017,

Name of the Director	Position held in the Committee	Category of the Director
Rajbir Kaur	Chairman	Independent/ Non Executive
Rupinder Kaur	Member	Independent/ Non Executive
Rahulinder Singh Sidhu	Member	Independent/ Non Executive

The date of meetings of committee and attendance of members is given in report on corporate governance attached with the report.

Terms of Reference

The Terms of Reference of the Nomination and Remuneration Committee are as under:

1. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.
2. To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
3. The Nomination and Remuneration Committee shall, while formulating the policy ensure that:
 - a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
 - b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks;and
 - c) remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals:
4. Regularly review the Human Resource function of the Company
5. Discharge such other function(s) or exercise such power(s) as may be delegated to the Committee by the Board from time to time.
6. Make reports to the Board as appropriate.
7. Review and reassess the adequacy of this charter periodically and recommend any proposed changes to the Board for approval from time to time.
8. Any other work and policy, related and incidental to the objectives of the committee as per provisions of the Act and rules made there under.

REMUNERATION POLICY

Remuneration to Executive Directors:

The remuneration paid to Executive Directors is recommended by the Nomination and Remuneration Committee and approved by Board in Board meeting, subject to the subsequent approval of the shareholders at the General Meeting and such other authorities, as may be required. The remuneration is decided after considering various factors such as qualification, experience, performance, responsibilities shouldered, industry standards as well as financial position of the Company.

Remuneration to Non Executive Directors:

The Non Executive Directors have not been paid any Sitting Fees during the year.

AUDIT COMMITTEE

Audit Committee was reconstituted during the year and according to Section 177 of the Companies Act, 2013 the company's Audit Committee comprised of two Non-executive Directors and one executive Director and Chairman of the committee is Independent and Non executive Director. The Board has accepted the recommendations of the Audit Committee. The table sets out the composition of the Committee as on 31.03.2017



Name of the director	Position held in the Committee	Category of the Director
Rajbir Kaur	Chairman	Independent/ Non Executive
Rupinder Kaur	Member	Independent/ Non Executive
Rahulinder Singh Sidhu	Member	Promoter/ Executive

The date of meetings of committee and attendance of members is given in report on corporate governance attached with the report.

SECRETARIAL AUDIT REPORT

There are certain observations in the Secretarial Audit Report which require corrective actions and the Board has given necessary instructions to take corrective action to the concerned persons in this regard. Further the Secretarial Audit Report as provided by Mr. Ravinder Kumar, Company Secretary in Practice for the financial year ended 31st March, 2017 is annexed herewith for your kind perusal and information.

VIGIL MECHANISM

As per Section 177(9) and (10) of the Companies Act, 2013, and as per the Clause 49 of the Listing Agreement, the company has established Vigil Mechanism for directors and employees to report genuine concerns and made provisions for direct access to the chairperson of the Audit Committee. Company has formulated the present policy for establishing the vigil mechanism/ Whistle Blower Policy to safeguard the interest of its stakeholders, Directors and employees, to freely communicate and address to the Company their genuine concerns in relation to any illegal or unethical practice being carried out in the Company.

SHARES

- A) Buy Back of Securities-The Company has not bought back any of its securities during the year under review.
- b) Sweat Equity-The Company has not issued any Sweat Equity Shares during the year under review.
- c) Bonus Shares-No Bonus Shares were issued during the year under review. Employees Stock Option Plan-The Company has not provided any Stock Option Scheme to the employees

ORDER OF COURT

There is no significant and material order passed by the regulators or courts or Tribunals impacting the going concern status and company's operation in future.

DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Internal Financial Controls are adequate and are in consonance with the size and operations of the Company and such internal financial controls are operating effectively. The Company has also appointed M/s. Rajbir Singh & Co. Cost and Management Accountant, Patiala as Internal Auditor as required under Section 138 of the Companies Act, 2013.

SHARES IN SUSPENSE ACCOUNT

- i) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year=nil
- ii) Number of shareholders who approached issuer for transfer of shares from suspense account during the year=nil
- iii) Number of shareholders to whom shares were transferred from suspense account during the year=nil
- iv) aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year=nil

SHARES IN UNCLAIMED SUSPENSE ACCOUNT

- i. Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year=nil
- ii. Number of shareholders who approached the issuer for transfer of shares from the Unclaimed Suspense Account during the year=nil
- iii. Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year=nil
- iv. Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the year=nil



MATERIAL VARIATIONS

The material variations between the projections and the actual utilization are not applicable:

CODE OF CONDUCT

The Code of Conduct of Hira Automobiles Limited is attached herewith.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report is attached herewith separately.

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

The Company has in place `Prevention of Sexual Harassment Policy`. This Anti-Sexual Harassment policy of the Company is in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. All employees (permanent, contractual, temporary and trainees) are covered under this policy. An Internal Complaints Committee (ICC) is in place to redress complaints received regarding sexual harassment. The following is a summary of sexual harassment complaints received and disposed off during the year, - No. of complaints received: Nil, -No. of complaints disposed off: NA

ACKNOWLEDGMENT

Your Directors wish to express their grateful appreciation to the continued co-operation received from the Banks, Government Authorities, Customers, Vendors and Shareholders during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed service of the Executives, staff and Workers of the Company.

For and on Behalf of Board of Directors
Hira Automobiles Limited

Rahulinder Singh Sidhu
Chairman And Managing Director
DIN : 00447452

Neha Sidhu
Whole-time Director
DIN : 00460875

Date : 30th May, 2017
Place: Chandigarh



REPORT OF THE BOARD OF DIRECTORS ON CORPORATE GOVERNANCE

Pursuant to Regulation 34 read with Schedule V to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Report on Corporate Governance is given below,

1. COMPANY PHILOSOPHY ON CODE OF GOVERNANCE

The report on Corporate Governance is requirement under Listing Agreement entered into with Stock Exchange and forms part of the report of the Board of Directors to the shareholders of the Company. This report gives an insight into the organizational structure of the Company. The vision of the company is to be a financially sound, profitable, growth oriented company committed to building and maximizing sustainable value for all the shareholders. In its endeavor to attain the goal visualized, the company is laying maximum emphasis on the effective system of Corporate Governance.

2. BOARD OF DIRECTORS

Composition

The present strength of Board of Directors of the Company is four comprising of two Promoter Directors and two Independent Directors having diversified professional experience. Out of total strength of four Directors two are executive and two are Non-Executive. The composition of Board of Directors as on 31st March, 2017 is as under -

S.N.	Name	DIN	Designation	Nature of Directorship
1	Rahulinder Singh Sidhu	00447452	Chairman and Managing Director	Promoter/ Executive
2	Neha Sidhu	00460875	Whole time director	Promoter/ Executive
3	Isher Singh*	02990779	Director	Independent/ Non Executive
4	Rajbir Kaur	06397998	Director	Independent/ Non Executive
5	Rupinder Kaur	06403845	Director	Independent/ Non Executive

* Sh. Isher Singh has expired on 27.02.2017.

Attendance of each Director at the Board Meetings held during the year 2016-17 and last Annual General Meeting and number of other Boards or Board Committees in which he/she is a member is as under-

S. N.	Name of Director	No. of Board Meeting attended	No. of other Directorship	Membership in other Committees	Attendance at last AGM
1	Rahul Inder Singh Sidhu	11	4	3	Yes
2	Neha Sidhu	11	4	-	Yes
4	Rajbir Kaur	6	-	3	-
5	Rupinder Kaur	6	-	3	-

Shri Rahul Inder Singh Sidhu, Managing Director of the Company and Smt. Neha Sidhu, Whole Time Director on the Board of Directors are related to each other as husband and wife.

During the year, 11 meetings of the Board of Directors were held on the following dates-

11.05.2016	30.05.2016	16.06.2016	01.08.2016	12.08.2016	14.09.2016
01.10.2016	14.11.2016	22.12.2016	14.02.2017	06.03.2017	0



The detail of number of shares and convertible instruments held by non – executive directors is given as below,

SN	Name of non – executive Director	No. of Equity Shares Held	No. of convertible instruments Held
1	Rajbir Kaur	Nil	NA
2	Rupinder Kaur	Nil	NA
	Total	Nil	NA

The familiarization programme imparted to independent directors is disclosed on weblink www.hiraautomobiles.com of the Company.

3. AUDIT COMMITTEE

The terms of reference of the audit committee include all the matters as provided under Section 177 (4) of The Companies Act, 2013 and the rules made there under and SEBI (LODR) Regulations, 2015.

Composition and Meetings

During the year audit committee was reconstituted and as on 31st March, 2017, in compliance with the provisions of Section 177(2) of the Companies Act, 2013, Audit Committee comprised of two Non-executive Directors and one executive Director and Chairman of the committee is Independent and Non executive Director. Five meetings of Audit Committee were held during the year under consideration on following dates,

30.05.2016	01.08.2016	12.08.2016	14.11.2016	14.02.2017
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The details of members of the audit committee and their attendance is as under-

Name of Directors	Position held in the Committee	Category	MEETINGS	
			Held	Attended
Rajbir Kaur	Chairman	Independent/ Non Executive	Five	Five
Rupinder Kaur	Member	Independent/ Non Executive	Five	Five
Rahulinder Singh Sidhu	Member	Promoter/Executive	Five	Five

4. NOMINATION AND REMUNERATION COMMITTEE

The terms of reference of Nomination and Remuneration Committee covers all the matters provided under the Companies Act, 2013 and the rules made there under and SEBI (LODR) Regulations, 2015.

Composition and Meetings

During the year Nomination and Remuneration Committee was reconstituted and as on 31st March, 2017, in compliance with the provisions of Section 178(1) of the Companies Act, 2013, Nomination and Remuneration Committee comprises of two Non-executive Directors and one executive Director and Chairman of the committee is Independent and Non executive Director. Only one meeting of Nomination and Remuneration Committee were held during the year under consideration on 01st August, 2016.

The details of members of the audit committee and their attendance is as under-

Name of Directors	Position held Committee	Category	MEETINGS	
			Held	Attended
Rajbir Kaur	Chairman	Independent Non Executive	One	One
Rupinder Kaur	Member	Independent Non Executive	One	One
Rahulinder Singh Sidhu	Member	Promoter/ Executive	One	One



Remuneration policy

Remuneration policy ensures that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully and that relationship of remuneration to performance is clear and meets appropriate performance benchmarks and that remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

5. REMUNERATION OF DIRECTORS

There is no pecuniary relationship or transaction of the company with its independent directors other than payment of sitting fee to them for attending Board and Committee meetings. Following Executive Directors were paid as per detail given below,

S.N.	NAME OF DIRECTOR	DESIGNATION	SALARY Rs.	BENEFITS	BONUS	STOCK OPTIONS	PENSION
1	Rahulinder Singh Sidhu	Managing Director	12,59,200/-	-	-	-	-
2	Neha Sidhu	Whole Time Director	8,40,000/-	-	-	-	-

And no commission on profits is paid to any of the Directors. No stock option has been given to any of the Directors, including Executive Directors.

6. STAKEHOLDERS' GRIEVANCE COMMITTEE:

Composition

During the year the committee was reconstituted and as on 31st March, 2017, in compliance with the requirement of Section 178(5) of The Companies Act, 2013, Stakeholder Relationship Committee comprises of three Non-Executive Independent Directors to consider and resolve the grievances of security holders of the company per detail given below

Name	Designation	Category
Rajbir Kaur	Chairman	Independent/ Non Executive
Rupinder Kaur	Member	Independent/ Non Executive
Rahulinder Singh Sidhu	Member	Promoter/ Executive

Compliance Officer

Sh. Rahul Inder Singh Sidhu, Managing Director has been appointed as Compliance officer for the purpose of complying with various provisions of the Guidelines, Regulations issued by Securities and Exchange Board of India, Listing Agreement with Stock Exchanges.

Complaints

The Company has not received any complaint during the year from the shareholders and there is no pending complaint with the Company.

7. GENERAL BODY MEETINGS

Location and time, where last three Annual General Meetings were held is given below -



Financial Year	Date	Time	Venue
2013-14	30.09.2014	5.00 P.M.	# 20, Sector 8A, Chandigarh, 110002
2014-15	30.09.2015	5.00 P.M.	# 20, Sector 8A, Chandigarh, 110002
2015-16	30.09.2016	5.00 P.M.	# 0598, Sector 18B, Chandigarh, 160018

Following Special Resolutions were passed in the previous 3 Annual General Meeting:

30.09.2014	1. Approval for Borrowing Money in excess of the aggregate of the paid up share capital and free reserves of the Company 2. Amendments in Articles of Association
30.09.2015	Nil
30.09.2016	Nil

No special resolution has been passed last year through postal ballot and no special resolution is proposed to be conducted through postal ballot.

8. MEANS OF COMMUNICATION

Quarterly results are normally published in the newspapers and also sent to BSE Limited. Physical copy of annual report which inter alia includes the Directors Report, Corporate governance report, Audited Accounts, Cash Flow Statements etc. was sent to shareholders by post and also to BSE Limited. The quarterly results and annual report is also available on company's website at www.hiraautomobiles.com under investors section.

9. GENERAL SHAREHOLDER INFORMATION

Annual General Meeting

Date: 08.09.2017, Time: 05.00 PM, Day: Friday and Venue: Registered Office of the Company at # 0598, Sector 18B, Chandigarh, 160018

Financial Year

The company's Financial Year starts from 1st April every year and conclude on 31st March, next year.

Book Closure

The Register of Members and the Share Transfer Books of the Company shall remain closed from 07th day of September, 2017 to 08th day of September, 2017 (both days inclusive).

Dividend

No dividend has been recommended by the Board this year and therefore information under this sub clause is nil.

Listing

The shares of the Company are listed at BSE Limited only. The Company has paid listing fee to BSE Limited.

Stock Code

The Stock Code of the Company on BSE Limited is 531743.

Stock Market Data

There was no trading of shares of the Company and no market price data is available. Further, Securities of the Company were not suspended from trading by BSE Limited during last year.

Registrar and Share Transfer Agents

The Company has appointed M/s Beetal Financial & Computer Services Private Ltd, New Delhi as Common Agency (RTA) for Share Transfer work in both modes physical as well as electronically. Detail of RTA is as under, M/s Beetal Financial & Computer Services Private Limited
Beetal House, 3rd Floor, 99 Madangir, Behind Local Shopping Center, Near Data Harsukhdas Mandir
New Delhi- 110062, Ph: 011-29961281/82, Fax: 011-29961284, e-mail: beetalrta@gmail.com

Share Transfer System

The company's shares in dematerialized form transferable through depository system and Shares in physical form



Are processed by M/s Beetal Financial & Computer Services Private Limited. The Board has authorised Shri Rahulinder Singh Sidhu, Managing Director of the company to approve share transfers and matter related therewith.

Reconciliation of Share Capital Audit

Mr. Ravinder Kumar, Practising Company Secretary carries out the Reconciliation of Share Capital Audit as mandated by SEBI, and reports on the reconciliation of total issued and listed Capital with that of total share capital admitted / held in dematerialized form with NSDL and CDSL and those held in physical form. This audit is carried out on quarterly basis and the report thereof is submitted to the Stock Exchanges.

Distribution of shareholding

Detail of distribution of share holding of equity share of the Company by size and ownership class as on 31.03.2017 is given as under.

Share Holding of Nominal Value of Rs. 10	Number of Shareholders	% To Total	No of Shares	Amount In Rs	% To Total
UP TO 5000	129	62.93	38,840	3,88,400.00	1.4106
5001 TO 10000	49	23.90	44,500	4,45,000.00	1.6162
10001 TO 20000	7	3.41	10,000	1,00,000.00	0.3632
20001 TO 30000	4	1.95	9,000	90,000.00	0.3269
30001 TO 40000	2	0.98	6,800	68,000.00	0.2470
40001 TO 50000	1	0.49	4,400	44,000.00	0.1598
50001 TO 100000	1	0.49	5,200	52,000.00	0.1889
100001 AND ABOVE	10	5.85	26,34,700	2,63,47,000.00	95.6876
TOTAL	203	100.00	27,53,440	2,75,34,400.00	100.0000

Category	Number of holders	Number of Shares	% age to total
Indian Promoter- Individual/HUF	11	2635700	95.72
Non Resident Individual	1	500	0.02
Bodies Corporate	1	500	0.02
Resident Individuals-HUF	190	116740	4.24
Total	203	2753440	100

Dematerialization of shares and liquidity

The Shares of the company have not been traded on stock exchange during the period under review. The Company is in the process of getting ISIN and number of shares held in dematerialized form is nil.

GDRs/ADRs

The Company has not issued any GDRs/ADRs/Warrants or any Convertible instruments.

Showroom/Workshop Locations

Showroom Locations

- 1) Hira Automobiles Limited, Rajbaha Road, Patiala Ph. No .0175-2209100
- 2) Hira Automobiles Limited, 13-B, Factory Area, Patiala. Ph No.0175-2361361
- 3) Hira Automobiles Limited, B-1/A, Focal Point, Patiala Ph. No.0175-2232296
- 4) Hira Automobiles Limited, C-20, Focal Point, Patiala Ph No. 0175-2232377
- 5) Hira Automobiles Limited, Patiala Rajpura Road, Patiala Ph No.0175-2219100



- 6) HiraAutomobiles Limited. Malout Road, Muktsar, Ph .No 01633-262020
- 7) HiraAutomobiles Limited. Narwana Road, Patran, Ph .No 01764-245788
- 8) HiraAutomobiles Limited, Village Bhadak, Rajpura, Ph. No. 01762-244881
- 9) HiraAutomobiles Limited, Radha Swami Satsang Road, Nabha, Ph.No. 01765-505959
- 10) HiraAutomobiles Limited, Muktsar Road, Malout, Ph. No.01637-263724
- 11) HiraAutomobiles Limited, Patiala Pehowa Road, Devigarh,Ph. No.0175-2631152
- 12) HiraAutomobiles Limited, Bathinda Malout Road, Gidderbaha,Ph.No.01637-231510
- 13) HiraAutomobiles Limited, Nabha Road, Bhadson, Ph No. 01765-260060
- 14) HiraAutomobiles Limited, Cheeka Road, Samana Ph No.01764-221222
- 15) HiraAutomobiles Limited, Malout Road, Killianwali.

Address for correspondence

Following is the address for correspondence:

Registered Office – HiraAutomobiles Limited, # 0598, Sector 18B, Chandigarh, 160018

Corporate office:- HiraAutomobiles LTD, Rajbaha Road, Patiala-147001

10. OTHER DISCLOSURES

Related Party Transactions

There are no materially significant related party transactions that may have potential conflict with the interests of company at large. There were transactions with related parties at market price at arm's length basis which are disclosed in Form AOC – 2 attached herewith. The policy on dealing with related party transactions is available on web link www.hiraautomobiles.com of the Company

Compliance

The Company has complied with all the provisions of listing agreement and that no penalties and /or strictures has been imposed on the company by Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

Vigil Mechanism

Detail of Vigil Mechanism is provided in the same heading in Director's Report.

Whistle Blower Policy

Company has formulated the Whistle Blower Policy to safeguard the interest of its stakeholders, Directors and employees, to freely communicate and address to the Company their genuine concerns in relation to any illegal or unethical practice being carried out in the Company and that no personnel has been denied access to the audit committee.

Mandatory Requirements

The Company has complied with all the mandatory requirements as stipulated in Sebi (Listing and Disclosure Requirements) Regulations, 2015.

COMPLIANCE CERTIFICATE BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

We, Rahulinder Singh Sidhu, Managing Director and Sandeep Rana, Chief Financial Officer of the Company hereby certify that;

- A) We have reviewed financial statements and the cash flow for the year ended 31st March 2017 and that to the best of our knowledge and belief;
 - 1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - 2) These statements together present a true and fair view of the company affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year that are fraudulent, illegal or volatile to the company's code of conduct.
- C) We accept responsibility for establishing and maintaining internal controls for financial Reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial



reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

D) We have indicated to the auditors and the Audit committee:

- 1) Significant changes in internal control over financial reporting during the year
- 2) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements and
- 3) There were no instances of fraud of which they have become aware and the involvement therein of the management or an employee having a significant role in the company's internal control system over financial reporting.

Date: 30.05.2017
Place: Chandigarh

Sandeep Rana
Chief Financial Officer

Rahulinder Singh Sidhu
Managing Director
DIN- 00447452

CEO DECLARATION ON CODE OF CONDUCT

I, Rahulinder Singh Sidhu, Managing Director of the Company hereby declare that all Board Members and Senior Management Personnel have affirmed compliance with the code of conduct for the Directors and Senior Management Personnel as approved by the Board, for the Financial Year ended 31st March, 2017.

For Hira Automobiles Limited

Rahulinder Singh Sidhu
Managing Director
DIN-00447452

Place : Chandigarh
Date : 30.05.2017



FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED
ON 31st MARCH, 2017
[Pursuan tto section 92(3) of the Companies Act, 2013 and rule 12(1) of the
Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	L50101CH1989PLC009500
ii.	Registration Date	06.07.1989
iii.	Name of the Company	Hira Automobiles Limited
iv.	Category/Sub-Category of the Company	Indian Non Government Company
v.	Address of the Registered office and contact details	# 0598, Sector 18B, Chandigarh, 160018 Tele - 0175-2209100/101/102
vi.	Whether listed company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s Beetal Financial & Computer Services Private Limited Beetal House, 3 rd Floor, 99 Madangir, Behind Local Shopping Center, Near Data Harsukhdas Mandir New Delhi- 110062, Ph: 011-29961281/82, Fax: 011-29961284, e-mail: beetalrta@gmail.com

I. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr.No	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Selling of Cars, Car service & Sales of Spares		100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1.	NIL	NIL	NIL	NIL	NIL



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

i. Category-wise share holding

Category of Shareholders	No. Of Shares held at the beginning of the year				No. Of Shares held at the end of the year				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total	
A. Promoter									
1) Indian									
a) Individual/ HUF		2635700	2635700	95.72%		2635700	2635700	95.72%	
b) Central Govt									
c) State Govt(s)									
d) Bodies Corp									
e) Banks / FI									
f) Any Other									
Sub-total(A)(1):-		2635700	2635700	95.72%		2635700	2635700	95.72%	
2) Foreign									
g) NRIs- Individuals									
h) Other- Individuals									
i) Bodies Corp.									
j) Banks / FI									
k) Any Other....									
Sub-total(A)(2):-									
B. Public Shareholding									
1. Institutions									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FII's									
h) Foreign Venture									



Capital Funds									
i) Others (specify)									
Sub-total(B)(1)									
2. Non Institutions									
a) Bodies Corp. (i) Indian (ii) Overseas		500.00	500.00	0.02%		500.00	500.00	0.02%	
b) Individuals (i) Individual shareholders holding nominal share capital upto Rs. 2 lakh (ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh		116740	116740	4.24%		116740	116740	4.24%	
c) Others(Specify) - NRI		500.00	500.00	0.02%		500.00	500.00	0.02%	
Sub-total(B)(2)		117740	117740	4.28%		117740	1177400	4.28%	
TotalPublic Shareholding (B)=(B)(1)+(B)(2)		1177400	117740	4.28%		117740	1177400	4.28%	
C.Shares heldby Custodianfor GDRs&ADRs									
GrandTotal (A+B+C)		2753440	100%	100%		2753440	2753440	100%	



ii.Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbe red to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbe red to total shares	
1.	Rajinder Kaur Bhattal	826000	30.00	0.00	826000	30.00	0.00	0.00
2.	Kuldeep Singh Bhattal	272100	9.88	0.00	272100	9.88	0.00	0.00
3.	Rahulinder Singh Sidhu	270000	9.81	0.00	270000	9.81	0.00	0.00
4.	Simran Bajwa	265000	9.62	0.00	265000	9.62	0.00	0.00
5.	D S Sangha	51600	1.87	0.00	51600	1.87	0.00	0.00
6.	Preet Sangha	25400	0.92	0.00	25400	0.92	0.00	0.00
7.	Vikram Bajwa	24700	0.90	0.00	24700	0.90	0.00	0.00
8.	Manjeet Kaur Sangha	862900	31.34	0.00	862900	31.34	0.00	0.00
9.	Amandeep Singh Sangha	21600	0.78	0.00	21600	0.78	0.00	0.00
10.	Karamjit Singh	15400	0.56	0.00	15400	0.56	0.00	0.00
11.	Neha Sidhu	1000	0.04	0.00	1000	0.04	0.00	0.00
	Total	2635700	95.72	0.00	2635700	95.72%		

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

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



V. INDEBTEDNESS

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

	Secured Loans	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	58989527	109186813	-	168176340
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not	-	-	-	-
Total(i+ii+iii)	58989527	109186813	-	-
Change in Indebtedness during the financial year	20105399	35612600	-	55717999
- Addition	(6780338)	(26310643)	-	(33090981)
- Reduction				
Net Change	13325061	9301957	-	22627018
Indebtedness at the end of the financial year				
i) Principal Amount	72314588	118488770	-	190803358
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	72314588	118488770	-	190803358

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Rs.	Rs.	Total Amount Rs.
1.	Gross salary	NEHA SIDHU, WTD	RAHULINDER SINGH SIDHU, MD	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	840000.00	1259200.00	1999200.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.00	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0.00	0.00	0.00
2.	Stock Option	0.00	0.00	0.00
3.	Sweat Equity	0.00	0.00	0.00
4.	Commission - as % of profit - others, specify	0.00	0.00	0.00
5.	Others, please specify	0.00	0.00	0.00
6.	Total(A)	840000.00	1259200.00	1999200.00
	Ceiling as per the Act			



B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
	<u>Independent Directors</u> ·Fee for attending board committee meetings ·Commission ·Others, please specify	NIL	NIL	NIL	NIL	NIL
	Total(1)	NIL	NIL	NIL	NIL	NIL
	<u>Other Non-Executive Directors</u>	NIL	NIL	NIL	NIL	NIL
	·Fee for attending board committee meetings ·Commission ·Others, please specify					
	Total(2)	NIL	NIL	NIL	NIL	NIL
	Total(B)=(1+2)	NIL	NIL	NIL	NIL	NIL
	Total Managerial Remuneration	NIL	NIL	NIL	NIL	NIL
	Over all Ceiling as per the Act	NIL	NIL	NIL	NIL	NIL

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0.00	99600	495000	594600
		0.00	0.00	0.00	0.00
		0.00	0.00	0.00	0.00
2.	Stock Option	0.00	0.00	0.00	0.00
3.	Sweat Equity	0.00	0.00	0.00	0.00
4.	Commission - as % of profit - others, specify...	0.00	0.00	0.00	0.00
5.	Others, please specify	0.00	0.00	0.00	0.00
6.	Total	0.00	99600	495000	594600

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

-----NIL-----

For and on behalf of Board of Directors
Hira Automobiles Limited

Date : 30th May, 2017
Place : Chandigarh

Rahulinder Singh Sidhu
Chairman And Managing Director
Din-00447452

Neha Sidhu
Whole-time Director
Din: 00460875



ANNEXURE
FORM NO. AOC.2

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm's length basis

SN	Particulars	Details
A	Name(s) of the related party and nature of relationship	Rahul Sidhu Enterprises Pvt Ltd
B	Nature of contracts/arrangements/transactions	To Provide Loans
C	Duration of the contracts/arrangements/transactions	Not Specified
D	Salient terms of the contracts or arrangements or transactions including the value, if any	Repayment of ICD of Rs. 143.79 Lac
E	Justification for entering into such contracts or arrangements or transactions	Need Based to pay Statutory Liability
F	Date of approval by the Board	25.04.2016
G	Amount paid as advances, if any	-
H	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. Details of contracts or arrangements or transactions not at arm's length basis

SN	Particulars	Details
A	Name(s) of the related party and nature of relationship	RSG Studios Pvt Ltd
B	Nature of contracts/arrangements/transactions	To Provide Loans
C	Duration of the contracts/arrangements/transactions	Not Specified
D	Salient terms of the contracts or arrangements or transactions including the value, if any	Repayment of ICD of Rs. 62.29 Lac
E	Justification for entering into such contracts or arrangements or transactions	Need Based to pay Statutory Liability
F	Date of approval by the Board	25.04.2016
G	Amount paid as advances, if any	
H	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	



3. Details of contracts or arrangements or transactions not at arm's length basis

SN	Particulars	Details
A	Name(s) of the related party and nature of relationship	Pacific Finlease Pvt Ltd
B	Nature of contracts/arrangements/transactions	To Provide Loans
C	Duration of the contracts/arrangements/transactions	Not Specified
D	Salient terms of the contracts or arrangements or transactions including the value, if any	Repayment of ICD of Rs. 19.15 Lac
E	Justification for entering into such contracts or arrangements or transactions	Need Based to pay Statutory Liability
F	Date of approval by the Board	25.04.2016
G	Amount paid as advances, if any	Nil
H	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

For and on behalf of Board of Directors
Hira Automobiles Limited

Date : 30th May, 2017
Place : Chandigarh

Rahulinder Singh Sidhu
Chairman And Managing Director
DIN-00447452

Neha Sidhu
Whole-time Director
DIN: 00460875

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO

(A) Conservation of energy:

Steps taken / impact on conservation of energy, with special reference to the following:

- (i) Steps taken by the company for utilizing alternate sources of energy including waste generated -
- (ii) Capital investment on energy conservation equipment - NIL

(B) Technology absorption:

1. Efforts, in brief, made towards technology absorption - NIL
2. Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc. - NIL
3. In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished:
 - (a) Details of technology imported. - NIL
 - (b) Year of import. - NIL
 - (c) Whether the technology been fully absorbed- NIL
 - (d) If not fully absorbed, areas where absorption has not taken place, and the reasons therefore- NIL.
4. Expenditure incurred on Research and Development :

(C) Foreign exchange earnings and Outgo

Earnings	NIL
Outgo	NIL



RATIO OF REMUNERATION

(i) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	8.12
(ii) the percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	Nil
(iii) the percentage increase in the median remuneration of employees in the financial year;	Nil
(iv) the number of permanent employees on the rolls of company;	832
(v) the explanation on the relationship between average increase in remuneration and company performance;	NA
(vi) comparison of the remuneration of the Key Managerial Personnel against the performance of the company;	As per individual performance
(vii) variations in the market capitalisation of the company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year;	Nil
(viii) average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	Nil
(ix) comparison of the each remuneration of the Key Managerial Personnel against the performance of the company	As per individual performance
(x) the key parameters for any variable component of remuneration availed by the directors;	Nil
(xi) the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year;	Nil
(xii) Affirmation that the remuneration is as per the remuneration policy of the company.	Yes



DECLARATION

A Code of Conduct for the Directors and Senior Management Personnel has already been approved by the Board of Directors of the Company. As stipulated under the provisions of SEBI (Listing and Disclosure Requirements) Regulations, 2015 all the Directors and the designated personnel in the Senior Management of the Company have affirmed compliance with the said code for the financial year ended March 31, 2017.

Rahulinder singh sidhu

Managing director

DIN-00447452

Date: 30.05.2017

Place: Chandigarh

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON 31ST March, 2017

[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

HIRAAUTOMOBILES LIMITED

#0598, SECTOR 18B, CHANDIGARH, 160018

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Hira Automobiles Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Hira Automobiles Limited for the financial year ended on 31st March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (V) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.:-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure requirements) Regulations, 2009;
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- vi) Factories Act, 1948, The Punjab Shops and Commercial Establishments Act, 1958, The Payment of Wages Act, 1936, The Minimum Wages Act, 1948, Employees State Insurance Act, 1948, The Employees Provident Fund & Miscellaneous Provisions Act, 1952, Payment of Bonus Act, 1965, The Payment of Gratuity Act, 1972, The Employment Exchange (Compulsory Notification of Vacancies) Act, 1956, The Hazardous Wastes



(Management, Handling & Trans boundary Movement) Rules, 2008, The Water (Prevention & Control of Pollution) Act, 1974, The Air (Prevention & Control of Pollution) Act, 1981 and The Punjab Labour Welfare Fund Act, 1965.

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India.
 - ii) The Listing Agreement entered into by the Company with BSE Limited.
- During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:
- 1) That Company has not complied with Regulation 38 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to maintaining of minimum public shareholding by a listed Company.
 - 2) That Company has not deducted and deposited labour welfare fund as required under The Punjab Labour Welfare Fund Act, 1965.
 - 3) That Statutory bonus as required under Payment of Bonus Act, 1965 has not been paid by the Company during the year.
 - 4) That there are related party transactions which are not in ordinary course of business and which are not at arm's length basis.
 - 5) That there is carry forward of loans given to parties which are covered under section 185 of the Companies Act, 2013.
 - 6) That the Company has 15 locations and some locations need to get registration under The Punjab Shops and Commercial Establishments Act, 1958 and some locations require factory license under Factories Act, 1948 whereas some locations require consent/authorization for operation of a facility under pollution laws and The Hazardous Wastes (Management, Handling & Trans boundary Movement) Rules, 2008.
 - 7) That the periodical returns required to be filed under The Employment Exchange (Compulsory Notification of Vacancies) Act, 1956 has not been filed and are pending.
 - 8) The entire promoters' holding is in physical form.
 - 9) The Website of the Company is not updated as per SEBI(LODR), Regulations 2015.

I further report that

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Ravinder Kumar,
Practising Company Secretary
612, Dalima Vihar, Rajpura
FCS No. 4569, C P No.: 8444

Place: Chandigarh
Date: 30th May, 2017

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.



ANNEXURE-A

**TO
THE MEMBERS
HIRA AUTOMOBILES LIMITED
0598, SECTOR 18B, CHANDIGARH, 160018**

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

- 1) Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on my audit.
- 2) I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- 3) I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
- 4) Where ever required, I 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. My examination was limited to the verification of procedures on test basis.
- 6) The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Ravinder Kumar,
Practising Company Secretary
612, Dalima Vihar, Rajpura
FCS No. 4569, C P No.: 8444

Place: Chandigarh
Date: 30th May, 2017

HIRA AUTOMOBILES LIMITED CODE OF CONDUCT

PERSON TO WHOM THE CODE IS APPLICABLE

This code is applicable to the following persons (hereinafter referred to as 'Officers' of the company):

- All the Board Members.
- The entire Core group Members of the Company and heads of the department

GENERAL STANDARD OF CONDUCT

- 1) Officers are expected to exercise good judgment to ensure the safety and welfare of employees, consumers, customers, suppliers, shareholders, lenders and other stakeholders, and to maintain a co-operative, efficient, positive, harmonious and productive work environment, practice integrity in inter-personal relationships, work on the principal of mutual trust, transparency and team work.
- 2) Officers are expected to acquire and maintain professional competence.
- 3) Officers are expected to observe discipline and conduct themselves, both on and off-duty, in a manner to uphold the high image of the company.
- 4) Officers are expected to assist the company in identifying, controlling, mitigating and managing business risks within the company's risk management policy framework.
- 5) Officers are expected to assist the company in providing to its employees a work environment free of harassment and free of discrimination based on race, religion, creed, color, physical or mental disability, age, sex, etc.
- 6) Officers should not engage in selling or distribution, or be in possession of or use narcotics/psychotropic drugs or be under influence of alcohol while on duty.
- 7) As Officers represent the Company before the public and various authorities they are expected to dress neatly and appropriately in a manner consistent with the nature of their work and the Image of the company.



- 8) Officers should not claim from the company unauthorized personal expenses.
- 9) Customer/supplier/investor Relationships- Officers who need to deal with customers, suppliers and investors should understand that they are dealing and therefore should uphold the image and goodwill generated and built-up by the Company over the year.
- II) **APPLICABLE LAWS**
Officers must acquire adequate Knowledge of all the applicable laws, rules, regulations, order and notifications under regulatory framework as applicable to their functions and duties and should follow and comply with the same and avoid violation, breach or infringement thereof.
- III) **CONFLICT OF INTEREST**
Officers of the Company will avoid conflict of interest. Conflict of interest is said to exist when personal interest may have a potential conflict with the interest of the company at large. Where any transaction involves conflict of interest, prior approval of the Managing Directors / Executive Director and in case of a Director, of the Board should be obtained.
- IV) **PROTECTING CONFIDENTIAL INFORMATION**
The Company's confidential information is a vital asset. It may relate to product, product formula, process, product plans and road maps, cost and financial information, information as to customers, suppliers, dealers and employees, business arrangements and agreements as well as to patents, trademarks, copyrights and trade secrets. For the purpose of this Code, confidential information would also include the information obtained by the Company from a third party under a Non Disclosure Agreement. Such confidential information should be protected and safeguarded against unauthorized/ personal use and should not be disclosed to any one expect
- i) with prior authorization
 - ii) in the ordinary course of carrying on the business of the Company. In the course of conducting the Company's Business, Officers may come in possession of confidential information about its employees, customers, suppliers, etc. Officers should handle the same with utmost responsibility and prevent its misuse.
- V) **PREVENTION OF INSIDER TRADING**
Officers are privy to price sensitive inside information and should not use it to make personal gains. The Company has framed "Code of Conduct for prevention of insider trading in the Securities of the Company," Officers should follow the same in letter and spirit.
- VI) **COMPANY'S ASSETS**
Protecting and safeguarding the Company's assets and properties and preventing their unauthorized use/ personal use is one of the key and prime responsibility of Officers. Officers are personally responsible of the Company's funds under their control. Officers should use electronic communication facilities like e-mail, Internet etc. in a legal ethical and appropriate manner and not expose the Company to liability resulting from the illegal, unauthorized or unethical use thereof.
- VI) **NON COMPLIANCE**
In case of non-compliance of any of the provisions of this Code of conduct, the same shall be reported to the Chairman of the Board of Directors of the Company.
- VIII) **ANY AMENDMENTS OR MODIFICATION TO THE CODE OF CONDUCT**
This Code of Conduct is subject to modification. The Board of Directors has the requisite power and the authority to update and amend the Code of Conduct from time to time.
- IX) **ACKNOWLEDGEMENT OF RECEIPT OF CODE OF CONDUCT AND ETHICS**
I have received and read the Company's Code of Conduct and Ethics and have understood the standards and policies contained therein. I agree to comply with the Company's Code of Conduct and Ethics. I hereby affirm to the Company compliance with the Code of Conduct and Ethics on an annual basis and also undertake to renew such affirmation in the first week of April every year



MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1) **Industry structure and development**

In the year 2016-17 the industry showed a minor decline in volumes and except for one or two companies the others showed a de-growth. Your Principal company Maruti Suzuki worked efficiently to register growth in this financial year. The selling was hard which was undertaken by your company (and principals too) to mark a growth and increase its market share.

2) **Opportunities and threats**

Still the Indian market is at the adolescence stage as the number of cars per 1000 populations is quite low as compared with the west or the developed economies. In India we have a large scope to increase our sales and create new markets for us keeping in view the potential available. The opportunity in the replacement segment is immense as the used car industry has just started to become organized. All these opportunities put together makes our future bright and we have to make efforts to grab the required share. There are no major threats that looms the industry or our company. The competition is intensifying and all companies are making their best efforts to grab the market available. We are in a position where the market forces may retard our pace of growth but cannot stop it. So no threats are perceived for your company.

3) **Segment wise or product wise performance**

Maruti Suzuki has its strength in the range of products. At every Lac Starting three they have a car to offer to their customers. We are at an advantage that we can supply the products to whichever segment the customer is ready. With the stagnation looming across the industries the small cars are more in demand which is the strength of your company. The focus is continuous on the sales of each segment and growth is being monitored on every product. □

4) **Outlook**

The company is very buoyant about the future as the demand for its products is on the rise. The demand for the vehicles in the segments being catered to is growing. The smart city projects, the industrial policies of the Central Government is sure to give new life to the recessionary economy. The principals have quite a few new product line-up which will increase the demand.

5) **Risks and concern**

The competition and the recessionary economy is always perceived as a threat but with us it is an opportunity. Cars now are necessary comfort for each individual who is mobile and has to move to places. So for him/her we are the choice as our vehicles are economical to buy and easy to maintain. The share is growing hence we do not feel any risk to our business.

6) **Internal control systems and their adequacy**

The internal controls have been made more stringent with team of auditors working to check each transaction and verify the same. The audit, pre-audit and the concurrent audit is keeping the operation team on their toes and let them not make any mistake.

7) **Discussion on financial performance with respect to operational performance**

Due to overall recessionary economy, there has been minor adverse impact on the financial stability of the company with respect to operational performance as the working capital limits of the company has increased substantially in comparison to minor growth in operational performance. Profitability of the company has been stable during the year inspite of higher burden of interest expenditure.

8. **Human Resources**

Human Resource is considered to be the most prized asset of the company by the management. Hence the work-force is being looked after well and ensured that they remain motivated. The 360 degree appraisal system ensures their satisfaction and brings out their concerns and bike rings which are addressed by the management immediately. This improves the employee-management relationship and makes them work for the better future of the company.



9. Management of the Company

As Company has a large network of branches spread over 15 locations in two district of Patiala and Muktsar each location is being managed by a rich experienced deemed CEO who is also known deemed key managerial personnel. All the branches key Managerial Personnel are reporting to the Senior Most KMP sitting at Patiala corporate office of the company.



AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

The Board of Directors
Hira Automobiles Limited
Chandigarh,

We have examined the compliance of conditions of Corporate Governance by Hira Automobiles Limited for the financial year ended March 31, 2017 as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In our opinion and to the best of our information and according to the explanations given to us we certify that the company has complied with the conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

For Pankaj Chugh and Associates
Firm Registration Number – 026311N
(Chartered Accountants)

Pankaj Chugh – (Proprietor)
Membership No.- 529702

Place : Chandigarh
Date : 30.05.2017



Independent Auditor's Report

To
The Members of Hira Automobiles Ltd

1. **REPORT ON THE FINANCIAL STATEMENTS:**

We have audited the accompanying financial statements of Hira Automobiles Limited Balance Sheet as at March 31, 2017, the Profit and Loss Statement, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information annexed there to. These financial statements are the responsibility of the management of the company. Our responsibility is to express an opinion on these financial statements based on our audit.

2. **MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS:**

The Company's Board of Directors is 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 prescribed under Section 133 of the Act. The Board of Directors of the company are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the financial statements by the Board of Directors of the , as aforesaid.

3. **AUDITORS' RESPONSIBILITY:**

Our responsibility is to express an opinion on these financial statements based on our audit.

While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence obtained by us and by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.



4. OPINION:

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and their profit and their cash flows for the year ended on that date.

5. REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS:

As required by Section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
- c) The Balance Sheet, the Profit and Loss Statement, and the Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid financial statements comply with the Accounting Standards prescribed under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Company as on March 31, 2016 taken on record by the Board of Directors of the Company, none of the directors of these entities is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- g) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in Annexure B a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Pankaj Chugh and Associates**
Firm Registration Number – 026311n
(Chartered Accountants)

Place : Chandigarh
Date : 30.05.2017

Pankaj Chugh – (Proprietor)
Membership No.- 529702



Annexure “A”

to the Independent Auditors' Report on the Standalone Financial Statements of Hira Automobiles Limited (Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

REPORT ON THE INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING UNDER CLAUSE (i) OF SUBSECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013 (“THE ACT”)

We have audited the internal financial controls over financial reporting of hira automobiles LIMITED (“the Company”) as of March 31, 2017 in conjunction with our audit of the standalone 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 (the “Guidance Note”) 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's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 payments of the company are being made only in accordance with authorisation of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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, to the best of our information and according to the explanations given to us, 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, 2017, 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.

For **Pankaj Chugh and Associates**
Firm Registration Number – 026311n
(Chartered Accountants)

Place : Chandigarh
Date : 30.05.2017

Pankaj Chugh – (Proprietor)
Membership No.- 529702



Annexure B To Auditors' Report
Annexure referred to in paragraph 3 of our report of even date

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets at Corporate Office and in the process of maintaining at outlets.
(b) We have been informed that the fixed assets of the company have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.
2. (a) As informed to us, physical verification of inventory of the company has been conducted by the management at reasonable intervals. (b) In our opinion and according to the explanations given to us, the procedures of Physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
(c) In our opinion and according to the explanations given to us, the Company is maintaining proper records of inventory. We have been informed that no material discrepancies have been noticed on physical verification as compared to records.
3. (a) According to the information and explanation given to us, the Company has not advanced inter corporate deposits to any companies covered in the register maintained under section 189 of the Companies Act, 2013.
4. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities.
5. According to the information and explanation given to us, the Company has not accepted deposits from public. Advances from customers for sale of vehicles and against sale promotion schemes run by the Company to promote its sale are received and paid in the ordinary course of business.
6. The maintenance of cost records under section 148(1) of the Companies Act, 2013 has not been prescribed by the Central government for the Company since it is not manufacturing Company.
7. (a) According to the information and explanations given to us, the company is generally regular in depositing all statutory dues including provident fund, investor education and protection fund, employees state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, cess and any other statutory due with appropriate authority during the year.
(b) According to the information and explanations given to us, there are no disputed amount payables in respect of provident fund, investor education and protection fund, employees state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, cess by the Company.
(c) No amount was lying with the company which was required to be transferred to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under.
8. **Disclosure of Specified Bank Notes**
During the year, the company had Specified Bank Notes (SBNs) or other denomination notes as defined in the MCA notification, G.S.R (308)E, dated March 31, 2017. The details of SBNs held and transacted during the period from November 8, 2016 to December 30, 2016, the denomination-wise SBNs and other notes as per the notification are as follows:



Particulars	SBNs	Other Denomination Notes	Total
Closing cash in hand as on Nov. 8, 2016	43457	19514	62971
Add: Permitted Receipts	-	52798	52798
Less: Permitted Payments	-	28678	28678
Less: Amount deposited in Banks	43457	6591	50048
Closing cash in hand as on Dec. 30,2016	-	17529	17529

Note: For the purpose of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O 3407(E), dated November 8,2016.

9. As informed to us, the company has not defaulted in repayment of dues to financial institutions or banks.
10. As informed to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
11. As informed to us, the proceeds of the term loans taken by the company are applied for the purpose for which the loans were obtained.
12. Based on the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and as per the information and explanation given by the management, we report that no fraud by the company has been noticed or reported during the course of our audit.

For Pankaj Chugh and Associates
Firm Registration Number – 026311n
(Chartered Accountants)

Place : Chandigarh
Date : 30.05.2017

Pankaj Chugh – (Proprietor)
Membership No.- 529702



Balance Sheet

M/s Hira Automobiles Ltd.
As on 31st March, 2017

(IN RUPEES)

Particulars	Note	As at March 31, 2017	As at March 31, 2016
EQUITY AND LIABILITIES			
(1) Shareholders Funds			
(a) Share capital	2	27,534,400.00	27,534,400.00
(b) Reserves and Surplus	3	69,190,215.00	62,400,537.00
(2) Non-Current Liabilities			
(a) Long term borrowings	4	141,322,164.00	102,021,678.00
(b) Deferred tax liabilities (net)	5	16,313,144.00	16,626,383.00
(c) Other long-term liabilities	6	38,444,521.00	57,349,928.00
(d) Long-term provisions	7	14,679,817.00	13,399,124.00
(3) Current Liabilities			
(a) Short term Borrowings	8	490,534,728.00	493,634,235.00
(b) Trade payables	9	10,780,443.00	15,027,411.00
(c) Other current liabilities	10	41,025,088.00	36,711,946.00
(d) Short term provisions	11	8,818,906.00	8,231,556.00
TOTAL		858,643,426.00	832,937,198.00
ASSETS			
(1) Non-Current Assets			
(a) Fixed assets			
(i) Tangible assets	12	156,103,505.00	168,178,797.00
(ii) Intangible assets	13	-	-
(b) Non-Current Investments	14	11,200.00	11,200.00
(c) Long-term loans and advances	15	3,789,530.00	26,185,382.00
(2) Current Assets			
(a) Inventories	16	401,876,931.00	412,085,021.00
(b) Trade Receivables	17	166,782,353.00	143,720,577.00
(d) Cash and Cash equivalents	18	37,530,519.00	36,975,041.00
(e) Short-term Loans and Advances	19	91,307,142.00	44,972,408.00
(f) Other Current Assets	20	1,242,246.00	808,772.00
TOTAL		858,643,426.00	832,937,198.00

Significant Accounting Policies

This is the Balance Sheet referred to in our report of even date

For Pankaj Chugh And Associates

Firm Registration Number 26311N
Chartered Accountants

Pankaj Chugh

Proprietor
Membership Number 529702

Place: Chandigarh
Date: 30.05.2017

The notes referred to above form an integral part of these financial Statements

For and on Behalf of the Board

Rahulinder Singh Sidhu

Chairman and Managing Director

Neha Sidhu

Wholetime Director

Sandeep Rana

Chief Finance Officer



Profit & Loss Account

M/s Hira Automobiles Ltd.
For The Year Ended 31st March, 2017

Particulars	Note	As at March 31, 2017	As at March 31, 2016
I Revenue from operations	21	3,213,419,949.00	3,103,728,968.00
II Other Income	22	1,044,416.00	1,369,946.00
III Total Revenue (I+II)		3,214,464,365.00	3,105,908,914.00
IV Expenses:			
a) Cost of Material Consumed	23	21,228,983.00	13,570,735.00
b) Purchase of Stock-in-Trade	24	2,893,186,329.00	2,818,482,161.00
c) Changes in Inventories of Finished Goods	25	10,208,090.00	(7,193,458.00)
d) Employee Benefits Expenses	26	126,920,328.00	126,647,541.00
e) Finance Costs	27	57,075,164.00	56,048,348.00
f) Depreciation and Amortization expense	12	15,712,981.00	13,582,257.00
g) Other Expenses	28	78,740,683.00	73,954,065.00
Total Expenses		3,203,072,558.00	3,095,091,649.00
V Profit before tax (III-IV)		11,391,807.00	10,007,265.00
VI Tax Expense			
a) Current tax		4,514,685.00	2,759,850.00
b) Deferred tax		(313,239.00)	1,205,577.00
VII Profit for the Year (V-VI)		7,190,361.00	6,041,838.00
VIII Prior period tax expenses		400,683.00	411,003.00
IX Earnings per Equity Share (In Rupees)		6,789,678.00	5,630,835.00
Basic		2.61	2.19
Diluted		2.61	2.19

Significant Accounting Policies

This is the Balance Sheet referred to in our report of even date

For Pankaj Chugh And Associates

Firm Registration Number 26311N
Chartered Accountants

Pankaj Chugh

Proprietor
Membership Number 529702

Place: Chandigarh

Date: 30.05.2017

The notes referred to above form an integral part of these financial Statements

For and on Behalf of the Board

Rahulinder Singh Sidhu

Chairman and Managing Director

Neha Sidhu

Wholetime Director

Sandeep Rana

Chief Finance Officer



Cash Flow Statement

For the Year Ended 31st March 2017

Particulars	As at March 31,2017	As at March 31,2016
A Cash Flow from Operating Activities:		
Net Profit before Tax	11,391,807.00	10,007,265.00
Adjustment for		
Depreciation	15,712,981.00	13,582,257.00
Interest expenses	57,075,164.00	56,048,348.00
Loss / Profit on Sale of Fixed Assets	-	697,258.00
Operating Profit/Loss before Working Capital Changes	84,179,952.00	80,335,128.00
Adjustment for		
(Increase)/Decrease in Trade & Other receivables	(23,061,777.00)	(4,495,547.00)
(Increase)/Decrease in Inventory	10,208,090.00	(7,193,458.00)
Increase/(Decrease) in Trade Payables & other provisions	653,524.00	(55,952,360.00)
(Increase)/Decrease in Other Loans & Advances	(46,768,208.00)	68,738,078.00
Cash generated from operations	25,211,581.00	81,431,841.00
Taxes Paid	(4,514,685.00)	(2,759,850.00)
Previous Year Taxes (Net)	(400,683.00)	(411,003.00)
Net Cash from Operating Activities (A)	20,296,213.00	78,260,988.00
B. Cash Flow from Investing Activities		
(Purchase) of Fixed/Capital Expenditure	(6,276,025.00)	(16,223,657.00)
Sale of Fixed Assets	2,638,337.00	881,773.00
Sale(Purchase) of Investment	22,395,852.00	(3,672,258.00)
Net Cash used in Investing Activities (B)	18,758,164.00	(19,014,142.00)
C. Cash Flow from Finance Activities		
Proceeds from Long Term Borrowing (Net)	21,675,772.00	19,590,369.00
Secured Loan	(3,099,507.00)	(101,379,696.00)
Unsecured Loan	-	-
Interest paid	(57,075,164.00)	(56,048,348.00)
Net Cash from Financing Activities (C)	(38,498,899.00)	(137,837,675.00)
Net increase in Cash and Equivalents (A+B+C)	555,478.00	(78,590,829.00)
Opening Balance of Cash and Cash Equivalents	36,975,041.00	115,565,870.00
Closing Balance of Cash and Cash Equivalents	37,530,519.00	36,975,041.00

Notes:

- 1 Figures in brackets indicate cash outflow
- 2 The above Cash Flow Statement has been prepared under the indirect method set out in AS 3-Cash Flow Statement as prescribed by Companies (Accounting Standards) Rules, 2006

This is the Cash Flow Statement referred to our report of even date

For Pankaj Chugh And Associates

Firm Registration Number 26311N

Chartered Accountants

Pankaj Chugh

Proprietor

Membership Number 529702

Place : Chandigarh

Date : 30.05.2017

For and on Behalf of the Board

Rahulinder Singh Sidhu

Chairman and Managing Director

Neha Sidhu

Wholetime Director

Sandeep Rana

Chief Finance Officer



Notes to Accounts

2 SHARE CAPITAL

	As at March 31, 2017	As at March 31, 2016
(1) AUTHORISED:		
6000000 Equity shares of Rs.10/- each	60,000,000.00	60,000,000.00
	60,000,000.00	60,000,000.00
ISSUED, SUBSCRIBED AND FULLY PAID UP		
Shares at the beginning of the accounting Period		
2753440 Equity shares of Rs.10/-each	27,534,400.00	27,534,400.00
Additions during the year		
Shares outstanding at the end of year	27,534,400.00	27,534,400.00
Total	27,534,400.00	27,534,400.00

(a) Rights, Preferences and Restrictions Attached to shares

Equity Shares : The Company has only one class of equity shares having a par value of Rs. 10 per share. Each Shareholder is entitled to one vote per share. In the event of liquidation of the company, the holder of equity shares will be entitled to receive any of the remaining of the Company, after distribution of all preferential amounts. However, no such preferential amount exist currently. The distribution will be in proportion to the number of equity shares held by the equity share holders

(b) Detail of Shares held by Shareholders holding more than 5% of the Aggregate Shares in the Company

Name of Shareholders	No. of Shares	Shareholding as at March 31, 2016
Rajinder Kaur Bhattal	826000	30.00%
Kuldeep Singh Bhattal	272100	9.88%
Rahul Sidhu	270000	9.81%
Simran Bajwa	265000	9.62%
Manjeet Kaur Sangha	862900	31.34%

3 RESERVES AND SURPLUS

	As at March 31, 2017	As at March 31, 2016
General reserve		
At the beginning of the accounting period	7,236,750.00	7,236,750.00
Additions during the year	-	-
At the end of the accounting period	7,236,750.00	7,236,750.00
Surplus in Statement of Profit and Loss		
At the beginning of the accounting period	55,163,787.00	49,532,952.00
Additions during the year	6,789,678.00	5,630,835.00
(balance in statement of profit & loss a/c)		
prior period expenses written off	-	-
transfer to/from reserves		
At the end of the accounting period	61,953,465.00	55,163,787.00
Total	69,190,215.00	62,400,537.00

4 LONG TERM BORROWINGS

	As at March 31, 2017	As at March 31, 2016
SECURED		
Term loan	440,563.00	-
(Secured against hyp. of car and guaranteed by the directors of the co.)		
Term loan	60,837,352.00	50,184,793.00
(Secured against Focal Point Properties and Residential properties as well as guaranteed by directors)		
UNSECURED		
Loans from directors	44,431,649.00	51,836,885.00
Inter corporate deposit	35,612,600.00	-
Total	141,322,164.00	102,021,678.00



5 DEFERRED TAX LIABILITIES (NET)		
	As at March 31,2017	As at March 31,2016
Deferred tax liabilities	16,313,144.00	16,626,383.00
Total	16,313,144.00	16,626,383.00
6 OTHER LONG TERM LIABILITIES		
	As at March 31,2017	As at March 31,2016
Sales promotion scheme- Customer advances	30,461,698.00	50,464,790.00
Security from Employees	7,982,823.00	6,885,138.00
Total	38,444,521.00	57,349,928.00
7 LONG TERM PROVISIONS		
	As at March 31,2017	As at March 31,2016
Gratuity provision	14,679,817.00	13,399,124.00
Total	14,679,817.00	13,399,124.00
8 SHORT TERM BORROWINGS		
	As at March 31,2017	As at March 31,2016
Secured loans from banks		
Punjab National Bank	-	
(secured against hypothecation of stock and book-debts)		
Gur Mandi Patiala	262,675,004.00	306,808,785.00
Gagan Chowk Rajpura	397,309.00	18,631,214.00
New Grain Market Muktsar and Malout	5,932,470.00	8,423,637.00
Inventory funding	221,529,945.00	159,770,599.00
(secured against hypothecation of stock and book-debts)		
Total	490,534,728.00	493,634,235.00
9 TRADE PAYABLES		
	As at March 31,2017	As at March 31,2016
Sundry Creditors	4,556,938.00	3,572,692.00
Advance from Parties-Interest free	6,223,505.00	11,454,719.00
Total	10,780,443.00	15,027,411.00
10 OTHER CURRENT LIABILITIES		
	As at March 31,2017	As at March 31,2016
Current maturities of long term debts	11,036,673.00	8,804,734.00
Value added tax and CST	24,207,900.00	21,850,265.00
Service tax payable	1,195,845.00	
TDS payable	358,086.00	1,115,356.00
Other payables	4,226,584.00	4,941,591.00
Total	41,025,088.00	36,711,946.00
11 SHORT TERM PROVISIONS		
	As at March 31,2017	As at March 31,2016
(a) Provisions for employee benefits	8,818,906.00	8,231,556.00
Total	8,818,906.00	8,231,556.00





12. TANGIBLE ASSETS

PARTICULARS	G.BLOCK					DEPRECIATION					NET BLOCK	
	As at April 1, 2016	Additions	Disposals/ Adjustments	As at March 31, 2017	As at April 01, 2016	For the Year	Disposals/ Adjustments	As at March 31, 2017	As at March 31, 2016	As at March 31, 2017		
LAND	5,778,780.00	-	-	5,778,780.00	-	-	-	-	5,778,780.00	5,778,780.00		
BUILDING SHOWROOM	42,410,858.00	645,058.00	-	43,055,916.00	5,288,775.00	673,498.00	-	5,942,273.00	37,142,083.00	37,113,643.00		
BUILDING WORKSHOP	39,346,807.00	-	-	39,346,807.00	12,912,037.00	1,247,294.00	-	14,159,331.00	26,434,770.00	25,187,476.00		
PLANT & MACHINERY	67,721,344.00	1,529,503.00	120,909.00	69,129,937.00	19,077,309.00	4,316,584.00	15,543.00	23,378,349.00	48,644,035.00	45,751,588.00		
OFFICE EQUIPMENT	20,768,264.00	375,927.00	4,951.00	21,139,240.00	8,414,961.00	1,991,400.00	4,950.00	10,401,411.00	12,353,304.00	10,737,829.00		
FURNITURE & FIXTURE	4,496,518.00	341,449.00	-	4,837,967.00	2,679,295.00	727,122.00	-	3,406,417.00	1,817,222.00	1,431,550.00		
VEHICLES	49,454,774.00	1,308,831.00	4,856,314.00	45,907,290.00	14,628,261.00	5,602,686.00	2,323,344.00	17,907,603.00	34,826,513.00	27,999,688.00		
SOFTWARE	477,602.00	462,216.00	-	939,818.00	191,176.00	128,566.00	-	319,742.00	286,426.00	620,076.00		
COMPUTER	4,610,168.00	1,613,042.00	38,800.00	6,184,410.00	3,714,505.00	1,025,831.00	38,800.00	4,701,535.00	895,664.00	1,482,875.00		
TOTAL	235,065,115.00	6,276,025.00	5,020,974.00	236,320,166.00	66,886,318.00	15,712,981.00	2,382,637.00	80,216,662.00	168,178,797.00	156,103,505.00		
PREVIOUS YEAR	222,734,911.00	16,223,657.00	4,679,494.00	234,279,074.00	55,618,483.00	13,582,257.00	3,100,463.00	66,100,277.00	167,116,428.00	168,178,797.00		

13. INTANGIBLE ASSETS

14	NON CURRENT INVESTMENT:		
	Investment in Shares	11,200.00	11,200.00
15	LONG TERM LOANS AND ADVANCES::		
		As at March 31,2017	As at March 31,2016
	Security Deposits (Unsecured considered good unless Otherwise Stated)	3,789,530.00	3,662,830.00
	Intercompany Deposits	-	22,522,552.00
	Total	3,789,530.00	26,185,382.00
16	INVENTORIES:		
		As at March 31,2017	As at March 31,2016
	(As taken, valued & certified by the management)		
	Stock in Trade (in respect of goods acquired for trading)	362,023,148.00	380,930,127.00
	Stores, Spares & Loose tools	39,853,783.00	31,154,894.00
	Total	401,876,931.00	412,085,021.00
17	TRADE RECEIVABLES:		
		As at March 31,2017	As at March 31,2016
	(unsecured considered good unless otherwise stated)		
	(1)Debts outstanding for a period exceeding six months from the date they are due	3,078,868.00	5,135,846.00
	(2)Other debts	163,703,485.00	138,584,731.00
	Total	166,782,353.00	143,720,577.00
18	CASH & CASH EQUIVALENTS :		
		As at March 31,2017	As at March 31,2016
	(a) Balance with Banks		
	Fixed deposits (Earmarked balances with banks held as margin money against borrowings, and other commitments.)	18,596,493.00	12,609,506.00
	Current accounts:	12,922,894.00	12,439,166.00
	Gold Coins:	295,471.00	295,472.00
	(b) Cheques, Draft on Hand		
	Cheques in Hand	1,511,905.00	2,020,885.00
	Cash in hand	4,203,756.00	9,610,012.00
	Total	37,530,519.00	36,975,041.00
19	SHORT TERM LOANS & ADVANCES:		
		As at March 31,2017	As at March 31,2016
	(Unsecured considered good unless otherwise stated)		
	advances recoverable in cash or in kind for the value to be received		
	(1)Advance to parties	37,683,604.00	25,416,627.00
	(2) Receivable from revenue authorities	5,861,855.00	5,517,830.00
	(3)Current years taxes recoverable(net of liability)	5,132,418.00	3,326,156.00
	(4) Other advances	42,629,265.00	10,711,795.00
	Total	91,307,142.00	44,972,408.00



20 OTHER CURRENT ASSETS:

	As at March 31,2016	
Prepaid Expenses	1,242,246.00	808,772.00
Total	1,242,246.00	808,772.00

21 REVENUE FROM OPERATIONS

	As at March 31,2017	As at March 31,2016
Sale of products	2,999,134,474.00	2,907,339,456.00
Sale of services	99,528,829.00	96,819,194.00
Other operating revenues	114,756,646.00	99,570,318.00
	3,213,419,949.00	3,103,728,968.00
Less: Excise duty	-	-
Total	3,213,419,949.00	3,103,728,968.00

22 OTHER INCOME

	As at March 31,2017	As at March 31,2016
Interest income	725,126.00	873,354.00
Other Non-operating income	319,290.00	496,592.00
Total	1,044,416.00	1,369,946.00

23 COST OF MATERIAL CONSUMED

	As at March 31,2017	As at March 31,2016
Purchases Raw-Materials and Packing Materials	21,228,983.00	13,570,735.00
Add: Opening balance of stock	-	-
	21,228,983.00	13,570,735.00
Less: Closing balance of stock	-	-
Total	21,228,983.00	13,570,735.00

24 PURCHASE OF STOCK IN TRADE

	As at March 31,2017	As at March 31,2016
Purchases of Traded goods	2,893,186,329.00	2,818,482,161.00
Total	2,893,186,329.00	2,818,482,161.00

25 CHANGES IN INVENTORIES

	As at March 31,2017	As at March 31,2016
Finished Goods		
at the beginning of the accounting period	-	-
at the end of the accounting period	-	-
Stock-in-Trade		
at the beginning of the accounting period	412,085,021.00	404,891,563.00
at the end of the accounting period	401,876,931.00	412,085,021.00
Total	10,208,090.00	(7,193,458.00)

26 EMPLOYEE BENEFIT EXPENSES

	As at March 31,2017	As at March 31,2016
Salary and Wages & Incitive	78,164,902.00	81,569,960.00
HRA Expenses and other allowance	25,896,410.00	27,333,362.00
Contribution to Provident fund	6,214,660.00	5,871,231.00
Contribution to Employees state Insurance fund	1,832,212.00	1,579,230.00
Gratuity Expenses	1,280,693.00	954,971.00
Bonus	8,224,668.00	4,209,315.00
Employees Training and Uniform expenses	2,006,934.00	2,131,240.00
Workers & Staff welfare	3,299,849.00	2,998,232.00
Total	126,920,328.00	126,647,541.00



27 FINANCE COSTS

	As at March 31,2017	As at March 31,2016
Interest Expense		
Interest Expense (Net)	53,306,526.00	53,775,576.00
Bank Charges	3,768,638.00	2,272,772.00
Total	57,075,164.00	56,048,348.00

28 OTHER EXPENSES

	As at March 31,2017	As at March 31,2016
Accessories Expenses	123,699.00	95,516.00
Festival Expenses	831,178.00	303,572.00
Donation	48,500.00	131,235.00
Freight inward	314,239.00	238,969.00
Power & Fuel	9,287,535.00	9,137,618.00
Software Usage Charges	956,015.00	914,136.00
Entertainment Exp.	203,096.00	191,299.00
Rent, Rates & Taxes	8,186,784.00	7,011,918.00
General Expenses	607,967.00	1,627,255.00
Godown Rent	496,000.00	576,000.00
Insurance	1,562,467.00	1,615,514.00
Legal Expenses	890,846.00	434,744.00
Misc. Expenses	385,325.00	70,739.00
News Paper & Periodicals	89,646.00	93,741.00
Outside Labour Expenses	2,805,981.00	2,843,224.00
Payment to the Auditors	1,045,995.00	483,134.00
Postage & Courier Expenses	111,466.00	106,836.00
Professional Charges	1,100,800.00	1,479,652.00
Printing & Stationary	1,671,317.00	1,651,254.00
Repair to Buildings and fixed assets	5,204,818.00	3,091,775.00
MDS Expenses	263,467.00	212,649.00
Telephone Expenses	3,460,627.00	3,267,121.00
Workshop Expenses	5,912,352.00	3,257,044.00
Vehicle Running Expenses	1,853,579.00	1,822,002.00
Other Expenses	258,997.00	182,636.00
Advertisement Expenses	561,243.00	993,108.00
Discounts	7,704,346.00	7,452,004.00
Customer Welfare	2,157,187.00	1,462,242.00
Demo Expenses & PDI Expenses	3,820,515.00	3,725,103.00
Sales Promotion	7,529,921.00	6,967,442.00
Sales Commission & Incentives	835,930.00	1,601,900.00
Pool Cancellation and lifting charges	129,169.00	2,020,926.00
Marketing Staff Tour Expenses	5,759,024.00	5,310,702.00
True Value Expenses	2,570,652.00	3,581,055.00
Total	78,740,683.00	73,954,065.00



Significant Accounting Policies and Notes to Accounts

A) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

These financial statements have been prepared to comply with the Generally Accepted Accounting Principles in India (Indian GAAP), including the Accounting Standards notified under the relevant provisions of the Companies Act, 2013. The financial statements are prepared on accrual basis under the historical cost convention, except for certain Fixed Assets which are carried at revalued amounts. The financial statements are presented in Indian rupees.

B) Revenue Recognition

- (i) Sale and purchase of products is recognized when the products are supplied and received in accordance with the terms of sale and purchase recorded net of trade discounts but inclusive of Sales Tax for the year under consideration.
- (ii) Service Income is accounted for as and when vehicles are serviced in accordance with the terms of service and recorded net of discount.
- (iii) Interest income is recognized on accrual basis.

C) Tangible and Intangible Assets

Tangible Assets:

Tangible Assets are stated at cost net of recoverable taxes, trade discounts and rebates and include amounts added on revaluation, less accumulated depreciation and impairment loss, if any. The cost of Tangible Assets comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent expenditures related to an item of Tangible Asset are added to its book value only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance.

Intangible Assets:

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortisation/depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

D) Borrowing Costs

Borrowing Costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

E) Inventories

Inventories are valued At Cost or Net Realizable value, whichever is lower. The cost is ascertained on Average basis except vehicles where cost is ascertained on specific cost basis.

F) Employee Retirement Benefits

Short Term Employee Benefits:

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services. These benefits include performance incentive and compensated absences.



Post-Employment Benefits

Defined Contribution Plans

A defined contribution plan is a post-employment benefit plan under which the Company pays specified Contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. The Company's contribution is recognized as an expense in the Profit and Loss Statement during the period in which the employee renders the related service.

G) Foreign Currency Transaction

The Company does not deal with Foreign Currency, hence AS-11 "Effect of changes in Foreign Exchanges issued by the Institute of Chartered Accountants of India is not applicable.

H) Cash Flow Statements

Cash Flow Statements has been prepared following the indirect method set out in the Accounting Standard -3 on "Cash Statements" issued by the Institute of Chartered Accountants of India.

I) Taxes on Income

- (i) Income tax expenses for the period comprise of Current Tax & Deferred Tax.
- (ii) Current tax is measured at the amount expected to be paid to the tax authorities, using the applicable tax Rates of the Income Tax Act, 1961.
- (iii) Deferred Tax is calculated, on the timing differences, being the difference between accounting income and taxable income, which originates in one period and are capable of reversal in one or more subsequent accounting periods in accordance with the provisions of Accounting Standard -22 on "Accounting for Taxes on Income", issued by the Institute of Chartered Accountants of India.
Deferred tax assets are recognized only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognized if there is virtual certainty that sufficient future taxable income will be available to realize the same.

J) Depreciation

Depreciation on Fixed Assets is provided on the basis of Straight Line Method (SLM). Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

K) Provisions and Contingent liabilities

Provision is recognized in the accounts when there is a present obligation as a result of past event(s) and it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed unless the possibility of outflow of resources is remote.

Contingent assets are neither recognized nor disclosed in the financial statements

L) Impairment of Assets

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Profit and Loss Statement in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount



M) Earnings Per Share

The calculation of Earnings Per Share (EPS) as disclosed in the Balance Sheet Abstract has been made in accordance with the requirement of Accounting Standard (AS) -20 on Earnings Per Share issued by the Institute of Chartered Accountants of India. Diluted Earning per share is the same as Basic Earning per share because there is no potential equity shares which would have dilutive effect on earning per shares to equity shareholders.

N) Segment Reporting

The Company is Authorized Dealer of Maruti Suzuki India Limited (MSIL) and hence, is engaged in the business of sale & service of MSIL vehicles. As the basic nature of sale of variants of vehicles is governed by the same set of risk & returns, these have been grouped as single segment as per Accounting Standard(AS-17) on segment reporting issued by the Institute of Chartered Accountants of India.

2. Detail in respect of Opening Stock, Sales and Closing Stock as follows :

Particulars	Opening Stock		Sales		Closing Stock	
	Qty	Amount (Rs. In Lacs)	Qty	Amount (Rs. In Lacs)	Qty	Amount (Rs. In Lacs)
Vehicles	1131	3809.30	5094	27493.71	1078	3620.30
Spares & Accessory		311.55		2497.93		398.54

3. (a) During the year, the company has recognized the following amounts as Defined Contribution Pan in the Profit and Loss Account:

- | | |
|---|------------------|
| i) Employer's Contribution to Provident Fund | - Rs. 62.15 Lacs |
| ii) Employer's Contribution to Employee State Insurance | - Rs. 18.32 Lacs |

(b) During the year the Company has made provision for Gratuity in books as designed benefit plan.

4. Subsequent to Accounting Standards -22" Accounting for Taxes on Income", Issued by the Institute of Chartered Accountants of India, Deferred Tax Expenses of Rs. (313,239.00) for the periods is recognized in the profit and Loss Amount.

Calculation of Deferred Tax Liability is as follows:

Written down value of Fixed Assets as on 31.03.2017 (As per Company Act)	15,61,03,505
Written down value of Fixed Assets as on 31.03.2017 (As per Income Tax Act)	10,33,10,159
• Timing Difference	5,27,93,346
• Tax @30.90%	1,63,13,144
• Deferred Tax Liability as on 31.03.2017	1,63,13,144
• Deferred Tax Liability as on 31.03.2016	1,66,26,383
• Deferred Tax Liability to be provided for	(3,13,239)

5. Legal & Professional Fees includes Payments to Auditors comprising as follows:-

- | | |
|---------------------------------|-----------------|
| i) Statutory Audit fee | Rs. 1,00,000.00 |
| ii) Tax audit and Vat audit Fee | Rs. 50,000.00 |



6. Calculation of Earning Per Share is as follows :	
Profit after Tax as per Profit & Loss Account as on 31.3.2017	Rs. 67,89,678/-
No. of Equity Share (Face value Rs. 10/- each)	
For Basic Earning Per share	2753440
For Diluted Earning Per Share	2753440

Earning Per Share

Basic	2.61
Diluted	2.61

7. Balance confirmation letters have been obtained from some of the parties on test check basis.
8. Figures of Previous year have been re-grouped and re classified wherever necessary, in order to conform to the current year's presentation.

As per our report of even date

For **Pankaj Chugh and Associates**

Firm Registration Number 26311N

Chartered Accountants

Pankaj Chugh

(Proprietor)

Membership Number 529702

Place : Chandigarh
Date : May 30,2017

For and on Behalf of the Board

Rahulinder Singh Sidhu

Chairman and Managing Director

Neha Sidhu

Whole Time Director

Sandeep Rana
Chief Financial Officer

