

MAJESTIC
AUTO LIMITED

42nd

Annual Report

2014 - 15

BOARD OF DIRECTORS

Mahesh Munjal
G. P. Sood
Dr. M.A. Zahir
Aayush Munjal (appointed w.e.f. 14.08.15)
Major Shavinder Singh Khosla
Ashima Munjal

Chairman & Managing Director
Non Executive & Independent Director
Non Executive & Independent Director
Whole Time Director
Non Executive & Independent Director
Non Executive Director

DGM - COMPANY SECRETARY

Rajesh Saini

CHIEF FINANCIAL OFFICER

Prakash Chandra Patro

STATUTORY AUDITORS

M/s. B. D. Bansal & Co.
Chartered Accountants,
Amritsar.

BANKERS

Canara Bank
Punjab National Bank
IDBI Bank Ltd.
The Catholic Syrian Bank Ltd.
Yes Bank Ltd.
HDFC Bank

REGISTERED OFFICE

C-48, Focal Point, Ludhiana - 141 010
Email: grievance@majesticauto.in,
Website: www.majesticauto.in
CIN: L35911PB1973PLC003264
Phone No. 0161-2670234 Fax No. 0161-2672790

WORKS

C-48, Focal Point,
Ludhiana - 141 010
C-59, Focal Point,
Ludhiana - 141 010
B-6, B-7 & B-9, Ecotech-1 Extn.,
Greater Noida.

REGISTRAR & TRANSFER AGENT

Alankit Assignments Ltd.
Alankit House, 2E/21, Anar Kali Market,
Jhandewalan Extension, New Delhi-110055
Phones (011) 23541234, 42541234
Fax : (011) 23552001, E-mail : rta@alankit.com

CONTENTS	PAGE
Notice	1
Directors' Report	12
Management Discussion and Analysis Report	26
Corporate Governance Report	29
Auditors' Report	39
Balance Sheet	42
Statement of Profit & Loss	43
Cash Flow Statement	44
Notes on Financial Statements	45

CONSOLIDATED FINANCIAL STATEMENTS

Auditor's Report	60
Consolidated Balance Sheet	63
Consolidated Statement of Profit & Loss	64
Consolidated Cash Flow Statement	65
Notes on Consolidated Financial Statements	66
Statement pursuant to Section 129 of the Companies Rules, 2014 Relating to Subsidiary Company	80

42nd ANNUAL GENERAL MEETING

Day	:	Wednesday
Date	:	30 th September, 2015
Time	:	11.00 A.M.
Place	:	At the premises of Mohini Resorts, Near Sector-32, Chandigarh Road, Ludhiana-141010

MAJESTIC AUTO LIMITED

NOTICE

Notice is hereby given that the 42nd Annual General Meeting of the members of Majestic Auto Limited will be held on Wednesday, the 30th Day of September, 2015 at 11.00 a.m. at the premises of Mohini Resorts, Near Sector-32, Chandigarh Road, Ludhiana-141010 to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2015 and Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To re-appoint a director in place of Ms. Ashima Munjal, who retires by rotation and being eligible, offers herself for re-appointment.

3. TO CONSIDER AND IF THOUGHT FIT, TO PASS, THE FOLLOWING RESOLUTION AS ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, the appointment of M/s. B.D. Bansal & Co., Chartered Accountants (ICAI Firm Registration No. 000621N), as Auditors of the Company for a term of three years i.e. till the conclusion of the 44th Annual General Meeting to be held in the year 2017, which was subject to ratification at every Annual General Meeting, be and is hereby ratified to hold the office from the conclusion of this Annual General Meeting till the conclusion of 43rd Annual General Meeting of the Company to be held in the year 2016, at such remuneration, reimbursement of out-of-pocket expenses, travelling and other expenses incurred in connection with audit to be carried out by them, as may be mutually agreed between the Board of Directors of the Company and the Auditors.

SPECIAL BUSINESS

4. TO CONSIDER AND IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION:

"RESOLVED THAT Mr. Aayush Munjal (DIN: 07276802), who was appointed an Additional Director of the Company with effect from 14th August, 2015 by the Board of Directors and who holds office up to the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 (the Act) but who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member proposing his candidature for the office of Director, be and is hereby appointed a Director of the Company."

5. TO CONSIDER AND IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS A SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company and subject to the such approval as may be necessary under the provisions of Act, if any, the consent of the shareholders of the Company be and is hereby accorded to appoint Sh. Aayush Munjal as Whole Time Director of the Company for a period of three years with effect from 14.08.2015."

"FURTHER RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company and subject to the requisite approval as may be require under provisions of Companies Act, if any, approval of the Company be and is hereby accorded to pay remuneration to Sh. Aayush Munjal, as mentioned in the Explanatory Statement annexed hereto."

"RESOLVED FURTHER THAT in the event of absence of or inadequacy of profit in any Financial Year during the tenure of the Whole Time Director the remuneration shall be governed as provided under Section II of Part II of Schedule V to the Companies Act, 2013 and any excess payment in this regard will be recovered by the company."

"FURTHER RESOLVED THAT the Board of Directors of the Company or any committee thereof be and is hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable; to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution and to seek such approval/ consent from the government departments, as may be required in this regard."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to agree to any amendment to the said agreement and are empowered to make such improvements in the terms of remuneration of Sh. Aayush Munjal, from time to time, as may at its discretion deem fit, so as not to exceed the limits specified in

MAJESTIC AUTO LIMITED

Schedule V to the Act including any amendment thereto or any re-enactment thereof, the intention being that no further approvals of the members of the Company will be required, so long as the remuneration of the Whole Time Director to be fixed by the Board of Directors, from time to time, during his term, is not in excess of maximum permissible limits under the relevant laws, rules, regulations, guidelines or notifications as may be promulgated or issued after the date of this meeting."

6. TO CONSIDER AND IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING RESOLUTION AS A SPECIAL RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company and subject to the such approval as may be necessary under the provisions of Act, if any, the consent of the shareholders of the Company be and is hereby accorded to re-appoint Mr. Mahesh Munjal as Managing Director of the Company for a period of three years with effect from October 29, 2015."

"FURTHER RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company and subject to the requisite approval as may be required under provisions of Companies Act, if any, approval of the Company be and is hereby accorded to pay remuneration to Sh. Mahesh Munjal, as mentioned in the Explanatory Statement annexed hereto."

"RESOLVED FURTHER THAT in the event of absence of or inadequacy of profit in any Financial Year during the tenure of the Managing Director the remuneration shall be governed as provided under Section II of Part II of Schedule V to the Companies Act, 2013 and any excess payment in this regard will be recovered by the company."

FURTHER RESOLVED THAT the Board of Directors of the Company or any committee thereof be and is hereby authorized to do all such acts, deeds and things as in its absolute discretion it may think necessary, expedient or desirable; to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution and to seek such approval/ consent from the government departments, as may be required in this regard.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to agree to any amendment to the said agreement and are empowered to make such improvements in the terms of remuneration of Sh. Mahesh Munjal, from time to time, as may at its discretion deem fit, so as not to exceed the limits specified in Schedule V to the Act including any amendment thereto or any re-enactment thereof, the intention being that no further approvals of the members of the Company will be required, so long as the remuneration of the Managing Director to be fixed by the Board of Directors, from time to time, during his term, is not in excess of maximum permissible limits under the relevant laws, rules, regulations, guidelines or notifications as may be promulgated or issued after the date of this meeting."

7. TO CONSIDER AND IF THOUGHT FIT, TO PASS WITH OR WITHOUT MODIFICATION(S), THE FOLLOWING AS AN ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or reenactment(s) thereof, for the time being in force), the remuneration payable during the year 2016 to M/S. Manoj and Associates, Practicing Cost Accountants appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year 2015-16, amounting to Rs. 37500/- and also the payment of service tax as applicable be and is hereby ratified and confirmed."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

Place : Ludhiana
Date : 14.08.2015

By Order of the Board of Directors
For Majestic Auto Limited

Regd. Office : Majestic Auto Limited, C-48, Focal Point, Ludhiana.
Email: grievance@majesticauto.in,
Website: www.majesticauto.in
CIN: L35911PB1973PLC003264
Phone No. 0161-2670234 Fax No. 0161-2672790

(Rajesh Saini)
DGM- Co. Secretary

MAJESTIC AUTO LIMITED

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE (ON A POLL ONLY) INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXIES IN ORDER TO BE VALID MUST BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM IS SENT HERewith.**
2. Pursuant to Section 91 of the Companies Act, 2013 and listing agreement, the Register of Members and the Shares Transfer Books of the Company will remain closed from Wednesday, 23.09.2015 to Wednesday, 30.09.2015 (both days inclusive).
3. The Explanatory Statement setting out the material facts concerning Special Business at Item Nos. 4 to 7 of the accompanying notice as required by Section 102 of the Companies Act, 2013, is annexed hereto.
4. The relevant details of persons seeking re-appointment/appointment under Item No. 2, 4 to 6 as required by clause 49 IV (G) (i) of the listing agreement with the Stock Exchanges are also annexed.
5. Members are requested to bring their copy of the Annual Report alongwith them to the Annual General Meeting.
6. Members/Proxies should bring the Attendance slip sent herewith duly filled in for attending the Annual General Meeting.
7. Pursuant to the provisions of Section 72 of the Companies Act 2013, the member(s) holding shares in physical form may nominate, in the prescribed manner, a person to whom all the rights in the shares shall vest in the event of death of the sole holder or all the joint holders. Member(s) holding shares in demat form may contact their respective DP for availing this facility.
8. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible.
9. The Company has designated an exclusive e-mail ID namely: grievance@majesticauto.in for receiving and addressing investors' grievances.
10. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN details to the Registrar
11. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days except Saturdays and Public Holidays, up to and including the date of the Annual General Meeting of the Company. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
12. The Register of Directors and their shareholding, maintained under Section 170 of the Companies Act, 2013 and Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
13. Copies of the Annual Report are being sent by electronic mode only to those members whose email addresses are registered with the company/depository participants(s) for communication purposes unless any members has requested for hard copy of the same. For members who have not registered their email addresses, physical copies of the Annual Report 2015 are being sent by the permitted mode. 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.
14. Please note that the meeting is for members or their proxies only. Please avoid being accompanied by non-members and children.

VOTING THROUGH ELECTRONIC MEANS

1. Pursuant to clause 35B of Listing Agreement read with Section 108 and corresponding Rules of Companies Act, 2013, the Company will provide e voting facility to the members. All business to be transacted at the forthcoming Annual General Meeting can be transacted through the electronic voting system provided by Central Depository Services (India) Limited (CDSL).
2. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again

MAJESTIC AUTO LIMITED

3. The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members/ depositories as at closing hours of business, 28.08.2015.
4. The shareholders shall have one vote per equity share held by them. The facility of e-voting would be provided once for every folio/ client id, irrespective of the number of joint holders.
5. The Company has appointed Mr. Madan Gopal Jindal, Practicing Company Secretary, as the scrutinizer for conducting the e-voting process in the fair and transparent manner.
6. The scrutinizer shall, within a period of not exceeding three working days from the date of conclusion of e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the company and make a final report to Chairman of the Company.
7. The Results shall be declared within 2 days from the date of the Annual General Meeting of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.majesticauto.in and on the website of CDSL within two(2) days of passing of the resolutions at the Annual General Meeting of the Company and communicated to the BSE Limited.
8. The scrutinizer's decision on the validity of e-voting will be final.

Instructions for Voting through electronic mode

- (i) The voting period begins on 9.00 a.m. on 27.09.2015, and ends on 5.30 p.m. on 29.09.2015. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 22.09.2015, may cast their vote electronically. The voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently. Any person, who acquires shares of the Company and becomes a shareholder of the Company after dispatch of the Notice of AGM and holds shares as of the cut-off date i.e. 22.09.2015, may obtain the login ID and password by sending a request at grievance@majesticauto.in.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period
- (iii) Click on "Shareholders" tab.
- (iv) 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.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat 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.
- (vii) if you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ol style="list-style-type: none"> 1. 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 no. in the PAN field. Sequence no. is printed on back side page of Annual Report or send to Share Holders separately. 2. In case the sequence no. 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 and sequence no. is 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details or Date of Birth	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <p>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).</p>

MAJESTIC AUTO LIMITED

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) 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 evoting 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Majestic Auto Limited on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non - Individual Shareholders and Custodians**
- o Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to www.evotingindia.com and register themselves as Corporates.
 - o A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - o After receiving the login details they have to create 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.
 - o The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - o 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.
 - o Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. 22.09.2015 may follow the same instructions as mentioned above for e-Voting.
 - o 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

ELECTRONIC VOTING PARTICULARS

EVSN (E-Voting Sequence No.)	USER ID	PASSWORD
150827064	16 Digit Demat Account No./Folio No. of Member holding shares in physical form	As per e-voting instructions

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 FORMING PART OF NOTICE OF ANNUAL GENERAL MEETING

Item Nos. 4 & 5

Sh. Aayush Munjal was appointed as an Additional Director of the Company with effect from 14.08.2015 by the Board of Directors under Section 161 of the Act and Article 131 of the Company's Articles of Association. In terms of Section 161(1) of the Act, Sh. Aayush Munjal holds office only upto the date of the forthcoming AGM but is eligible for appointment as a Director. A notice under Section 160(1) of the Act has been received from a Member signifying its intention to propose Sh. Aayush Munjal's appointment as a Director.

Sh. Aayush Munjal, aged 27 years, is a Bachelor of Science in Computer Science from Washington University in St. Louis, USA. After graduation he worked at Microsoft Corporation in Redmond, Washington, USA. He joined the Company on 01.06.2011 as Chief Technology Officer. Members may please note that Sh. Aayush Munjal is looking after the overall business of Noida unit of the company. Keeping in view the growth and scale of operations over last year, the nomination & remuneration committee and Board of Directors has appointed Sh. Aayush Munjal as Whole Time Director in its meeting held on 14.08.2015 subject to approval of shareholders at the below mentioned remuneration/ term and conditions

MAJESTIC AUTO LIMITED

1. **Basic Salary :**

Basic Salary in the scale of Rs. 130000-10000-150000 per month.

2. **Bonus :**

As per Company Rules.

3. **Commission :**

Commission shall be decided by the Board of Directors based on net profit of the Company each year and the same shall not exceed 1% of net profits of the Company subject to the condition that the aggregate remuneration to the Whole Time Director, shall not exceed the limits laid down under Section 196, 197, 203 and Schedule V of the Companies Act, 2013.

4. **Perquisites and allowances**

In addition to the above Basic Salary, Bonus and Commission, he shall be entitled to the following perquisites and allowances:-

- I) **Residential Accommodation/House Rent Allowance:** The appointee shall be provided rent free furnished residential accommodation with free use of all the facilities and amenities provided by the Company or house rent allowance equal to 55% of the basic salary. The said facility shall, however, be subject to the policy framed by the company in this respect. The expenditure incurred by the company on the gas, electricity, water and furnishing shall be valued as per the Income Tax Rules, 1962.
- II) **Washing Allowance: Rs.800/- per month**
- III) **Magzine Allowance: Rs.2000/- per month**
- IV) **Medical Allowance/Reimbursement :** Medical Allowance equal to 8% of basic salary or Reimbursement of actual Medical Expenses incurred by the appointee and his family whichever is higher;
- V) **Car :** Facility of Car with driver to be used for the business of the Company;
- VI) **Telephone :** Free telephone facility including Mobile Phone and Landline at residence to be used for the business of the Company; Reimbursement of entertainment, travelling, hotel and other expenses actually and properly incurred for the business of the Company;
- VII) **Contribution to Provident Fund, Superannuation fund or Annuity Fund:** Company's contribution to Provident, Superannuation Fund or Annuity Fund..
- VIII) Encashment of leave at the end of the financial year.

5. **Leave Travel Concession:**

For the appointee and his family once in a year incurred in accordance with the rules specified by the Company.

- 6. **Minimum Remuneration:** If in any financial year during the tenure of the appointee, the Company has no profits or its profits are inadequate, the appointee shall be entitled to remuneration by way of salary, perquisites, allowances, specified above as minimum remuneration subject to the ceilings as prescribed under Section II of Part II of Schedule V to the Companies Act, 2013 as minimum remuneration or such other limits as may be prescribed by the Government from time to time as minimum remuneration. For the purpose of computation of minimum remuneration, the following shall not be included:-
 - i) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent of these either singly or put together are not taxable under the Income Tax Act, 1961.
 - ii) Gratuity at the rate not exceeding half a month's salary for each completed year of service, and
 - iii) Encashment of leave at the end of financial year.
- 7. **Sitting Fees:** The Whole Time Director shall not be paid any sitting fees for attending the meetings of the Board or Committee thereof.

The document referred to in the proposed resolution is available for inspection at the Registered Office of the Company during working hours between 9.30 a.m. to 6.00 p.m. except on holidays. The aforesaid terms and conditions may be treated as an abstract of the terms of the contract and memorandum of the nature of the concern or interest of Directors pursuant to Section 102 of the Companies Act, 2013. The Board of Directors of your Company recommends passing of the Special Resolution as contained under Item No.4 and 5 above.

Memorandum of Interest:

None of the Directors except Sh. Mahesh Munjal and Ms. Aashima Munjal the Directors of the Company being the relative of the appointee and the appointee himself are concerned or interested in passing of this resolution.

MAJESTIC AUTO LIMITED

STATEMENT CONTAINING THE INFORMATION REQUIRED TO BE GIVEN TO THE SHAREHOLDERS OF THE COMPANY PURSUANT TO CLAUSE (B) OF SECTION II OF PART II OF SCHEDULE V TO THE COMPANIES ACT, 2013:

I. General Information:

1	Nature of Industry	The Company is engaged in the manufacturing Electricals, Fine Blanking Components, Spokes, and Two Wheelers Spare Parts	
2	Date of commencement of commercial production	21.05.1973	
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	N.A	
4	Financial performance based on given indicators	2014-15 (In Cr.)	2013-14 (In Cr.)
	Sale	111.74	104.62
	Net Profit	26.37	59.80
5.	Foreign investments or collaborators, if any	None	

II. Information about the appointee :

1.	Background details	Sh. Aayush Munjal, aged 27 years, is a Bachelor of Science in Computer Science from Washington University in St. Louis, USA. After graduation he worked at Microsoft Corporation in Redmond, Washington, USA. He joined the Company on 01.06.2011 as Chief Technology Officer. Presently he is looking after the overall business of Noida unit of the company.
2.	Past remuneration	Presently his Basic Salary is Rs.1,20,000 p.m. Other allowances and perquisites are as per the policy of the Company.
3.	Recognition or awards	-
4.	Job profile and his suitability	<p>Job Profile: Sh. Aayush Munjal is having the experience of 4 years of running Auto Parts Industries and handling independently the Noida unit of the company.</p> <p>Suitability : Your Board considers that the appointment of Sh. Aayush Munjal as the Whole Time Director shall be in the best interests of the Company and therefore, recommends passing of the Special Resolution as stated Above</p>
5.	Remuneration proposed	As per Resolution
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)	Keeping in view the type of the industry, size of the Company, the responsibilities and capabilities of Sh. Aayush Munjal the proposed remuneration is competitive with remuneration paid by other Companies to such similar positions.
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Except remuneration as mentioned above, he has no other pecuniary relationship directly or indirectly with the Company. He is son of Sh. Mahesh Munjal, Chairman and Managing Director and brother of Ms. Ashima Munjal, the Director of the Company

MAJESTIC AUTO LIMITED

III. Other Information

1.	Reasons of loss or inadequate profits	There are operational losses in the company during the year 2014-15.
2.	Steps taken or proposed to be taken for improvement	The Company is actively exploring new business opportunities in terms of product diversification
3.	Expected Increase in productivity and profit and measurable terms	It is expected that the productivity and profitability will improve in 2015-16 in comparison to the year 2014-15.

IV. Disclosures:

The details of remunerations and other information is given in the Corporate Governance Report of the Directors' Report to financial year 2015-16.

Item No.6

Mr. Mahesh Munjal, aged 61 years, is a Managing Director of the Company and having over 36 years of running Bicycle, Auto Parts Industries. He is a Graduate Engineer and M.B.A. His current term of appointment as a Managing Director of the Company will expire on 28.10.2015. He has excellent grasp and thorough knowledge and experience of not only engineering and technology but also of general management. Keeping his knowledge of various aspects relating to the Company's affairs and long business experience, the Board of Directors is of the opinion that for smooth and efficient running of the business, the services of Sh. Mahesh Munjal should be available to the Company for a further period of three years with effect from October 29, 2015. In terms of the provisions of the Companies Act, and the Articles of Association of the Company, the Nomination and Remuneration Committee of the Board and the Board of Directors have, at their meeting held on 14th August, 2015 re-appointed Sh. Mahesh Munjal as "Managing Director" of the Company for a period of 3 years from 29.10.2015, subject to approval by the shareholders of the Company under Schedule V of the Companies Act, 2013 at the below mentioned proposed remuneration:

1. Basic Salary :

Basic Salary in the scale of Rs. 600000-50000-700000 per month.

2. Bonus :

As per Company Rules.

3. Commission :

Commission shall be decided by the Board of Directors based on net profit of the Company each year and the same shall not exceed 1% of net profits of the Company subject to the condition that the aggregate remuneration to the Managing Director, shall not exceed the limits laid down under Section 196, 197, 203 and Schedule V of the Companies Act, 2013.

4. Perquisites and allowances

In addition to the above Basic Salary, Bonus and Commission, he shall be entitled to the following perquisites and allowances:-

- i) **Residential Accommodation:** The appointee shall be provided rent free furnished residential accommodation with free use of all the facilities and amenities provided by the Company or house rent allowance equal to 60% of the basic salary. The said facility shall, however, be subject to the policy framed by the company in this respect. The expenditure incurred by the company on the gas, electricity, water and furnishing shall be valued as per the Income Tax Rules, 1962.
- ii) **Medical Reimbursement :** Reimbursement of actual Medical Expenses incurred by the appointee and his family;
- iii) **Club Fees :** Actual fees of clubs subject to maximum of two clubs will be reimbursed;
- iv) **Personal Accident Insurance:** Actual premium to be paid by the Company;
- v) **Insurance of House-hold goods :** Actual premium to be paid by the Company;
- vi) **Car :** Facility of Car with driver to be used for the business of the Company;
- vii) **Telephone :** Free telephone facility including Mobile Phone and Landline at residence to be used for the business of the Company; Reimbursement of entertainment, travelling, hotel and other expenses actually and properly incurred for the business of the Company;
- viii) **Life Insurance:** Actual premium on the lives of the appointee, his wife and children to be paid by the Company;

MAJESTIC AUTO LIMITED

- ix) **Contribution to Provident Fund, Superannuation fund or Annuity Fund:** Company's contribution to Provident, Superannuation Fund or Annuity Fund.
- x) **Gratuity:** Not exceeding half month's salary for each completed year of service.
- xi) **Encashment** of leave at the end of the financial year.
5. **Leave Travel Concession:**
For the appointee and his family once in a year incurred in accordance with the rules specified by the Company.
6. **Minimum Remuneration:** If in any financial year during the tenure of the appointee, the Company has no profits or its profits are inadequate, the appointee shall be entitled to remuneration by way of salary, perquisites, allowances, specified above as minimum remuneration subject to the ceilings as prescribed under Section II of Part II of Schedule XIII to the Companies Act, 1956 as minimum remuneration or such other limits as may be prescribed by the Government from time to time as minimum remuneration. For the purpose of computation of minimum remuneration, the following shall not be included:-
- i) **Contribution to Provident Fund, Superannuation Fund or Annuity Fund** to the extent of these either singly or put together are not taxable under the Income Tax Act, 1961.
- ii) Gratuity at the rate not exceeding half a month's salary for each completed year of service, and
- iii) Encashment of leave at the end of the financial year.
7. **Sitting Fees:** The Managing Director shall not be paid any sitting fees for attending the meetings of the Board or Committee thereof.

The document referred to in the proposed resolution is available for inspection at the Registered Office of the Company during working hours between 9.30 a.m. to 6.00 p.m. except on holidays. The aforesaid terms and conditions may be treated as an abstract of the terms of the contract and memorandum of the nature of the concern or interest of Directors pursuant to Section 102 of the Companies Act, 2013. The Board of Directors of your Company recommends passing of the Special Resolution as contained under Item No.6 above.

Memorandum of Interest:

None of the Directors except Ms. Aashima Munjal and Sh. Ayush Munjal the Directors of the Company being the relative of the appointee and the appointee himself are concerned or interested in passing of this resolution.

STATEMENT CONTAINING THE INFORMATION REQUIRED TO BE GIVEN TO THE SHAREHOLDERS OF THE COMPANY PURSUANT TO CLAUSE (B) OF SECTION II OF PART II OF SCHEDULE V TO THE COMPANIES ACT, 2013:

I. General Information:

1	Nature of Industry	The Company is engaged in the manufacturing Electricals, Fine Blanking Components, Spokes, and Two Wheelers Spare Parts	
2	Date of commencement of commercial production	21.05.1973	
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	N.A	
4	Financial performance based on given indicators	2014-15 (In Cr.)	2013-14 (In Cr.)
	Sale	111.74	104.62
	Net Profit	26.37	59.80
5.	Foreign investments or collaborators, if any	None	

MAJESTIC AUTO LIMITED

II. Information about the appointee :

1.	Background details	Sh. Mahesh Munjal was appointed as a Director of the Company w.e.f. 29.6.1993 and was appointed as an Executive Director of the Company w.e.f. 29.10.1993 and re-designated as Managing Director of the Company w.e.f.29.7.1999. Before joining as a Director of the Company, Sh. Mahesh Munjal was Executive Director of Munjal Auto Industries Limited formerly known as Gujarat Cycles Limited. He is a Graduate Engineer and M.B.A. He is a member of various trade and management bodies.
2.	Past remuneration	Presently his Basic Salary is Rs.4,00,000 p.m.Other allowances and perquisites are as per resolution passed by Shareholders in their AGM held on 28.09.2012
3.	Recognition or awards	-
4.	Job profile and his suitability	<p>Job Profile: Sh. Mahesh Munjal is having rich experience of 36 years of running Auto Parts Industries as below and shall be responsible for the overall affairs of the Company:</p> <ul style="list-style-type: none"> a) He has worked as Assistant Works Director, Chief Executive (Works) during the period from 1979 to 1986 in Hero Cycles Limited, Ludhiana. b) He has worked as Executive Director in Munjal Auto Industries Limited formerly known as Gujarat Cycles Limited during the period from 1986 to 1993. c) He is working as Executive Director/ Managing Director of the Company since 1993. <p>Suitability : Your Board considers that the re-appointment of Sh. Mahesh Munjal having such wide experience will be in the best interests of the Company and therefore, recommends passing of the Special Resolution as stated above</p>
5.	Remuneration proposed	As per Resolution
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin)	Keeping in view the type of the industry, size of the Company, the responsibilities and capabilities of Sh. Mahesh Munjal, the proposed remuneration is competitive with remuneration paid by other Companies to such similar positions.
7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Except remuneration as mentioned above, he has no other pecuniary relationship directly or indirectly with the Company, He is father of Ms. Ashima Munjal and Mr. Aayush Munjal the Director's of the Company.

III. Other Information

1.	Reasons of loss or inadequate profits	There are operation losses in the company during the year 2014-15.
2.	Steps taken or proposed to be taken for improvement	The Company is actively exploring new business opportunities in terms of product diversification
3.	Expected Increase in productivity and profit and measurable terms	It is expected that the productivity and profitability will improve in 2015-16 in comparison to the year 2014-15.

IV. Disclosures:

The details of remunerations and other information is given in the Corporate Governance part of the Directors'Report.

MAJESTIC AUTO LIMITED

ITEM NO.7

As per notification issued by Ministry of Corporate Affairs for amendment in Companies (Cost Records and Audit) Rules, 2014 dated December 31, 2014, Cost Audit will be applicable to the Company for the financial year 2015-16. Accordingly, the Board of Directors of the Company on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. Manoj and Associates, Practicing Cost Accountants to conduct the audit of the cost records of the Company across various segments for the financial year ended March 31, 2016. In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor as recommended by the Audit Committee and approved by the Board of Directors has to be ratified by the Members of the Company. Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out at Item No. 7 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2016.

None of the Directors, Key Managerial Personnel of the Company and their relatives, is in any way, concerned or interested, financially or otherwise in the resolution. The Board recommends the resolution set forth in Item No. 7 for approval of the members

RELEVANT INFORMATION PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT REGARDING DIRECTORS BEING APPOINTED/ REAPPOINTED:

Ms. Ashima Munjal

Ms. Ashima Munjal joined the Company on August 14, 2010 as Director of the Company. She is also Managing Director of Majestic IT Services Limited, a wholly owned subsidiary of the Company. Ms. Ashima Munjal is 34 years old and has a Master of Science in Engineering Degree and Bachelors in computer Science from the Johns Hopkins university, USA. Previously she has worked with the centre for networking and Distributed systems at John Hopkins University, Unisys Corporation and the Veteran Health Administration in the United States of America. She is also having good experience of the business process outsourcing industry. At present she is on the Board of following Companies and Committees there of:

Majestic Auto Limited

Director

Member - Share Holder/Investors' Grievance Committee

Member - Audit Committee

Balance Investment Corporation Ltd.

Director

Majestic IT Services Limited

Managing Director

Amtier Infotech Limited

Director

Ms. Ashima Munjal does not hold any share (in her own name or on behalf of other person on a beneficial basis) in the Company.

Ms. Ashima Munjal is daughter of Mr. Mahesh Munjal the Managing Director of the Company and sister of Sh. Aayush Munjal whole time Director of the Company.

Mr. Mahesh Munjal

Mr. Mahesh Munjal joined the Company on 29th June, 1993 and was appointed as an Executive Director of the Company w.e.f. 29.10.1993 and re-designated as Managing Director of the Company w.e.f. 29.07.1999. He carries with him enriched experience of 36 years of running Auto Parts Industries. He is a graduate Engineer and M.B.A. Before joining as a Director of the Company, Mr. Mahesh Munjal was Executive Director of Munjal Auto Industries Limited formerly known as Gujarat Cycles Limited. At present he is holding the membership of the Board/Committee(s) of the following Companies:

Majestic Auto Limited

Managing Director

Member- Shareholder /

Investors' Grievance Committee

M & M Auto Industries Limited

Director

Aayush Finance & Investment Pvt. Ltd.

Director

De Core Science & Technologies Ltd.

Director (Resigned w.e.f. 08.04.2015)

Majestic IT Services Limited

Director

Member - Remuneration Committee

Amtier Infotech Limited

Director

Anadi Investments Pvt. Ltd.

Director

OK Hosiery Mills Pvt. Ltd.

Director

Mr. Mahesh Munjal hold 40,421 equity shares (in his own name or on behalf of other person on a beneficial basis) in the Company. Mr. Mahesh Munjal is the father of Ms. Aashima Munjal and Sh. Aayush Munjal the Directors of the Company

Mr. Aayush Munjal

Mr. Aayush Munjal, aged 27 years, is a Bachelor of Science in Computer Science from Washington University in St. Louis, USA. After graduation he worked at Microsoft Corporation in Redmond, Washington, USA. He joined the Company on 01.06.2011 as Chief Technology Officer. Presently he is looking after the overall business of Noida unit of the company. At present she is on the Board of following Companies and Committees there of:

Majestic Auto Limited

Whole Time Director

Mr. Aayush Munjal does not hold any share (in his own name or on behalf of other person on a beneficial basis) in the Company.

Mr. Aayush Munjal is a son of Mr. Mahesh Munjal, Managing Director and brother of Ms. Ashima Munjal, Director of the Company.

MAJESTIC AUTO LIMITED

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting to you the 42nd Annual Report and the Audited Accounts for the Financial Year ended 31st March, 2015.

FINANCIAL RESULTS:

(Rupees in Lacs)

	Year ended 31.03.2015	Year ended 31.03.2014
Operational Income (Gross)	11174	10462
Profit before Depreciation and Financial cost	3986	7719
Less: Financial Cost	1042	1481
Depreciation	1771	1503
Net Profit before Tax	1173	4735
Less: Tax Expenses	(1464)	(1246)
Profit After Tax	2637	5981
Add : Balance Brought Forward	11676	5695
Profit Available for Appropriations	14313	11676
Basic and Diluted Earnings Per Share (Rs.)	25.36	57.52

OPERATIONS

During the year under report, your Company has registered turnover of Rs.11,174 lacs as compared to Rs.10,462 lacs in the previous financial year. The Company earned a net profit of Rs.2637 lacs as compared to a net profit of Rs.5981 lacs in the previous financial year.

The management is confident that with its visionary approach and meticulous planning, the company will be moving the way ahead. The turnover of fine blanking components has decreased by 4% to Rs. 1726 Lac and the turnover of Electricals has increased by 33% to Rs. 8,884 Lacs during the current financial year in this competitive market.

DIVIDEND

To sustain internal accruals for the future growth of the Company, your directors are not recommending any dividend for the Accounting Year.

RESERVES

The Company does not propose to carry any amount to any reserves.

MATERIAL CHANGES AND COMMITMENTS

There were no material changes and commitments, affecting the financial position of the Company that have occurred between the end of the financial year of the Company and the date of signing of this report.

BOARD OF DIRECTORS

At the ensuing Annual General Meeting (AGM), Ms. Aashima Munjal Director retires by rotation and being eligible, offers herself for re-election. The notice convening the ensuing AGM includes the proposal for her re-appointment as director. During the period under review Sh. Harjeet Singh Arora, Director has resigned from the Directorship of the Company.

Sh. Mahesh Munjal has been re-appointed as the Managing Director of the Company subject to approval of shareholders in the forthcoming Annual General Meeting. Further Sh. Aayush Munjal has been appointed as Whole Time Director of the Company subject to the approval of the shareholders in the forthcoming Annual General Meeting of the Company.

All the independent directors have affirmed that they satisfy the criteria laid down under section 149 of the Companies Act, 2013 and clause 49 of the listing agreement.

Board Evaluation:

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Appointment & Remuneration Committees. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

Meetings:

A calendar of Meetings is prepared and circulated in advance to the Directors. During the year four Board Meetings and four Audit Committee Meetings were convened and held. The details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

KEY MANAGERIAL PERSONNEL

During the year under review, the following whole time employees are the Key Managerial Personnel (KMP) of the Company:

1. Sh. Mahesh Munjal, Managing Director
2. Sh. Prakash Patro, Chief Financial Officer
3. Sh. Rajesh Saini, Company Secretary

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134 (5) of the Companies Act, 2013, the directors would like to state that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- ii) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 or loss of the Company for the year under review.

MAJESTIC AUTO LIMITED

- iii) 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.
- iv) The directors have prepared the annual accounts on a going concern basis.
- v) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

HOLDING COMPANY

The Holding Company, M/s Anadi Investments Private Limited is holding 7,757,687 equity shares in the company of Rs. 10/- each equivalent to 74.61% of the paid up capital of the company as on 31st March 2015.

SUBSIDIARY/JOINT VENTURE AND ASSOCIATES COMPANY(IES)

The Company has one Subsidiary namely Majestic IT Services Limited (MITSL), which is engaged in the business of providing a broad range of information and technology related services. MITSL has commenced its operations in the area of NCR Delhi.

CONSOLIDATED FINANCIAL STATEMENTS

In accordance with the provisions of Companies Act, 2013 and Accounting Standard - 21 on Consolidated Financial Statements read with Accounting Standard - 23 on Accounting for Investments in Associates and Accounting Standard - 27 on Financial Reporting of Interests in Joint Venture in Consolidated Financial Statements, your Directors have the pleasure in attaching the Consolidated Financial Statements which form a part of the Annual Report.

LISTING

The shares of your Company are listed at BSE Limited, and pursuant to Clause 38 of the Listing Agreement, the Annual Listing fees for the year 2015-16 have been paid to them well before the due date i.e. April 30, 2015. The Company has also paid the annual custodian fees for the year 2015-16 in respect of Shares held in dematerialized mode to NSDL & CDSL.

FIXED DEPOSITS

PARTICULARS	
(a) Accepted during the year	Nil
(b) remained unpaid or unclaimed as at the end of the year;	Nil
(c) whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved	
(i) at the beginning of the year	NA
(ii) maximum during the year	NA
(iii) at the end of the year;	NA
(d) The details of deposits which are not in compliance with the requirements of Chapter V of the Companies Act, 2013.	NA

RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of the business. There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large. Thus, disclosure in form AOC-2 is not required. The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act, 2013, the rules there under and the Listing Agreement. This Policy was considered and approved by the Board has been uploaded on the website of the Company i.e. www.majesticauto.in.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The detailed information as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 Companies (Accounts) Rules, 2014 is annexed hereto as **Annexure-I** and forms an integral part of this report.

ENVIRONMENTAL & QUALITY MANAGEMENT

With implementation of the Environment Management System (EMS) ISO-14001:2004, the Company continues to pursue its endeavor to operate in harmony with the nature, conservation of natural resources and reduction in Global warming. The Company continues to maintain the ISO/TS:16949(2009) Quality Management Systems to ensure effectiveness of all functions.

AUDITORS' REPORT/ SECRETARIAL AUDIT REPORT

The observation made in the Auditors' Report/Secretarial Audit Report read together with relevant notes thereon are self-explanatory and hence, do not call for any further comments under Section 134 of the Companies Act, 2013.

AUDITORS

At the Annual General Meeting held on 29th September, 2014 M/s B.D. Bansal and Co., Amritsar were appointed as statutory auditors of the Company to hold office till the conclusion of the 44th Annual General Meeting. In terms of the first proviso to Section 139 of the Companies Act, 2013 the appointment of the auditors shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of M/s B.D. Bansal and Co., Amritsar as statutory auditors of the Company, is placed for ratification by the shareholders. In this regard, the Company has received a certificate from the auditors to the effect that their appointment is in accordance with the provisions of Section 141 of the Companies Act, 2013. The auditors' report on the accounts of the Company for the year under review requires no comments.

MAJESTIC AUTO LIMITED

SECRETARIAL AUDIT

M/s Ashok Singla and Associate, Practicing Company Secretaries, Ludhiana, were appointed to conduct the Secretarial Audit of the Company for the financial year 2014-15 under Section 204 of the Companies Act, 2013 and Rules made there under. The Secretarial Audit Report for Financial Year 2014-15 is appended as an **Annexure II** to the Board's report. The Secretarial auditors' report for the year under review requires no comments.

COST AUDIT/ORS

Cost audit for the financial year 2014-15 is not applicable to the Company as per Notification No.G.S.R.425[E] dated 30th June 2014 issued by the Ministry of Corporate Affairs, hence no cost auditor was appointed for cost audit purposes.

However as per notification issued by Ministry of Corporate Affairs for amendment in Companies (Cost Records and Audit) Rules, 2014 dated December 31, 2014, Cost Audit will be applicable to the Company for the financial year 2015-16. Accordingly, the Board of Directors of the Company on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. Manoj and Associates, Practicing Cost Accountants to conduct the audit of the cost records of the Company across various segments for the financial year ended March 31, 2016.

EXTRACT OF ANNUAL RETURN

In accordance with Section 134(3)(a) of the Companies Act 2013, an extract of the annual return in the prescribed format is appended as an **Annexure III** to the Board's report.

DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY

The Company has been addressing various risks through well-defined risk management policy/procedures, which are in the opinion of the Board may threaten the existence of the Company.

INTERNAL FINANCIAL CONTROL SYSTEMS

The Company has laid down adequate internal financial controls with reference to financial statements. During the year such controls were tested and no material weakness in their operating effectiveness was observed.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There were no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations

AUDIT COMMITTEE RECOMMENDATION

During the year there was no such recommendation of the Audit Committee which was not accepted by the Board. Hence, disclosure of the same is not required in this Report.

DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has adopted the Whistle Blower Policy/Vigil mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the Company's Code of Conduct and Ethics. Such mechanism/policy is also uploaded on the website of the Company i.e. www.majesticauto.in.

REMUNERATION POLICY

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed a policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management and their Remuneration. The said policy has been uploaded on the website of the Company. The Key provisions of Nomination and Remuneration policy are appended as an **Annexure IV** to the Board's report.

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is appended as an **Annexure V** and forms an integral part of this report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A report in the form of Management Discussion and Analysis pursuant to Clause 49 of the Listing Agreement, as a part of this report is annexed hereto as **Annexure VI**.

PERSONNEL

As on March 31, 2015, the total number of employees on the records of the Company was 607. The Company conducts several training programmes to upgrade the skills of its workforce. These programmes have a strong practical approach, and the objective is to derive tangible improvements. Industrial relations were cordial throughout the year. Your Directors place on record their appreciation for the dedicated and sincere efforts put in by all employees in the performance of the Company.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company has constituted the Corporate Social Responsibility (CSR) Committee on August 14, 2014 comprising Dr. M.A. Zahir as Chairman and Maj. S.S. Khosla and Mr. Mahesh Munjal as other members. The said Committee has been entrusted with the responsibility of formulating and recommending CSR policy indicating the activities to be undertaken by the Company, monitoring and implementation of the framework of CSR policy and recommending the amount to be spent on CSR activities. Annual Report on Corporate Social Responsibility [CSR] activities is appended as an **Annexure VII**

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement with the Bombay Stock Exchange Ltd., adequate steps have been taken to ensure that all the provisions relating to Corporate Governance are duly complied with. A report on Corporate Governance alongwith the Auditors' Certificate on its compliance as a part of this report is annexed hereto as **Annexure VIII**

ACKNOWLEDGEMENT

The Directors acknowledge with gratitude, the co-operation and assistance given by the Central Government, State Governments, Banks, Dealers, Customers, Vendors and Investors during the year under review.

For and on Behalf of the Board of Directors

Place : Ludhiana
Date : 14.08.2015

(Mahesh Munjal)
Chairman & Managing Director

MAJESTIC AUTO LIMITED

ANNEXURE - I

INFORMATION AS PER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH COMPANIES (ACCOUNTS) RULES, 2014 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31st MARCH, 2015.

Energy Conservation is an ongoing process in the Company. The Company continued its efforts to improve energy usage efficiencies and increase the share of renewable energy. Various key performance indicators like specific energy (energy consumed per unit of production), specific energy costs and renewable energy contributions were continuously tracked to monitor alignment with the Company's overall sustainability approach.

(A) CONSERVATION OF ENERGY

- (I) Steps taken or impact on conservation of energy:
 - a) Energy conservation measures taken
 - i) Peak Load Exempted and Reduced.
 - ii) CFL bulbs 45 watts installed instead 85 watts
 - iii) Power Factor improved 0.99
 - iv) Winding Lines combined and removed conveyors.
 - v) Organized training programme for employees.
 - b) Impact of the measures at (a) above for reduction of energy consumption and consequent impact on the cost of Production of goods;
Due to implementation of the above steps (and also steps taken in past), considerable energy and cost of production of goods has been saved/reduced and consequently power factor has been improved.
- (ii) Steps taken for utilising alternate sources of energy: The Company is exploring potential of using alternate source of energy
- (iii) Capital investment on energy conservation equipment during the year:
NIL

B) TECHNOLOGY ABSORPTION

Your company is keeping a close eye on the new product development and upgradation of technology in existing products. Upgradation and automation in various areas of plant and machinery is continuously carried out.

- (i) Efforts made towards technology absorption:
- ii) Benefits derived:
- iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):
 - (a) the details of technology imported; Nil
 - (b) the year of import; N/A
 - (c) whether the technology been fully absorbed; N/A
 - (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; N/A
- iv) Expenditure incurred on Research and Development
 - [a] Capital -
 - [b] Recurring -
 - [c] Total -

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

Total foreign exchange used & earned:

	(Rs.in lacs)
Used	544
Earned	Nil

MAJESTIC AUTO LIMITED

ANNEXURE-II

ASHOK K SINGLA & ASSOCIATES

(COMPANY SECRETARIES)

B-XX-1374, KRISHNA NAGAR, GHUMAR MANDI, LUDHIANA-141001, Pb.
M:78140-02345, 93572-03395, Ph.:0161-2553115, Email: asingla_cs@yahoo.co.in

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED on 31st March, 2015.

To,
The Members,
Majestic Auto Limited,

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

Based on my/our verification of the Majestic Auto Limited 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/We hereby report that in my/our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2015 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter: I/we have examined the books, papers, minute books, forms and returns filed and other records maintained by Majestic Auto Limited ("the Company") for the financial year ended on 31st March, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 - (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 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;
- I/we 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 Agreements entered into by the Company with Bombay Stock Exchange Ltd.;

During the period under review the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards etc. mentioned above.

I/we further report that

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

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

I/we further report that during the audit period the company has not any specific events / actions which have a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

For Ashok K Singla & Associates,
Company Secretaries,

(Ashok Singla)
Proprietor,
Membership No. 2004.
Certificate of Practice No. 1942.

Date : 07th August, 2015.
Place: Ludhiana.

MAJESTIC AUTO LIMITED

ASHOK K SINGLA & ASSOCIATES

(COMPANY SECRETARIES)

B-XX-1374, KRISHNA NAGAR, GHUMAR MANDI,

LUDHIANA-141001, Pb.

M:78140-02345,98881-53115,93572-03395,Ph.:0161-2553115

Email: asingla_cs@yahoo.co.in

To

The Members

Majestic Auto Limited.

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

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

For Ashok K Singla & Associates,
Company Secretaries,

(Ashok Singla)
Proprietor,
Membership No. 2004.
Certificate of Practice No. 1942.

Date :07th August, 2015.
Place: Ludhiana.

MAJESTIC AUTO LIMITED

Annexure III

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2015
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L35911PB1973PLC003264
2.	Registration Date	23.04.1973
3.	Name of the Company	MAJESTIC AUTO LIMITED
4.	Category/Sub-category of the Company	Company having share capital
5.	Address of the Registered office & contact details	C-48, Focal Point, Ludhiana, Punjab-141010
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Alankit Assignments Limited, Corporate Office, Alankit House, 2E/21, Anarkali Market, New Delhi-110055. Phone No.011-23541234, 42541234, Fax No.011-23552001, Email:rta@alankit.com, Contact Person: Mr. J.K. Singla

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Electricals	27101	79.50
2	Fine Blanking Components	29209	15.75

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	AnandInvestment P. Ltd.	U67120PB1981PTC004753	Holding Company	74.61	2(46)
2.	Majestic IT Services Limited	U72900DL2009PLC196844	Subsidiary Company	99.99	2(87)

MAJESTIC AUTO LIMITED

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2014]				No. of Shares held at the end of the year[As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter s									
(1) Indian									
a) Individual/ HUF	40421	-	40421	0.39	40421	-	40421	0.39	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	7757687	-	7757687	74.61	7757687	-	7757687	74.61	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-Total A(1)	7798108	-	7798108	75.00	7798108	-	7798108	75.00	-
(2) Foreign									
a) NRI-Individual	-	-	-	-	-	-	-	-	-
b) other individual	-	-	-	-	-	-	-	-	-
c) Bodies Corp	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-Total A(2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoters A=A(1)+A(2)	7798108	0	7798108	75.00	7798108	-	7798108	75.00	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	84606	2778	87384	0.84	84606	2778	87384	0.84	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	2251	2251	0.02	-	2251	2251	0.02	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	84606	5029	89635	0.86	84606	5029	89635	0.86	
2. Non-Institutions									
a) Bodies Corp.									
Indian	270954	4164	275118	2.65	222682	4164	226846	2.18	(0.47)
Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital uptoRs. 1 lakh	1099257	174725	1273982	12.25	1115137	168421	1283558	12.34	0.09
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	843414	-	843414	8.11	891335	-	891335	8.57	0.46
c) Others (specify)									
Non Resident Indians	19617	766	20383	0.20	16898	766	17664	0.17	(0.03)
Clearing Members	9461	-	9461	0.09	1510	-	1510	0.01	(0.08)
Trusts	-	95	95	0.00	-	95	95	0.00	0.00
HUF	87282	-	87282	0.84	88727	-	88727	0.85	0.01
Sub-total (B)(2):-	2329985	179750	2509735	24.14	2336289	173446	2509735	24.14	0.00
Total Public Shareholding (B)=(B)(1)+(B)(2)	2414591	184779	2599370	25.00	2420895	178475	2599370	25.00	0.00
C. Shares held by Custodian for GDRs & ADRs									
	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	10212699	184779	10397478	100.00	10219003	178475	10397478	100.00	-

MAJESTIC AUTO LIMITED

B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Anadi Investment Pvt. Ltd.	7757687	74.61	-	7757687	74.61	-	-
2	Mahesh Munjal	40421	0.39	-	40421	0.39	-	-

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

SN	Particulars	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	No Change during the year	-	No Change during the year	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	No Change during the year	-	No Change during the year	-
	At the end of the year	No Change during the year	-	No Change during the year	-

D) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

cSN	For Each of the Top 10 Shareholders	No. of Shares held at the beginning of the year (as at 31.03.2014)		No. of shares held at the end of the year as on 31.03.2015		% Change in shareholding during the year
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1	Anil Kumar Goel	225000	2.164	225000	2.164	-
2	DIPAK KANAYALAL SHAH	140000	1.346	176100	1.694	0.348
3	SANJAY DEVKINANDAN GUPTA	101000	0.971	101000	0.971	-
4	HSBC MIDCAP EQUITY FUND	84606	0.814	84606	0.814	-
5	INTEGRATED FINANCIAL SERVICES LTD	44500	0.428	25000	0.24	(0.188)
6	AMIT JAIN	-	-	50000	0.481	0.481
7	G SHANKAR	34405	0.331	-	-	(0.331)
8	KIRIT TULSIDAS VASSA	-	-	33673	0.324	0.324
9	MAHENDRA GIRDHARILAL	30200	0.29	32290	0.311	0.021
10	NEKA SHAH	-	-	31200	0.30	0.30

MAJESTIC AUTO LIMITED

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	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
1.	Sh. Mahesh Munjal				
	At the beginning of the year	40421	0.39	40421	0.39
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	40421	0.39	40421	0.39
2.	Sh. Prakash Patro				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	-	-	-	-
3.	Sh. Rajesh Saini				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	-	-	-	-

V. INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

Indebtedness at the beginning of the financial year				
i) Principal Amount	673,513,471	263,300,000	-	936,813,471
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	673,513,471	263,300,000	-	936,813,471
Change in Indebtedness during the financial year				
* Addition	330,414,881	-	-	330,414,881
* Reduction	-	248,300,000	-	248,300,000
Net Change	330,414,881	248,300,000	-	82,114,881
Indebtedness at the end of the financial year				
i) Principal Amount	1,003,928,352	15,000,000		1,018,928,352
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	1,003,928,352	15,000,000	-	1,018,928,352

MAJESTIC AUTO LIMITED

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (In lac)

SN.	Particulars of Remuneration	Managing Director	Total Amount
		Mahesh Munjal	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	49.99	49.99
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	20.99	20.99
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit - others, specify...	-	-
5	Others, please specify	-	-
	TOTAL	70.98	70.98
	Ceiling	Rs.120 lac as per Section II part II of schedule V of the Companies Act, 2013	

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		-----	----	----	---	
1	Independent Directors					
	Fee for attending board committee meetings					
	Commission					
	Others, please specify					
	Total (1)					
2	Other Non-Executive Directors					
	Fee for attending board committee meetings					
	Commission					
	Others, please specify					
	Total (2)					
	Total (B)=(1+2)					
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

MAJESTIC AUTO LIMITED

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD (In lac)

SN	Particulars of Remuneration	Key Managerial Personnel		
		CS: Sh. Rajesh Saini	CFO: Sh. Prakash Patro	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	6.04	4.58	10.62
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1.01	0.51	1.52
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit	-	-	-
	others, specify...	-	-	-
5	Others, please specify	-	-	-
	Total	7.05	5.09	12.14

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

MAJESTIC AUTO LIMITED

Annexure IV NOMINATION AND REMUNERATION POLICY

The Key provisions of the Nomination and Remuneration policy are given below:

- The guiding principle is that the remuneration and the other terms of employment shall be competitive in order to ensure that the Company can attract and retain competent Executives.
- When determining the remuneration policy and arrangements for Executive Directors/KMP's, the Nomination and Remuneration Committee shall consider pay and employment conditions with peers/ elsewhere in the competitive market to ensure that pay structures are appropriately aligned and that level of remuneration remain appropriate in this context.
- The Committee while designing the remuneration package considers the level and composition of remuneration to be reasonable and sufficient to attract, retain and motivate the person to ensure the quality required to run the company successfully.
- The Nomination and Remuneration Committee while considering a remuneration package must ensure a balanced approach reflecting short and long term performance objectives appropriate to the working of the company and its goals.
- The Committee shall consider that a successful remuneration policy must ensure that any increase in the remuneration package is linked to the achievement of corporate performance targets and a strong alignment of interest with stakeholders.
- The Nomination and Remuneration policy is guided by a common reward framework and set of principles and objectives as particularly envisaged under section 178 of the Companies Act 2013, inter alia principles pertaining to determining qualifications, positives attributes, integrity and independence etc.
- Remuneration packages are designed to attract high-caliber executives in a competitive market and remunerate executives fairly and responsibly. The remuneration shall be competitive and based on the individual responsibilities and performance.
- Remuneration is designed to motivate delivery of our key business strategies, create a strong performance-orientated environment and reward achievement of meaningful targets over the short- and long-term.
- Executive remuneration shall be proposed by the Committee and subsequently approved by the Board of Directors. Executive remuneration is evaluated annually against performance and a benchmark of other companies, which in size and complexity are similar to Majestic Auto Ltd. Benchmark information is obtained from recognized compensation service consultancies/other relevant sources. In determining packages of remuneration, the Committee may consult with the Chairman/ Managing Director as appropriate.
- Information on the total remuneration of members of the Company's Board of Directors and KMPs shall be disclosed in the Company's Annual Report.
- The Company may grant any advance salary/loan to employees of the Company at concessional/Nil interest rates as it deems fit subject to tax laws.
- The Board may delegate the appointment and remuneration powers in case of Sr. Management Personnel (except KMPs and Directors) to the Chairman & Managing Director and/or Vice-Chairman & Managing Director and/or Executive Director and CEO by way of Board Resolution.
- The appointment letters of all Sr. Management Personnel, KMPs and Directors shall draw reference to the fact that the appointment and remuneration is in accordance with the Nomination and Remuneration Policy of the Company.

Annexure V

The information required pursuant to Section 197 read with Rule 5 (1) and (2) of Chapter XIII, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is furnished hereunder:

1. (i)

Name of Director/ KMP and Designation	Remuneration in F.Y 2014-15 (Rs. In lac)	%increase in remuneration over previous year	Ratio of remuneration to MRE*	Comparison of the remuneration of the KMP against the Performance of the Company	
				% of Net Profit	% of Turnover
Sh. Mahesh Munjal, Managing Director	77.32	42.68	40.91	5.86	0.62
Sh. Prakash Patro, Chief Financial Officer	5.84	22.36	3.48	0.50	0.05
Sh. Rajesh Saini, Company Secretary	7.76	7.41	4.62	0.66	0.07

Note: For this purpose, sitting fees paid to the Directors have not been considered as remuneration.

*MRE-Median Remuneration of Employee based on annualized salary

MAJESTIC AUTO LIMITED

- (ii) The median remuneration of employees of the Company during the financial year was Rs. 1.68 Lacs p.a.
- (iii) In the financial year, there was an increase of 36% in the median remuneration of employees;
- (iv) There were 607 permanent employees on the rolls of the Company as on March 31, 2015;
- (v) Relationship between average increase in remuneration and Company performance:- The following factors are considered while giving increase in the remuneration:
- Financial performance of the Company,
 - Comparison with peer companies, and
 - Industry benchmarking and consideration towards cost of living adjustment/ inflation
- (vi) Comparison of the remuneration of the Key Managerial Personnel(s) against the performance of the Company:- For the financial year 2014-15 Key Managerial Personnel were paid 27.44 % and 0.74% of the net profit and turnover respectively of the Company.
- (vii) (a) Variation in market capitalisation of the Company: The market capitalisation as on March 31, 2015 was 5656.22 lac 4382.54 lac as on March 31, 2014;
- (b) Price Earnings ratio of the Company was 2.14 as at March 31, 2015 and was 0.73 as at March 31, 2014;
- (c) Percent increase or decrease in the market quotations of the shares of the Company as compared to the rate at which the Company came out with the last public offer in the year:- There has not been any public offer by the Company in last year.
- (viii) Average percentile increase made in the salaries of employees other than the managerial personnel in the last financial year i.e 2014-15 was 22.11% whereas the percentile increase in the managerial remuneration for the same financial year was 37.36%;
- (ix) The key parameters for the variable component of remuneration availed by the Managing Director is based on his performance and Company's performance
- (x) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year :- Not applicable; and
- (xi) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel, Senior Management Personnel and other employees.
2. (i) Employed throughout the year and were in receipt of remuneration at the rate of not less than Rs. 60 lac per annum

Name of Employee	Designation of the employee	Remuneration Received in 2014-15 (Rs.in lac)	Qualifications	Experience (No. of Years)	Date of Commencement Of employment	Age (years)	The last employment held by such employee before joining the Company	The percentage of equity shares held by the employee in the Company
Sh. Mahesh Munjal	Managing Director	77.32	B.S.C. M.B.A.	36	29.06.93	61	Munjal Auto Industries Ltd.	0.39
Sh. Jae Hyun Park	Vice President	60.00	Bachelor Machine Design from Busan University Korea.	33	14.10.2013	57	Taeyang Electronics	Nil

- (ii) Employed for a part of the financial year and separated, were in receipt of remuneration at the rate of not less than Rs. 5 lac per month-----.. Nil

ANNEXURE-I TO DIRECTORS' REPORT MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Company is presently in the business of manufacturing Fine Blanking Components, Electrical Motors and Bicycles Spokes. During the financial year 2014-15, the main business of the Company is manufacturing of Electrical Motors and Fine Blanking components. Presently, your Company is running its plant at Ludhiana and Greater Noida.

Our esteemed customers include L.G. Electronics India (P) Ltd, Mitsubishi Electric India, Tecumseh Products India (P) Ltd., Jay Ushin Ltd. and Hero Motocorp Limited, etc.

i) **INDUSTRY STRUCTURE AND DEVELOPMENT**

AUTO ANCILLARY INDUSTRY

Indian auto component makers faced the heat of a global auto slowdown during first half of 2014. Due to the slipping growth in commercial vehicle and passenger car segments, the supplies of component makers fell too. Two wheeler and three wheeler market segments, however, witnessed strong growth.

The slowdown of sales in several markets in the auto component industry was a short-term challenge, but loss of market share to increasing competition in the domestic markets was another key challenge for automakers over the long term. A host of domestic factors in the form of decrease in fuel prices, and low interest rates as compared to previous year led to increase in the demand for cars. Though, in the short term, the global economic uncertainties and domestic monetary tightening measures had built up a near term negative sentiment on the Indian auto component industry. However, the long term prospects of the industry are definitely perceived as a huge opportunity area.

ELECTRONICS INDUSTRIES

India is expected to become the fifth largest consumer durable market in the world; however Indian industry is currently going through very tough times mainly because of the competition from countries like China and Thailand and also because of the higher input costs because of the significant depreciation of Indian Rupee. Urban markets account for the major share (65 per cent) of total revenues in the consumer durables sector in India. Demand in urban markets is likely to increase for products such as LED TVs, laptops and Air Conditioners. In rural and semi-urban markets, durables like refrigerators and washing machines as well as consumer electronic goods are likely to witness growing demand in the coming years as the Government of India plans to invest significantly in rural electrification. But in short and medium term because of the high food inflation and uncertain economic environment, the consumer confidence is low which is impacting the growth in sales and consumer spending.

ii) **OPPORTUNITIES AND THREATS**

With its technical expertise, superior technology and a committed team of employees, the Company is well positioned to take advantage of the opportunities and withstand the market challenges. The Company believes that it will achieve sustainable growth by using superior technology and maintaining product quality and offering products at competitive prices which will give us a competitive edge in the market. We believe our proactive steps and consistent implementation of our plans will allow us to prepare the company for growth as consumers regain confidence in the industry and vehicle demand increases.

There are limited sets of customers in our business, that is, the automobile manufacturers. Competition is intense, as we compete with suppliers both in the organized and unorganized segments. Technical edge, Specialization, innovation and networking will determine the success of the Company in this competitive environment. Further volatility in the prices of raw materials & other inputs, currency fluctuations, are also other risks and challenges faced by the companies. However looking ahead, revenue is expected to improve, if Company is able to pursue its strategies.

The profitability of Indian Electronic components Industry is likely to be under pressure due to pricing pressures from OEMs, threat of rising commodity prices, higher cost of funds due to sticky inflation & high rate of interest, entry of new players and new product/model launches and entry of cheaper imports.

iii) **SEGMENT/PRODUCT WISE PERFORMANCE**

FINE BLANKING COMPONENTS

The turnover /income from operation of Fine Blanking Components has decreased by 4% to Rs. 1,760 lacs during the current financial year from Rs. 1,842 lacs during the previous year.

ELECTRICALS

The turnover /income from operation of Electricals has increased by 33% to Rs. 8,884 lac during the current financial year from Rs. 6,660 lacs during the previous year.

iv) **FUTURE OUTLOOK, RISK AND CONCERNS**

The financial year 2015-16 may hold the key to success for many auto component manufacturers in India, with new launches coming up. It would be a mixed year for the auto component industry ahead. The auto component companies need to achieve significant productivity improvements in order to position themselves in the industry. The Company will endeavor to revitalize in near future as consumers regain confidence and vehicle demand increases. To remain competitive in the challenging and demanding environment, the benchmark has to be high in anticipation of the stated and unstated need of the customers and markets

MAJESTIC AUTO LIMITED

Further the continued population shift from small towns to cities resulted in higher per capita incomes, in turn leading to an increase in demand for Refrigerators and Washing machines. Such products were in demand from consumers with high disposable incomes in cities like New Delhi, Mumbai and Bangalore.

The Company operates in an environment which is affected by various risks some of which are controllable while some are outside the control of the Company. However, the Company has been taking appropriate measures to mitigate these risks on a continuous basis. Some of the risks that are potentially significant in nature and need careful monitoring are listed hereunder:

Raw material prices:

Our profitability and cost effectiveness may be affected due to change in the prices of raw materials and other inputs.

Technical Intensive Industry:

The automobile industry is a technical intensive industry and thus faced with a constant demand for new designs, knowledge of nascent technology to meet market requirements.

Cyclical nature of the Industry:

The Company's growth is linked to those of the Electrical and automobile Industry, which is cyclical in nature. The demand for refrigerators and automobiles has a significant impact on the demand and prices of the products manufactured by the Company. A fall in the demand and/or prices would adversely impact the financial performance of the Company.

Increasing competition:

Increasing competition across both OEM's and after market segment, may put some pressure on market share.

v) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an adequate and effective system of internal control implemented by Management having regard to the size and nature of the business activities of the Company to achieve operational efficiency, accuracy, compliance of policies and procedures, laws and regulations and close monitoring. The exercise is carried out across all the locations of the Company aimed at promoting effectiveness & efficiency of operations while emphasizing compliance to policies, applicable laws & regulations to achieve business objectives including performance and profitability goals and safeguarding of resources. The Company also carries out management audit which ensures the control and safeguarding of the Company's assets against loss through inefficiency, waste, negligence or fraud. The Company is well structured and policy guidelines are well documented with predefined authority.

The Audit Committee of the Company is reviewing the internal controls including the internal audit reports, financial results of the Company at least once in every three months and provides its support to all operational and finance functions of the Company through regular monitoring and suggestions. The company has exhaustive budgetary control system. Actual performance is reviewed with reference to budget by the Management review team on quarterly basis.

vi) DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013 and Generally Accepted Accounting Principles (GAAP) prevalent in India. The Company has complied with the requirements of all mandatory Accounting Standards. The detail financial performance has already been discussed in the Directors' Report.

vii) HUMAN RESOURCES

MAL is a people centric organization. Our employees are greatest strength and assets; therefore we want them to be at their best. To enhance the productivity, company has developed their people by providing innovative and professional environment. It has an efficient recruitment policy and human resource management processes, which enables to attract and retain competent & talented employees. When we hire people, we look for positive attitude and exemplary behavior so that they can imbibe our value system. To keep ourselves abreast with time and technology, we regularly assess the competencies important for the development of our business and arrange for appropriate training and development programmes to cater different learning needs of our employees in the areas of technology, management, leadership, cultural and other soft skills. The company is constantly working on development of competencies and teamwork of concerned employees at all levels. We are a learning organization. We have an environment, which helps to leverage the knowledge of every employee.

The Company had 607 permanent employees as on 31st March 2015. The industrial relations remained peaceful and cordial throughout the year.

viii) CAUTIONARY STATEMENT

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make contain forward looking statements that set out anticipated results based on the management's plans and assumptions. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected.

MAJESTIC AUTO LIMITED

Annexure VII

Corporate Social Responsibility (CSR)

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 8 and 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

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

CSR Policy is stated in the below mentioned weblink:-

Weblink:http://www.majesticauto.in/cwd_hero/images/files/48738849_110_.pdf

2. The Composition of the CSR Committee.

- a) Dr. M.A. Zahir, Independent Director, Chairman
- b) Maj.S.S. Khosla, Independent Director, Member
- c) Sh. Mahesh Munjal, Managing Director, Member

3. Average net profit of the company for last three financial years (Rs.in lac)

Particulars	YEAR ENDED			
	31.03.2014	31.03.2013	31.03.2012	Average
Net Profit	Nil	Nil	Nil	Nil

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above)

NIL

5. Details of CSR spent during the financial year.

(a) Total amount spent for the financial year; NIL

(b) Amount unspent, if any ;N.A.

(c) Manner in which the amount spent during the the financial year

S.No	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto to the reporting period	Amount spent : Direct or through implementing agency*
N.A.	N.A	N.A.	N.A	N.A	N.A.	N.A.	N.A.

6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.

N.A.

7. The CSR Committee do hereby undertakes that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

Place: Ludhiana
Date : 14.08.2015

(Mahesh Munjal)
Managing Director

(Dr. M.A. Zahir)
Chairman

CORPORATE GOVERNANCE REPORT**I. Company's Philosophy on the Code of Governance.**

Corporate Governance primarily involves transparency, full disclosure, independent monitoring the state of affairs and being fair to all stake holders. The company seeks to achieve the goal by ensuring that timely and accurate disclosures are made in an easily understood manner on all matters relating to the financial situation, performance, ownership and governance of the company.

The company is in compliance with the requirements of the guidelines on corporate governance stipulated under clause 49 of the Listing Agreement. Towards this end, adequate steps have been taken to ensure that all mandatory provisions of Corporate Governance as prescribed by the Securities and Exchange Board of India (SEBI) and applicable to the Company through listing agreement are complied with in its true spirit.

II. Board of Directors

The business of the Company is managed by the Board of Directors. The Board formulates the strategy and regularly reviews the performance of the Company. The Managing Director manages the day to day operations of the Company. The Board of Directors has composition with 3 Directors being non-executive independent Directors, one Managing Director and one Non- Executive non Independent Director as on 31.03.2015. None of the Directors on the Board holds the office of Director in more than 15 Companies (excluding pvt. limited companies) or memberships in Committees of the Board in more than 10 Committees or Chairmanship of more than 5 Committees.

The Board of Directors has appointed Sh. Aayush Munjal as Whole Time Director of the Company w.e.f. 14.08.2015 subject to approval of shareholders of the Company.

- A. Four Board Meetings were held on May 30th 2014, August 14, 2014, November 10, 2014 and February 14, 2015 during the Accounting Year ended March 31, 2015. Board Members were given agenda papers along with necessary documents and information in advance of each Board and other committee meetings. In addition to the regular business items, all other statutory items as recommended by the SEBI Committee on Corporate Governance were placed before the Board / Committee.

The Composition of the Board of Directors and Directors attendance at the Board Meetings and last annual general meeting of the Company and the details of directors of the Company having directorship in other companies, membership / Chairmanship of Committees across all companies in which they are directors during the financial year 2014-15 are given below :

Name of the Director	No. of Board meetings attended	Attendance at Last AGM	Total number of Committee Membership held	Total number of Committee Chairmanship held	Number of other Directorship held
			(excluding Private Companies, Foreign Companies & Section 25 Companies)		
Executive					
Mr. Mahesh Munjal (Managing Director)	4	Yes	1	-	4
Non-Executive					
Ms. Ashima Munjal	4	Yes	2	-	3
Non-Executive and Independent					
Mr. G.P. Sood	4	Yes	3	2	1
Dr. M. A. Zahir	3	Yes	7	2	8
Mr. Harjeet Singh Arora	1	Yes	2	1	12
Maj. Shavinder Singh Khosla	3	Yes	3	1	-

* Mr. Harjeet Singh Arora has resigned from the Company on 15.12.2014

Independent Directors have no relationship with other Directors of the Company. Ms. Ashima Munjal is daughter and Mr. Aayush Munjal is a son of Mr. Mahesh Munjal, the Chairman and Managing Director of the Company.

Chairmanships/Memberships of Board Committees include only Audit and Shareholders/Investors Grievance Committees.

MAJESTIC AUTO LIMITED

- B. There is no pecuniary relationship or transaction of the non-executive directors vis-a-vis the Company. The non-executive directors are paid sitting fees for attending the Board and committee meetings.
- C. None of the present Directors hold any shares (in his own name or on behalf of other person on beneficial basis) in the Company except Mr. Mahesh Munjal, who is holding 40,421 equity shares of the Company.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, a system has been put in place to carry out performance evaluation of the Board, its Committees and individual directors. An appraisal format has been devised covering various aspects of the Board's functioning such as adequacy of composition of the board and its Committees, board process, culture and accountability etc. Similarly, a separate format is also formulated for carrying out evaluation of the performance of individual Directors including the Chairman of the Board, which inter-alia include parameters such as level of engagement and contribution, understanding of industry and global trends, and independence of judgement etc.

At the time of appointing a Director, a formal letter of appointment is given to him / her, which inter alia explains the role, functions, duties and responsibilities expected from him / her as a Director of the Company. The Director is also explained in detail the compliance required from him / her under the Companies Act, 2013, Clause 49 of the Listing Agreement and other relevant regulations. The above initiatives help the Director to understand the Company, its business and the regulatory framework in which the Company operates and equips him / her to effectively fulfil his / her role as Director of the Company.

INFORMATION SUPPLIED TO THE BOARD

Board members are given agenda along with necessary documents and information in advance of each meeting of the Board and Committee(s). The information as required to be placed before the Board in terms of Clause 49 of the Listing Agreement is placed before the Board.

CODE OF CONDUCT

The Company has adopted a "Code of Conduct" for all Board members and senior management of the Company. The code of conduct is available on the website of the Company www.majesticauto.in. All Board members and senior management have affirmed compliance with the Code of Conduct. The declaration signed by the Managing Director of the Company to this effect is enclosed at the end of this report.

RISK MANAGEMENT

The Company has established an effective risk assessment and minimization procedures, which are reviewed by the Board periodically. There is a structure in place to identify and mitigate various risks faced by the Company from time to time. New risks are identified, and after their assessment their controls are designed, put in place with specific responsibility of the concerned person for its timely achievement.

III. Audit Committee

In the Current Accounting Year ended 31st March, 2015, four meetings of Audit committee were held on May 30, 2014, August 14, 2014, November 10, 2014 and February 14, 2015. The Composition of the Audit Committee and attendance record of members of the Audit Committee for the financial year 2014-15 is as under:

Name of the Director	Category	No. of Audit Committee Meetings Attended
Mr. G. P. Sood (Chairman)	(Non Executive and Independent Director)	4
Dr. M. A. Zahir	(Non Executive and Independent Director)	3
Maj. Shavinder Singh Khosla	(Non Executive and Independent Director)	3
Ms. Ashima Munjal	(Non Executive Director)	4

The Company Secretary acts as the Secretary of the Audit Committee. The Managing Director, Finance Head, Internal Auditors, and Statutory Auditors attend the Audit Committee meetings.

The genesis of Majestic Auto Limited's Audit Committee can be traced back to the Audit Sub-Committee, constituted in 1994. Since then it has been dealing with matters prescribed by the Board of Directors on a case by case basis. The nomenclature, constitution and terms of reference of the Audit Committee has been set up as per the provisions of the Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement of the Stock Exchange(s). As on March 31, 2015, the Committee had three Non-Executive Independent Directors and one Non-Executive Non Independent Director in accordance with the prescribed guidelines. All the members have sound knowledge in the field of finance, accounting and law.

MAJESTIC AUTO LIMITED

IV. Remuneration Committee

During this financial year, committee meeting was not held. The Composition of the remuneration Committee and attendance record of members of the Remuneration Committee for the financial year 2014-15 is as under:

Director	Category
Mr. G. P. Sood (Chairman)	Non-Executive and Independent Director
Maj. Shavinder Singh Khosla	Non-Executive and Independent Director
Dr. M. A. Zahir	Non-Executive and Independent Director

A Remuneration Committee was set up to review and recommend the payment of salaries, commission, execution of service agreements and other employment conditions for Executive Director(s) / Managing Director(s) and senior management of the Company. The Committee while approving the remuneration takes into account, financial position of the Company, trend in the Industry, appointee's qualification, experience, past performance, past remuneration etc. and brings about objectivity in determining the remuneration package while striking a balance between the interest of the Company and the shareholders. All the members of the Committee are Non-executive Independent Directors. The members of the Committee are persons of repute and have sound knowledge of management practices. During this financial year, no meeting of the committee was held. The power and role of the Remuneration Committee is as per Section 178 of the Companies Act, 2013 and guidelines set out in the listing agreement.

REMUNERATION POLICY:

The Managing Director is paid remuneration recommended by remuneration committee and approved by the Board of Directors & Shareholders. The remuneration is fixed considering various factors such as qualification, experience, expertise, prevailing remuneration in the corporate world, financial position of the Company etc. The remuneration structure comprises of basic salary, perquisites and allowances, contribution to provident fund and other funds. Besides that, there is a provision for payment of fixed commission @ 1% of net profit computed in accordance with Section 198 of the Companies Act, 1956.

In the event of loss or inadequacy of profits in any financial year during the currency of the tenure of Managing Director, the payment of salary, perquisites and other allowances is restricted to the amount as per terms of Section II of Part II of Schedule XIII to the Companies Act, 1956 as minimum remuneration.

The Non-Executive Directors do not draw any remuneration from the Company except sitting fees of Rs.7,500/- for each meeting of the Board and Committees thereof attended by them.

- A) The Remuneration Committee fixes the remuneration as per the guidelines set out by the Central Government/ Listing Agreement, from time to time. The details of remuneration paid / provided to Directors are furnished below:

Name of the Managing Director	Salary	Bonus	Commission	Other benefits & perquisites	Contribution to P.F & super annuation fund	Performance linked incentives	Total	Service Contract
			(RS)	(RS)	(RS)	(RS)	(RS)	
Mr Mahesh Munjal	46,27,419	8,400	NIL	20,78,325	10,18,032	NIL	77,32,176	3 Years

NOTES:

- The Company has entered into service contract with Mr. Mahesh Munjal, the Managing Director of the Company for a period of 3 years which will be completed on 28.10.2015.
- There are no Notice Period or severance fees payable to the Managing Director of the Company.

- B) The details of the sitting fees paid to the Non-Executive Directors during the financial year 2014-15 are given below:

Name of the Directors	Sitting Fees (RS)	Commission (RS)	Total (RS)
Mr. G.P.Sood	60000	NIL	60000
Dr. M. A. Zahir	45000	NIL	45000
Mr. Harjeet Singh Arora	7500	NIL	7500
Ms. Ashima Munjal	67500	NIL	67500
Maj. Shavinder Singh Khosla	60000	NIL	60000

No Stock Option Scheme has been launched till now by the Company.

* Mr. Harjeet Singh Arora has resigned from the Company on 15.12.2014

MAJESTIC AUTO LIMITED

V. Shareholders/Investors' Grievance Committee

The Committee has been constituted to specifically redress the grievances of Shareholders and Investors pertaining to shares sent for transfer, non-receipt of dividends, dematerialization and other allied matters. During the financial year, two meetings of this committee were held on September 29, 2014 and March 31, 2015 to review the status of shareholders' letters and other letters received from other authorities. The Composition and attendance record of members of the Shareholders and Investors' Grievance Committee is as under:-

Name of the Director	Category	No. of Shareholders/Investors' Grievance Committee Meetings Attended
Maj. Shavinder Singh Khosla	Chairman	2
Mr. Mahesh Munjal	Executive Director	2
Ms. Ashima Munjal	Non-Executive Director	1

Compliance Officer: Mr. Rajesh Saini, Company Secretary For details of shareholders complaints and their status refer para No. 12 under General Shareholders Information.

VI. Corporate Social Responsibility(CSR) Committee

Majestic Auto has constituted a robust governance structure to oversee the implementation of the CSR projects, in compliance with the requirements of Section 135 of the Companies Act, 2013. The CSR governance structure of MAL will be headed by the Board CSR Committee. During the financial year, one meeting was held.

The members of the CSR committee are:

Name of the Director	Category
Dr. M A Zahir	Chairman
Mr. Mahesh Munjal	Managing Director
Maj. Shavinder Singh Khosla	Non-Executive Director

VII. Independent Directors Committee

In the Current Accounting Year ended 31st March, 2015, one meeting of committee were held on February 14, 2015. The Composition of the Committee and attendance record of members for the financial year 2014-15 is as under:

Name of the Director	Category	No. of Audit Committee Meetings Attended
Mr. G. P. Sood (Chairman)	(Non Executive and Independent Director)	1
Dr. M. A. Zahir	(Non Executive and Independent Director)	1
Maj. Shavinder Singh Khosla	(Non Executive and Independent Director)	1

VIII. General Body Meetings

Details of Annual / Extraordinary General Meetings Location, date and time of General Meetings held during the last three years and Special Resolutions passed there are given below:

(i) Annual General Meetings

Year	Location	Date	Time	Special Resolutions Passed
2011-12	At the premises of Mohini Resorts, Near Sector-32, Chandigarh Road, Ludhiana-141010	Sept. 28, 2012	11.00 A.M.	Approval for re - appointment of Mr. Mahesh Munjal, as the Managing Director of the Company for a period of 3 years w.e.f 29.10.2012.
2012-13	At the premises of Mohini Resorts, Near Sector-32, Chandigarh Road, Ludhiana-141010	Sept. 30, 2013	11.00 A.M.	No Special Resolution was passed in the Meeting
2013-14	At the premises of Mohini Resorts, Near Sector-32, Chandigarh Road, Ludhiana-141010	Sept. 29, 2014	11.00 A.M.	-Approval u/s 180(1) (c) of Companies Act, 2013 -Amend the Articles of Association of Companies

MAJESTIC AUTO LIMITED

(ii) Extraordinary General Meeting:

No Extraordinary General Meeting of the Members was held during the year 2014-15.

(iii) Postal Ballot:

During the financial year 2014-15 ended on March 31, 2015, no special/ordinary resolutions passed by the Company through postal ballot and there is no proposal for any special resolution to be put through postal ballot at the forthcoming Annual General Meeting for shareholders' approval.

IX. Disclosures

1. Related parties and transactions with them as required under Accounting Standard 18 (AS-18) are furnished under Note No.38 of the Notes to the Accounts attached with the financial statements for the year ended March 31, 2015. The Board of Directors receives from time to time disclosures relating to financial and commercial transactions from key managerial personnel of the Company where they and/or their relatives have personal interest.
There are no materially significant related party transactions, which have potential conflict with the interests of the Company at large. There are no material individual transactions with related parties, which are not in the normal course of business and which are not on an arm's length basis.
The details of the Related Party transactions are placed periodically before and reviewed by the Company's Audit Committee. Pursuant to the provisions of sub - clause IX of the Clause 49 of the Listing Agreement with the Stock Exchange, the Managing Director and CFO has issued a certificate to the Board enclose **Annexure IX** for the Financial Year ended March 31, 2015.
2. The guidelines on Accounting Standards issued under the Companies (Accounting Standards) Rules, 2006 have been followed in preparation of the financial statements of the Company.
3. The company has a Whistle Blower Policy in place for employees to report concerns about unethical behaviour. No personnel have been denied to approach the Management or the Audit Committee on any issue.
4. There has neither been any non-compliance of any legal provision of applicable law, nor any penalty, stricture imposed by the Stock Exchanges or SEBI or any other authorities on any matters related to capital market during the last three years,
5. In compliance with the SEBI regulations on prevention of insider trading, the Company has instituted a comprehensive code of conduct for its directors, management, staff and relevant business associates. The code lays down guidelines, which advises them on procedures to be followed and disclosures to be made, while dealing with shares of the Company and cautioning them on consequences of non-compliances.

X. Means of Communication

1. The Company has regularly sent immediately, both by post/courier as well as fax, the annual audited as well as quarterly unaudited results to the Stock Exchange, after they are taken on record by the Board of Directors.
2. The Company's quarterly and annual results have been published in English and Punjabi, Newspapers viz. The Financial Express (all editions) and Dush Sewak respectively and have also been displayed on Company's website at www.majesticauto.in and company is also filing information's through BSE website at www.listing.bseindia.com
3. Management Discussion and Analysis report which forms a part of the Annual Report is given by means of a separate annexure and is attached to the Directors' Report.

XI. General Shareholders Information

1. Annual General Meeting will be held on Wednesday, 30th September, 2015, at 11.00 A.M. at the premises of Mohini Resort, Near Sector 32, Chandigarh Road, Ludhiana-141010.

2. For the year ended March 31, 2015, Results were announced on :

First quarter ended June 30, 2014	August 14, 2014
Second quarter ended September 30, 2014	November 10, 2014
Third quarter ended December 31, 2014	February 14, 2015
Fourth quarter ended March 31, 2015	May 30, 2015

3. For the Year ending March 31, 2016, Results will be announced on (Tentative and subject to change)

First quarter results (June 30, 2015)	August 14, 2015
Second quarter / half year results (Sept. 30, 2015)	Second week of Nov. 2015
Third quarter results (Dec. 31, 2015)	Second week of Feb. 2016
Fourth quarter and year ending (March 31, 2016)	Last week of May, 2016
Annual General Meeting for the year ended March 31, 2016	September, 2016

MAJESTIC AUTO LIMITED

4. Dates of book closure:

The dates of book closures are from September 23, 2015 to September 30, 2015 (both days inclusive).

5. Face Value of the Equity Share Rs. 10 per share

6. Listing on Stock Exchange

Stock Exchange where listed

Address

Bombay Stock Exchange Limited

PhirozeJeejeebhoy Towers, Dalal Street, Mumbai-400001

Listing fees for the 2015-2016 have been paid to the Bombay Stock Exchange Limited, Mumbai within the stipulated time.

7. Stock Codes : 500267 at Bombay Stock Exchange Limited

8. DEMAT ISIN IN NSDL AND CDSL FOR EQUITY SHARES: INE201B01022

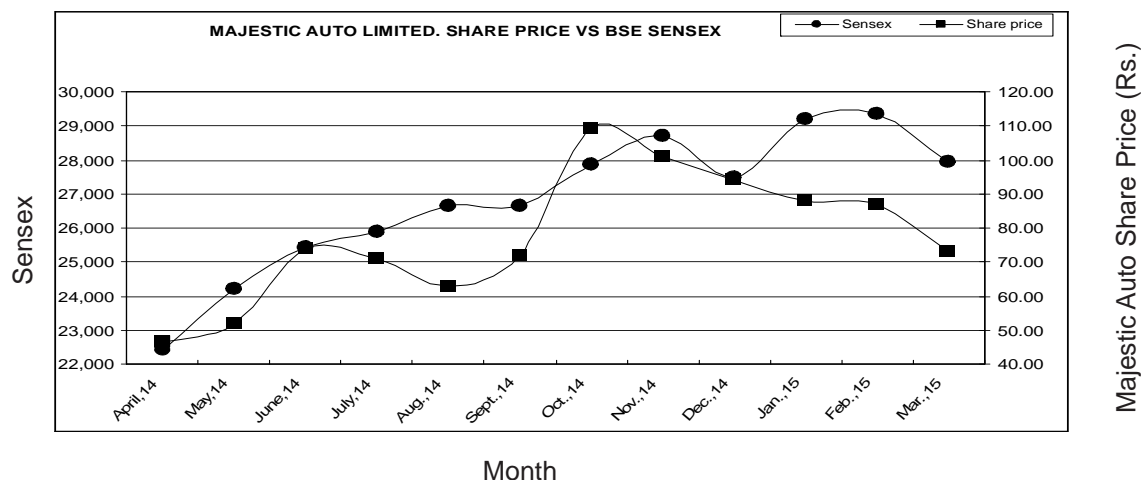
9. a) Market Price Data

Monthly high and low quotations of shares traded at Bombay Stock Exchange Ltd. is given in the following tables.

Month Year	April 2014	May 2014	June 2014	July 2014	Aug. 2014	Sept. 2014	Oct. 2014	Nov. 2014	Dec. 2014	Jan. 2015	Feb. 2015	March 2015
High(Rs.)	46.50	51.90	73.90	71.00	62.70	71.90	109.50	100.90	94.00	88.00	86.70	73.00
Low(Rs.)	40.25	41.35	44.15	56.25	55.30	55.75	64.80	76.25	68.05	75.00	60.50	50.30

b) Share Price Movements

Share Price Movements for the period from April 1, 2014 to March 31, 2015 of Majestic Auto Limited vs BSE Sensex.



10. Registrar and Transfer Agent for securities admitted in the Depository System

Alankit Assignment Limited Corporate

Office, Alankit House, 2E/21, Anarkali Market, Jhandewalan Extension, New Delhi 110 055.

Phones (011) 23541234, 42541234,

Fax (011) 23552001, e-mail : rta@alankit.com

11. Share transfer system

The Shares of the Company are traded in the compulsory demat mode for all investors. Shares sent for transfer in physical form are registered within a fortnight (if in order and complete in all respect) and then returned the same to the respective shareholders duly transferred in their names. The total number of shares transferred during the year from 1.04.2014 to 31.03.2015 were 1416, which were completed within prescribed period. Shares under objection were returned within prescribed time. M/s Alankit Assignments Limited, New Delhi is the Registrar and Share Transfer Agent of the Company for both physical and electronic share transfer work of the Company. Therefore, shareholders of the Company are requested to send all shares in physical form for transfer directly to the Registrar and Transfer Agent of the Company.

MAJESTIC AUTO LIMITED

12. Investors' services

The Company has a Board level Committee dealing with investors issue, which has been discussed in detail earlier. The details of complaints/requests/reminders received and redressed during the year from 01.04.2014 to 31.03.2015 are given hereunder.

Sr. No.	Nature of Complaints/Requests/Reminders	From 01.04.2014 to 31.3.2015	
		Received	Cleared
1.	Old Shares for Demat / Transfer	4	4
2.	Change of Address/ Bank Mandate	2	2
3.	Seeking Information's	2	2
4.	Non Receipt of Share Certificate	2	2

The Company has attended to most of the investors grievances/correspondence within a period of 15 days from the date of receipt of the same, during the year ended 31.03.2015.

13. Distribution of shareholding as on March 31st, 2015

No. Of shares held (Rs.10/- paid up)	Folios		Shares of Rs.10/-paid up Value	
	Number	%	Number	%
Upto 5000	4558	89.29	609053	5.86
5001 - 10000	264	5.17	212162	2.04
10001 - 20000	131	2.57	200236	1.93
20001 - 30000	47	0.92	119016	1.14
30001 - 40000	21	0.41	75883	0.73
40001 - 50000	22	0.43	100793	0.97
50001 - 100000	34	0.66	240074	2.31
100001 and above	28	0.55	8840261	85.02
Total	5105	100%	10397478	100%

14. Shareholding Pattern as on March 31st, 2015

Category Code	Category of shareholder	No. of shareholders	Total No. of shares	No. of shares held in dematerialized form	Total shareholding as a percentage of total number of shares
(I)	(II)	(III)	(IV)	(V)	(VI)
(A)	Shareholding of Promoter and Promoter Group (INDIAN)				
(a)	Bodies Corporate	1	7757687	7757687	74.61
(b)	Directors & their Relatives	1	40421	40421	0.39
	Sub Total(A)	2	7798108	7798108	75.00
(B)	Public shareholding				
1	Institutions				
(a)	Mutual Funds/ UTI	5	87384	84606	0.84
(b)	Foreign Institutional Investors	5	2251	0	0.02
	Sub-Total (B)(1)	10	89635	84606	0.86
B 2	Non-institutions				
(a)	Bodies Corporate	156	226846	222682	2.18
(b)	Individuals				
I	Individuals -i. Individual shareholders holding nominal share capital up to Rs 1 lakh	4724	1283558	1115137	12.34
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	22	891335	891335	8.57
(c)	Any Other (specify)				
(c-i)	Non Resident Indians	33	17664	16898	0.17
(c-ii)	Trusts	1	95	0	0.00
(c-iii)	Clearing Members	9	1510	1510	0.01
(c-iv)	Hindu Undivided Families	148	88727	88727	0.85
	Sub-Total (B)(2)	5093	2509735	2336289	24.14
(B)	Total Public Shareholding (B)= B(1)+(B)(2)	5103	2599370	2420895	25.00
	GRAND TOTAL (A)+(B)	5105	10397478	10219003	100

The Promoters have not pledged any shares of the company.

MAJESTIC AUTO LIMITED

15. Reconciliation of Share Capital Audit

In keeping with the requirements of the SEBI and Stock Exchange, a Reconciliation of share capital audit report by practicing Company Secretary is carried out to reconcile the total admitted capital with NSDL and CDSL and the total issued and listed capital. The said audit confirms that the total issued / paid-up capital tallies with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

16. Dematerialization of shares and liquidity

As on 31st March, 2015, 98.28% of total Equity Share Capital i.e. 1,02,19,003 Equity Shares were held in dematerialized form with NSDL and CDSL.

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

18. The Company has not obtained any public funding in the last three years.

19. Company's Registered Office Address:

C-48, Focal Point, Ludhiana - 141 010, Tel: 0161- 2670234-237 Fax: 0161- 2672790

20. Corporate Identify No. (CIN) : L35911PB1973PLC003264

21. Plant Locations :

1) C-48, Focal Point, Ludhiana - 141010

2) C-59, Focal Point, Ludhiana - 141010

3) B-6, B-7 & B-9 Ecotech I, Extension, Greater Noida

22. Non-Mandatory Requirements :

The Company has not adopted the non-mandatory requirements as specified in the Listing Agreement.

23. Investors' correspondence may be addressed to:

Mr. Rajesh Saini

DGM Company Secretary

C-48, Focal Point, Ludhiana-141010 (Punjab)

e-mail :grievance@majesticauto.in, rajeshsaini@majesticauto.in

24. Queries Relating to the Financial Statements of the Company may be addressed to

Mr. Prakash Chandra Patro

Chief Financial Officer

e-mail: accounts@majesticauto.in, grievance@majesticauto.in

25. Nomination Facility:

The Company offers facility of nomination. The facility is made available folio-wise and for the entire shares registered under the folio. The members holding shares in dematerialized form may contact and consult their respective Depository Participant (DP) for availing the nomination facility. Members holding shares in physical form may contact RTA of the Company

X. Equity shares in Suspense Account under Clause 5A(II)

The unclaimed shares as lying to the credit of "Majestic Auto Ltd.- Unclaimed Securities Suspense Account" at the end of the year are as follows:

Particulars	No. of Shareholders	No. of Shares
Balance at the beginning of the year [A]	255	31,129
Addition made during the year [B]	Nil	Nil
Total [C] = [A] + [B]	255	31,129
Shareholders who approached Company for transfer of shares from suspense account during the year	1	95
Shareholders to whom shares were transferred from suspense account during the year [D]*	1	95
Shareholders in process as on March 31, 2015	Nil	Nil
Balance at the end of the year [E] = [C] – [D]	254	31,034

The shareholders who have not received the shares may approach the Company or M/s Alankit Assignments Limited, the Registrar and Transfer Agents of the Company, with their correct particulars and proof of their identity for crediting of the Shares from the Unclaimed Securities Suspense Account to their individual demat Account. The voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

MAJESTIC AUTO LIMITED

DECLARATION BY THE MANAGING DIRECTOR UNDER CLAUSE 49 II (E) OF THE LISTING AGREEMENT

To,
The Members,
Majestic Auto Limited

I hereby confirm 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, 2015 in terms of Clause 49 II (E) of the Listing Agreement entered with Stock Exchanges.

For and on Behalf of the Board of Directors

Place: Ludhiana
Date : 14.08.2015

(Mahesh Munjal)
Chairman & Managing Director

CERTIFICATE ON CORPORATE GOVERNANCE TO THE MEMBERS OF MAJESTIC AUTO LIMITED

We have examined the compliance of conditions of Corporate Governance by Majestic Auto Limited (the Company) for the year ended on March 31, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange in India.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For and on behalf of B.D. Bansal & Co.
Chartered Accountants
ICAI Reg No. 000621N

Place : Ludhiana
Date : 14.08.2015

(Anil Gupta)
Partner
Membership No.89988

MAJESTIC AUTO LIMITED

ANNEXURE - IX

DECLARATION OF MANAGING DIRECTOR (MD) AND CHIEF FINANCIAL OFFICER (CFO) UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To
The Board of Directors
Majestic Auto Limited

We the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of Munjal Auto Limited, to the best of our knowledge and belief certify that:

- a) We have reviewed financial statements and the cash flow statement for the year ended March 31, 2015 and that to the best of our knowledge and belief:
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of the company's 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 which are fraudulent, illegal or violative of 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 we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee;
 - i) significant changes in internal control over financial reporting during the year;
 - ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Ludhiana
Date : 14.08.2015

(Mahesh Munjal)
Chairman & Managing Director

(Prakash Chandra Patro)
CFO

INDEPENDENT AUDITOR'S REPORT

To the Members of Majestic Auto Ltd.

Report on the Standalone Financial Statements

We have audited the accompanying financial statements of Majestic Auto Limited, ("the Company") which comprise of the Balance Sheet as at 31st March 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's 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 and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and 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 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 31 March 2015, its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act and Companies (Audit & Auditors) Rule, 2014, we further report that:
 - (a) We have sought all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements; and
 - ii. the Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For and on behalf of B.D. Bansal & Co.
Chartered Accountants
ICAI Reg No. 000621N

Place : Ludhiana
Date : 30.05.2015

(Anil Gupta)
Partner
Membership No.89988

Annexure to the Independent Auditors' Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) As explained to us, all the fixed assets have not been physically verified by the management during the year, but there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. As informed to us, no material discrepancies were noticed on such verification.
- ii) a) The inventories except goods in transit in the custody of the Company has been physically verified during the year by the management. In our opinion, the frequency of the verification is reasonable.
 - b) In our opinion and according to the information and 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) The company has maintained proper records of inventories. As per the information and explanations given to us, no material discrepancies were noticed on physical verification.
- iii) The Company has not granted any loans, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchase of inventories and fixed assets and sale of goods and services. In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weaknesses in internal control system.
- v) The company has not accepted any deposits from the public, in accordance with the provisions of section 73 to 76 of the Act and rules framed there under.
- vi) We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by the Central Government under section 148(1)(d) of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed accounts and cost records have been made and maintained. However we have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii) a) According to the information and explanation given to us and on the basis of our examination of the records of the company, amount deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth tax, Service tax, duty of Customs, duty of Excise, Value Added Tax, Cess and any other material statutory dues have been regularly deposited with the appropriate authorities during the year by the company.

According to the information and explanations given to us, no undisputed amounts payable in respect of the above statutory dues were in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.

 - b) According to the information and explanations given to us there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited on account of any dispute except as stated below:
- ix) a) According to the records of the Company / information and explanations given to us, the Company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, no undisputed amount payable in respect of the above were in arrear as at 31st March, 2014 for a period of more than six months from the date they became payable.

MAJESTIC AUTO LIMITED

- b) According to the information and explanations given to us there are no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited on account of any dispute except as stated below:

S. No.	Nature of Statute	Nature of Dispute	Amount Unpaid Rs.	Period to which the amount relates	Forum where dispute is pending
1	U.P. Trade Tax	Penalty Under U.P. Trade Tax Act	1,98,108	A.Y. 2005-06	Assistant Commissioner (Appeals), U.P. Trade Tax, Noida

- c) According to the information and explanations given to us, there are no amounts that are due 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.
- viii) The Company does not have any accumulated losses at the end of the financial year and it has not incurred cash losses in the current and immediately preceding financial year.
- ix) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to its bankers. The company did not have any outstanding dues to any financial institution or debenture holder during the year.
- x) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
- xi) According to the information and explanations given to us, the company has applied the term loans for the purpose, for which, the loans were raised .
- xii) According to the information and explanations given to us, no fraud by the company and no material fraud on the company has been noticed or reported during the year.

For and on behalf of B.D. Bansal & Co.
Chartered Accountants
ICAI Reg No. 000621N

Place : Ludhiana
Date : 30.05.2015

(Anil Gupta)
Partner
Membership No.89988

MAJESTIC AUTO LIMITED

BALANCE SHEET AS AT 31.03.2015

PARTICULARS	Note No.	As at 31.03.2015 (Rs.)	As at 31.03.2014 (Rs.)
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	103,982,280	103,982,280
Reserve and Surplus	3	1,497,287,379	1,233,601,602
		1,601,269,659	1,337,583,882
Non-current liabilities			
Long-term borrowings	4	949,914,066	836,084,765
Other Long-term liabilities	5	9,510,595	7,666,228
Long-term provisions	6	35,365,000	35,547,940
		994,789,661	879,298,933
Current liabilities			
Short-term borrowings	7	66,009,581	66,094,662
Trade payables	8	88,105,900	150,077,528
Other current liabilities	9	48,720,197	82,973,401
Short-term provisions	10	1,450,000	31,200,000
		204,285,678	330,345,591
TOTAL		2,800,344,998	2,547,228,406
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	11	1,733,376,064	1,583,166,948
Intangible assets		2,880,620	2,485,558
Capital work-in-progress		19,614,767	83,616,885
		1,755,871,451	1,669,269,391
Non-current investments	12	165,219,317	150,436,946
Deferred tax assets (Net)	13	306,706,398	160,306,235
Long-term loans and advances	14	128,856,635	119,867,967
		600,782,350	430,611,148
		2,356,653,801	2,099,880,539
Current assets			
Inventories	15	101,925,783	105,038,770
Trade receivables	16	123,267,194	183,220,474
Cash and Bank balances	17	90,018,778	6,177,445
Short-term loans and advances	18	127,765,051	152,586,990
Other current assets	19	714,391	324,188
		443,691,197	447,347,867
TOTAL		2,800,344,998	2,547,228,406
Significant accounting policies	1		

The accompanying notes are an integral part of the financial statements.

AS PER OUR AUDIT REPORT
OF EVEN DATE ANNEXED
For and on behalf of B.D. Bansal & Co.
Chartered Accountants
Firm Regn. No. 000621N

Place : Ludhiana
Date : 30.05.2015

Rajesh Saini
DGM-Company Secretary

Prakash Chandra Patro
CFO

Mahesh Munjal
CMD

S.S.Khosla
Director

(Anil Gupta)
Partner
M.NO.089988

MAJESTIC AUTO LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2015

PARTICULARS	Note No.	As at 31.03.2015 (Rs.)	As at 31.03.2014 (Rs.)
Income:			
Revenue from Operations (Gross)	21	1,227,718,240	1,168,668,151
Less: Excise Duty		110,277,571	122,452,183
Revenue from Operations (Net)		1,117,440,669	1,046,215,968
Other Income	22	141,369,006	102,613,113
Total Revenue		1,258,809,675	1,148,829,081
Expenses:			
Cost of materials consumed	23	775,582,745	619,092,666
Purchases of Stock-in-Trade		-	6,107,199
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	24	(14,297,237)	31,081,482
Employee benefits expense	25	241,095,708	230,710,978
Finance costs	26	104,176,910	148,060,326
Depreciation and amortisation expense	11	177,135,694	150,306,609
Other expenses	27	288,172,284	267,942,933
Total expenses		1,571,866,104	1,453,302,192
Profit before tax/extra ordinary/exceptional items		(313,056,429)	(304,473,111)
Profit on sale of non current investments		430,310,583	777,991,992
Profit before tax		117,254,154	473,518,881
Less: Tax expenses:			
Current Tax		-	79,500,000
Less: MAT Credit Entitlement		-	79,500,000
Deferred tax		(146,400,163)	(124,492,982)
Tax with respect to earlier years		(31,460)	(72,737)
Profit / (Loss) for the year		263,685,777	598,084,600
Earnings per Share (in Rs.)	28		
(Face value of Rs. 10/- each)			
- Basic		25.36	57.52
- Diluted		25.36	57.52
Significant accounting policies	1		

The accompanying notes are an integral part of the financial statements.

AS PER OUR AUDIT REPORT
OF EVEN DATE ANNEXED
For and on behalf of B.D. Bansal & Co.
Chartered Accountants
Firm Regn. No. 000621N

Place : Ludhiana
Date : 30.05.2015

Rajesh Saini
DGM-Company Secretary

Prakash Chandra Patro
CFO

Mahesh Munjal
CMD

S.S.Khosla
Director

(Anil Gupta)
Partner
M.NO.089988

MAJESTIC AUTO LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

PARTICULARS	(Rs.)	Year Ended 31.03.2015 (Rs.)	Year Ended 31.03.2014 (Rs.)
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit before tax and Extraordinary items		117,254,154	473,518,881
Adjustment for:			
Add:			
a) Depreciation & Amortization Expenses	177,135,694		150,306,609
b) Exchange Difference	29,213		10,885,712
c) Interest -other and financial charges	104,147,697		137,174,614
d) Increase in Provision for Gratuity (Net of payment)	(182,940)		2,449,549
e) Prior period expense	905,090		28,033,733
f) Provision for doubtful debts written off/(written back)	25,416,512	307,451,266	(193,575)
Less:			
a) Interest received on Loans, Deposits	2,769,198		2,769,198
b) Dividend income on			
From non current Investments (Non Trade)	106,384,325		94,061,160
c) Profit from investment in AOP (Non Trade)	-		(3,051)
d) Profit on sale of Fixed Assets	9,615		-
e) Profit on sale if Investments	430,310,583		777,991,992
g) Provision for doubtful debts (written back)	25,416,512	564,890,233	-
Operating Profit before working Capital Changes		(140,184,813)	(72,643,776)
Adjustment for:			
a) Increase/(decrease) in trade payable	(61,971,628)		(34,935,669)
b) Increase/(decrease) in other liabilities	(779,498)		(44,082,046)
c) (Increase)/decrease in inventories	3,112,987		36,356,101
d) (Increase)/decrease in loan and advance & other current assets	19,168,858		(35,553,772)
e) (Increase)/decrease in trade and other receivable	59,953,280	19,483,999	(47,159,696)
Cash Generated from Operations		(120,700,815)	(198,018,858)
Less:			
a) Direct taxes Paid	33,444,329		30,402,314
b) Exchange difference	29,213		10,885,712
c) Net prior period expenses/ tax adjustments	905,090	34,378,632	27,960,996
Net Cash Flow operating activities		(155,079,447)	(267,267,880)
B. CASH FLOW FROM INVESTMENT ACTIVITIES			
a) Investment in subsidiary company	(14,925,000)		(49,470,000)
b) Loan received back from subsidiary company	-		24,520,000
c) Interest received on loan deposit	2,769,198		2,769,198
d) Dividend received	106,384,325		94,061,160
e) Purchase of fixed assets	(263,728,139)		(103,522,775)
f) Share in AOP profit	-		(3,051)
g) Sale of investments	430,453,212		786,285,467
Net cash from (used in) investments activities		260,953,596	754,639,999
C. CASH FLOW FROM FINANCING ACTIVITIES			
a) Repayment of borrowing	(31,714,420)		(363,670,458)
b) Interest -other and financial charges	(104,147,697)		(137,174,614)
c) Proceed from borrowings	113,829,301		-
Cash generated(used in) from financing activities		(22,032,816)	(500,845,072)
Net cash from (used in) financing activities		(22,032,816)	(500,845,072)
D. NET INCREASE(+)/DECREASE(-) IN CASH AND CASH EQUIVALENTS (A+B+C)		83,841,333	(13,472,953)
cash and cash equivalents as at the beginning of the year		6,177,445	19,650,398
cash and cash equivalents as at the end of the year		90,018,778	6,177,445

NOTE TO THE CASH FLOW STATEMENT

- Cash and cash equivalents include cash and bank balance shown in Note no. 17 of the Balance sheet
- Prior year figures have been regrouped and recast wherever necessary

The accompanying notes are an integral part of the financial statements.

AS PER OUR AUDIT REPORT
OF EVEN DATE ANNEXED
For and on behalf of B.D. Bansal & Co.
Chartered Accountants
Firm Regn. No. 000621N

Place : Ludhiana
Date : 30.05.2015

Rajesh Saini
DGM Company Secretary

Prakash Chandra Patro
CFO

Mahesh Munjal
CMD

S.S.Khosla
Director

(Anil Gupta)
Partner
M.NO.089988

MAJESTIC AUTO LIMITED

Notes on Financial Statements for the Year ended 31st March, 2015

1. SIGNIFICANT ACCOUNTING POLICIES

A. ACCOUNTING CONVENTIONS

The financial statements are prepared under the historical cost convention, on the accrual basis of accounting in accordance with the Generally Accepted Accounting Principles (GAAP) in India and comply with the accounting standards as notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant presentational requirements of the Companies Act, 2013.

B. BASIS OF PREPARATION

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting, unless stated otherwise and comply with the mandatory Accounting Standards ('AS') prescribed under the Companies Act, 2013 read with the General Circular 08/2014 dated April 04, 2014 issued by the Ministry of Corporate Affairs, and other accounting principles generally accepted in India. The accounting policies adopted in the preparation of financial statements are consistent with those of the previous year.

C. FIXED ASSETS INCLUDING INTANGIBLE ASSETS AND DEPRECIATION/AMORTIZATION

- a) Fixed assets including intangible assets are stated at cost net of cenvat, less accumulated depreciation and/ or impairment loss, if any. Intangible assets comprise purchased software/licenses. All costs till commencement of commercial production attributable to the fixed assets and intangible assets are capitalized.
- b) Depreciation on fixed assets has been provided on straight-line method at the rates and in the manner prescribed in Schedule II to the Companies Act, 2013.
- c) Depreciation on intangible assets has been provided as per Accounting Standard 26 'Intangible Assets'.
- d) The cost of Leasehold land is amortized over the period of lease.
- e) In respect of assets added / disposed off during the year, depreciation is charged on a pro-rata basis with reference to the month of addition/disposal.
- f) Intangible assets are recognised if it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably. These assets are valued at cost which comprises its purchase price and any directly attributable expenditure.

D. INVESTMENTS

Investments are classified into current and non current Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non current investments (excluding current maturities of non current investments) are stated at the lower of cost and fair value. Non current investments are carried at cost. Provision for diminution in value of non current investments is made only if such decline is not temporary.

E. INVENTORIES

- a) Finished goods are valued at lower of cost or net realizable value. Cost is considered at material cost on movement moving weighted average basis plus appropriate overheads.
- b) Work in progress is valued at material cost on movement moving weighted average basis plus appropriate overheads.
- c) Scrap is valued at net realizable value.
- d) Goods in transit are valued at cost.
- e) Other inventories are valued at cost on moment moving weighted average basis.
- f) The liability of excise duty on finished goods and scrap lying in the factory at year end is estimated on the basis of sales price of goods and excise rates prevailing on the said date, while determining the cost of closing stock of finished goods and scrap.

F. EMPLOYEE BENEFITS

Superannuation, Provident and Gratuity Funds are accounted for on accrual basis with corresponding payments to recognized scheme/fund. Short term employees' benefits are recognized as an expense at the undiscounted amount in the Statement of profit and loss for the year in which the related services rendered.

MAJESTIC AUTO LIMITED

Notes on Financial Statements for the Year ended 31st March, 2015

G. REVENUE RECOGNITION

Revenue from sale of products/job-work is recognized on dispatch of goods from factory premises except for export sales, which are booked on the basis of date of custom clearance.

Gross sales as reflected in the financial statements are inclusive of excise duty and net of rebate / trade discounts and returns.

Interest income is recognized on an accrual basis on time proportion method, taking into account the amount outstanding and the rate applicable.

Dividend income is recognized when the right to receive payment is established by the balance sheet date.

Exports benefits are recognized on an accrual basis at the anticipated realizable value, based on past experience.

H. RESEARCH AND DEVELOPMENT

Revenue expenditure on research and development is charged against the profit of the year in which it is incurred. Capital expenditure on research and development is shown as an addition to fixed assets and depreciation is provided on the same basis as for other fixed assets.

I. FOREIGN EXCHANGE TRANSACTIONS

The Company accounts for effects of difference in foreign exchange rates in accordance with Accounting Standard 11 notified by the Companies (Accounting Standards) Rules, 2006.

- a) Transactions in foreign currencies are accounted for at the exchange rate prevailing at the date of transaction/ negotiations.
- b) Monetary foreign currencies items outstanding at the year end are restated into rupees at the rate of exchange prevailing on the Balance Sheet date.
- c) Non monetary foreign currency items are carried at cost.
- d) Any income or expenses on account of exchange rate difference either on settlement or on transaction is recognized in the statement of profit and loss.
- e) In respect of forward contracts, forward premium or discount arising at the inception of forward contract is amortized over the life of contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the year in which exchange rates change. Any profit and loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the year.

J. TAXATION

The provision for current income tax liability is ascertained on the basis of assessable profits computed in accordance with the provisions of Income Tax Act, 1961. Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of being reversed in one or more subsequent periods.

Minimum Alternative Tax ("MAT") paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal tax in future. MAT Credit entitlement can be carried forward and utilized for a specific period as prescribed under the law from the year in which the same is availed. Accordingly, it is recognized as an asset in the Balance Sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.

K. GOVERNMENT GRANTS

Government grants are deducted from the value of the concerned asset if the grant is specifically received for the purchase, construction or acquisition of the asset. However, if it is received as a contribution towards the total investment or by way of contribution to its capital outlay and no repayment is ordinarily required to be made; such grants are treated as capital reserves.

L. ACCOUNTING FOR ESTIMATES

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Examples of such estimates include estimation of future obligations under employee retirement benefit plans, estimated useful life of fixed assets, classification of assets / liabilities etc. Actual results could differ from these estimates. Any revision to accounting estimates is recognized in accordance with the requirements of the respective accounting standards.

MAJESTIC AUTO LIMITED

Notes on Financial Statements for the Year ended 31st March, 2015

M. IMPAIRMENT

The carrying amounts of assets are reviewed at each balance sheet date in accordance with Accounting Standard 28, 'Impairment of Assets', to determine whether there is any indication of impairment. An impairment loss is charged to the statement of profit & loss in the year in which an assets is identified as impaired.

N. ACCOUNTING FOR LEASES

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Operating lease charges are expensed on a straight line basis with reference to lease terms and other considerations.

O. BORROWING COSTS

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets to the extent that they relate to the period till such assets are ready to be put to use. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss.

P. SEGMENT REPORTING

- a) The Company has disclosed business segment as the primary segment for disclosure. The Company has identified four separate segments i.e. Fine Blanking Components, Mufflers, Electricals and others. The Segments are identified with regard to the dominant source, nature of risks and returns, internal organization and management structure and internal reporting systems.
- b) The accounting policies adopted for segment reporting are in line with the accounting policies of the Company.
- c) Segment revenues, Results and Capital employed figures include the respective amounts identifiable to each of the segments. Interest and other financial charges/ incomes are reported at corporate level. Also those assets and liabilities which are not identifiable to the individual segments are reported at corporate level.
- d) The inter segmental revenue is accounted for on the basis of transfer price agreed to amongst segments as per market trend.

Q. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A provision is recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

A contingent asset is neither recognized nor disclosed in the financial statements.

R. CASH FLOW STATEMENT

The Cash Flow Statement is prepared by the indirect method set out in Accounting Standard-3 on Cash Flow Statements and presents cash flows by operating, investing and financing activities of the Company. The Company considers all highly liquid financial instruments, which are readily convertible into cash, to be cash equivalents.

S. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

MAJESTIC AUTO LIMITED

Notes on Financial Statements for the Year ended 31st March, 2015

PARTICULARS	(Rs.)	Year Ended 31.03.2015 (Rs.)	Year Ended 31.03.2014 (Rs.)
2 SHARE CAPITAL			
AUTHORISED SHARE CAPITAL			
15,000,000 (Previous Year 15,000,000) Equity Shares of Rs.10/- each		150,000,000	150,000,000
25,000,000 (Previous Year 25,000,000) Preference Shares of Rs.10/- each		250,000,000	250,000,000
		400,000,000	400,000,000
ISSUED SHARE CAPITAL			
10,398,978 (Previous Year 10,398,978) Equity Shares of Rs.10/- each		103,989,780	103,989,780
SUBSCRIBED AND PAID UP SHARE CAPITAL			
10,397,478 (Previous Year 10,397,478) Equity Shares of Rs.10/- each fully paid up		103,974,780	103,974,780
Add: Shares forfeited (Amount paid up)		7,500	7,500
		103,982,280	103,982,280

a) Reconciliation of Equity shares outstanding at the beginning and at the end of the reporting period.

Particulars	31-Mar-15		31-Mar-14	
	Number	Amount(Rs)	Number	Amount(Rs)
Shares outstanding at the beginning of the year	10,397,478	103,974,780	10,397,478	103,974,780
Add: Shares forfeited (Amount paid up)	-	7,500	-	7,500
Changes during the year	-	-	-	-
Shares outstanding at the end of the year	10,397,478	103,982,280	10,397,478	103,982,280

b) Rights, preferences and restrictions attached to Equity shares

Equity shares: The company has one class of equity shares having a par value of Re. 10/- per share. Each shareholder is eligible for one vote per share held. The dividend if any proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholding.

c) Shares held by holding company

Particulars	31-Mar-15		31-Mar-14	
	Number	Amount(Rs)	Number	Amount(Rs)
M/s Anadi Investments (P) Ltd.	7,757,687	77,576,870	7,757,687	77,576,870

d) The details of Shareholders holding more than 5% shares :

	31-Mar-15		31-Mar-14	
	No. of Shares	% holding	No. of Shares	% holding
M/s Anadi Investments (P) Ltd.	7,757,687	74.61	7,757,687	74.61

e) There are NIL number of shares (Previous year Nil) reserved for issue under option and contracts/commitment for the sale of shares/disinvestment including the terms and amounts.

f) For the period of five years immediately preceding the date as at which the balance sheet is prepared

Particulars	No. of Shares in Current Year	No. of Shares in Previous Year
Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash	Nil	Nil
Aggregate number and class of shares allotted as fully paidup by way of bonus shares.	Nil	Nil
Aggregate number and class of shares bought back	Nil	Nil

g) There are NO securities (Previous year No) convertible into Equity/ Preferential Shares.

h) There are NO calls unpaid (Previous year No) including calls unpaid by Directors and Officers as on balance sheet date.

i) 1500 equity shares of Rs. 10/- each were forfeited by Company against unpaid call money of Rs.5/- per equity share.

MAJESTIC AUTO LIMITED

Notes on Financial Statements for the Year ended 31st March, 2015

PARTICULARS	(Rs.)	Year Ended 31.03.2015 (Rs.)	Year Ended 31.03.2014 (Rs.)
3 RESERVES AND SURPLUS			
CAPITAL RESERVE			
As per last Balance Sheet		3,000,000	3,000,000
SECURITIES PREMIUM RESERVE			
As per last Balance Sheet		12,952,386	12,952,386
GENERAL RESERVE			
As per last Balance Sheet		50,000,000	50,000,000
SURPLUS			
As per last Balance Sheet	1,167,649,216	569,564,616	
Add: Profit / (Loss) for the year	263,685,777	598,084,600	
		1,431,334,993	1,167,649,216
		1,497,287,379	1,233,601,602
4 LONG-TERM BORROWINGS			
FROM BANKS	Non-Current	Current	Non-Current
Secured:			
Rupee Term loans	404,914,066	3,004,705	342,784,765
Foreign Currency Term Loans	-	-	-
FROM OTHERS			
Secured:			
Bajaj Finance Limited	530,000,000	-	230,000,000
Unsecured:			
Deposits (Refer Note 4 (b))	15,000,000	-	263,300,000
	949,914,066	3,004,705	836,084,765
Less : Current maturities shown under other current liability (refer note no. 9)		3,004,705	34,634,044
	949,914,066	-	836,084,765

a) Terms of repayment of secured borrowings

Type of loan	Amount (including current maturities) as on 31.03.2015 (Rs.)	Terms of repayment and Maturity	Nature of Security	Rate of Interest
Rupee term loans				
(i) Term loan- IDBI Bank	63,800,000	Repayable in 28 quarterly installments commencing from 30-June-11 with first 12 installments of Rs.3,800,000 each, next 12 installments of Rs.11,100,000 each and remaining 4 installments of Rs. 10,300,000 each.	Term Loans are secured by mortgage over the immovable properties on pari-passu basis and first charge on entire fixed assets of the Company both present & future on pari-passu basis and also secured by Second Charge on entire current assets of the Company both present and future. These Term Loans are also further secured by personal guarantee of Managing Director of the Company.	The rate of interest on the loans ranges from 12.00% to 12.10% per annum.
(ii) Term loan- Catholic Syrian Bank	94,984,765	Repayable in 26 quarterly installments commencing from 31-May-11 with first 12 installments of Rs.4,350,000 each, Next 12 installments of Rs.12,575,000 each and last 2 installments of Rs.23,450,000 Lakhs each.		
(iii) Term loan- HDFC Bank	150,000,000	Repayable after one year or rollover for further period.	Term Loans are secured primary by hypothecate by way of Subservient charges on all movable plant & machinery, fixed assets both present & future of the Company and Secondary-Pledge of equity shares of Hero Motocorp Limited.	9.85% per annum (Base Rate) Floating
(iv) Housing Loan- Punjab National Bank	99,134,006	180 equated monthly installments of Rs.11.05 lacs each.	Housing Loan is secured by equitable mortgage of Flat No. C-100 (Block-C), First Floor, Southern Avenue, Maharani Bagh, New Delhi	10.25% Per Annum (BR+0.25%)
Foreign currency term loans				
(iv) Buyer's Credit Standard Chartered Bank, UK (LOU issuing Bank "Yes Bank Ltd")	-	Principal including interest will be repaid during the year (360 days from disbursement date)	Loan is secured by Subservient charge on all the Current Assets and Movable Fixed Assets of the Borrower (both present and future) of the Company. These Loans are further secured by personal guarantee of Managing Director of the Company.	Yearly LIBOR+62 to 67BPS
Others				
v) Bajaj Finance Ltd	530,000,000	Principal including interest will be repayable within two year.	Loan is secured by pledge of equity shares of Hero MotoCorp Limited.	Rate of interest -10.50%

MAJESTIC AUTO LIMITED

Notes on Financial Statements for the Year ended 31st March, 2015

PARTICULARS	Year Ended 31.03.2015 (Rs.)	Year Ended 31.03.2014 (Rs.)
b) Terms of Repayment for unsecured deposits.		
Deposits from Director	15,000,000	263,300,000
	<u>15,000,000</u>	<u>263,300,000</u>
Repayable as per the terms of individual deposit ranging from 24 months to 36 months from the date of acceptance of deposits		
5 OTHER LONG-TERM LIABILITIES		
Trade Payables	1,841,179	3,527,943
Other-Trade Deposits	7,669,416	4,138,285
	<u>9,510,595</u>	<u>7,666,228</u>
6 LONG-TERM PROVISIONS		
Provision for employees benefit		
Provision for Gratuity	35,365,000	35,547,940
	<u>35,365,000</u>	<u>35,547,940</u>
7 SHORT TERM BORROWINGS		
Secured :		
i) Working Capital Loans repayable on demand from banks	144,608	34,713,636
ii) Working Capital Loans repayable on demand from banks	65,864,973	31,381,026
	<u>66,009,581</u>	<u>66,094,662</u>
Nature of Security		
i) The Secured working capital Loans from Banks are secured by hypothecation of stock in trade and book debts and other current assets of the Company both present and future on pari-passu basis and also secured by second pari-passu charge on the immovable properties and entire fixed assets (both present & future) of the Company. These Loans are further secured by personal guarantee of Managing Director of the Company.		
ii) The Secured working capital Loans are secured by Subservient charge on all the Current Assets and Movable Fixed Assets of the Borrower (both present and future) of the Company. These Loans are further secured by personal guarantee of Managing Director of the Company.		
8 TRADE PAYABLES		
Micro, Small and Medium Enterprises #	-	-
Others	88,105,900	150,077,528
	<u>88,105,900</u>	<u>150,077,528</u>
# This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.		
9 OTHER CURRENT LIABILITIES		
Current Maturity of long term Borrowings (refer note no.4)	3,004,705	34,634,044
Interest accrued but not due on borrowings	-	207,937
Advance from customers	919,068	2,068,899
Other payables (including Govt. dues, taxes, employee benefits and other misc. items)	44,796,424	46,062,521
	<u>48,720,197</u>	<u>82,973,401</u>
10 SHORT TERM PROVISIONS		
Provision for Income tax	-	30,500,000
Provision for wealth tax	1,450,000	700,000
	<u>1,450,000</u>	<u>31,200,000</u>

MAJESTIC AUTO LIMITED

Notes on Financial Statements for the Year ended 31st March, 2015

PARTICULARS	(Rs.)	Year Ended 31.03.2015 (Rs.)	Year Ended 31.03.2014 (Rs.)
-------------	-------	-----------------------------------	-----------------------------------

11 FIXED ASSETS

Description (Own Assets)	Gross Block				Depreciation / Amortisation				Net Block		
	As at 1-Apr-14	Additions	Disposal/ Adjustments	Borrowing Cost	As at 31-Mar-15	As at 1-Apr-14	For the Year	Disposal/ Adjustments	Upto 31-Mar-15	As at 31-Mar-15	As at 31-Mar-14
(A) TANGIBLE ASSETS :											
Leasehold Land	324,574,589	-	-	-	324,574,589	12,657,505	3,616,430	-	16,273,935	308,300,654	311,917,084
Freehold Land	44,297,910	-	-	-	44,297,910	-	-	-	-	44,297,910	44,297,910
Buildings	473,530,716	187,779,998	-	-	661,310,714	79,180,284	16,201,574	-	95,381,858	565,928,856	394,350,432
Plant & Equipment	1,605,857,906	132,136,885	(107,628)	-	1,737,887,163	802,774,794	143,681,263	(96,848)	946,359,209	791,527,954	803,083,112
Furniture & Fixtures	10,018,490	4,411,323	-	-	14,429,813	7,148,168	1,482,171	-	8,630,339	5,799,474	2,870,322
Vehicles	24,600,631	1,044,226	-	-	25,644,857	11,097,547	2,508,700	-	13,606,247	12,038,610	13,503,084
Office Equipment	24,775,668	1,679,472	(44,500)	-	26,410,640	11,630,664	9,314,766	(17,396)	20,928,034	5,482,606	13,145,004
Total (A)	2,507,655,910	327,051,904	(152,128)	-	2,834,555,686	924,488,962	176,804,904	(114,244)	1,101,179,622	1,733,376,064	1,583,166,948
Previous Year	2,412,612,373	96,022,249	(978,712)	-	2,507,655,910	774,885,990	149,602,972	-	924,488,962	1,583,166,948	1,637,726,383
(B) INTANGIBLE ASSETS :					-				-	-	-
Computer Software	4,363,974	725,852	-	-	5,089,826	1,878,416	330,790	-	2,209,206	2,880,620	2,485,558
Total (B)	4,363,974	725,852	-	-	5,089,826	1,878,416	330,790	-	2,209,206	2,880,620	2,485,558
Previous Year	4,324,174	39,800	-	-	4,363,974	1,174,779	703,637	-	1,878,416	2,485,558	3,149,395
Total (A + B)	2,512,019,884	327,777,756	(152,128)	-	2,839,645,512	926,367,378	177,135,694	(114,244)	1,103,388,828	1,736,256,684	1,585,652,506
Previous Year	2,416,936,547	96,062,049	(978,712)	-	2,512,019,884	776,060,769	150,306,609	-	926,367,378	1,585,652,506	1,640,875,778
Capital Work-in-Progress										19,614,767	83,616,885

"The Company has adopted the revised estimates of useful life of Fixed Assets as stipulated in Schedule II of the Companies Act 2013 w.e.f April 1, 2014. The additional depreciation on such "adoption has been charged to Statement of Profit & Loss."

12 NON-CURRENT INVESTMENTS

NON-TRADE INVESTMENTS (AT COST)

Quoted Equity Instruments

Hero Moto Corp Limited.

1,030,395 (Previous Year 1,208,681)

Equity shares of Rs.2/- each fully paid up

824,317

966,946

Unquoted Equity Instruments

Investment in Subsidiaries

Majestic IT Services Limited

16,439,500 (Previous Year 14,500,000)

Equity shares of Rs. 10/- each fully paid up

Share Application Money*

164,395,000

145,000,000

-

4,470,000

165,219,317

150,436,946

Aggregate amount of quoted investments

824,317

966,946

Market value of quoted investments

2,722,921,827

2,747,150,611

Aggregate amount of unquoted investments

164,395,000

149,470,000

* Shares allotted on 27.05.2014

13 DEFERRED TAX ASSETS/(LIABILITIES) (Net)

Deferred Tax Assets

allowable for tax purposes in subsequent years

397,396,400

254,827,467

Deferred Tax Liabilities

Related to Fixed Assets

90,690,002

94,521,232

Net Deferred Tax Assets/(Liabilities)

306,706,398

160,306,235

14 LONG TERM LOANS AND ADVANCES

(Unsecured, considered good)

Capital Advances

738,029

7,516,139

Security Deposits

16,505,801

8,078,647

MAT Credit Entitlement

100,300,000

100,300,000

Advance Income Tax (Net of provisions)

11,312,805

3,973,181

128,856,635

119,867,967

MAJESTIC AUTO LIMITED

Notes on Financial Statements for the Year ended 31st March, 2015

PARTICULARS	(Rs.)	Year Ended 31.03.2015 (Rs.)	(Rs.)	Year Ended 31.03.2014 (Rs.)
15 INVENTORIES				
(valued at lower of cost and net realisable value)				
Raw Materials & Components		21,052,456		22,924,430
Work-in-Progress (Refer Note a (i))		55,456,612		38,273,432
Finished Goods (Refer Note a (ii))		9,139,058		14,281,447
Stores and Spares		8,625,896		24,544,503
Loose Tools		2,904,126		2,663,215
Scrap		4,608,189		2,351,743
Goods-in-Transit		139,446		-
		<u>101,925,783</u>		<u>105,038,770</u>
(a) Details of Inventory				
(i) Work-in-progress				
Mufflers		10,919,426		7,680,374
Fine Blanking components		14,935,705		11,320,032
Electricals		24,194,918		14,711,863
Others		5,406,563		4,561,163
		<u>55,456,612</u>		<u>38,273,432</u>
(ii) Finished Goods				
Mufflers		1,891,683		1,807,223
Fine Blanking components		4,057,780		2,202,615
Electricals		2,492,846		9,657,598
Others		696,749		614,011
		<u>9,139,058</u>		<u>14,281,447</u>
16 TRADE RECEIVABLES				
(Unsecured)				
Outstanding for a period exceeding six months from the due date of payment				
Considered good		9,072,786		3,033,260
Considered doubtful		35,326,847		60,743,358
		<u>44,399,633</u>		<u>63,776,618</u>
Less: Provision for Doubtful debts		35,326,847		60,743,358
		<u>9,072,786</u>		<u>3,033,260</u>
Others Considered good				
		<u>114,194,408</u>		<u>180,187,214</u>
		<u>123,267,194</u>		<u>183,220,474</u>
17 CASH AND BANK BALANCES				
Cash and cash equivalents				
Cash on hand	500,719		187,436	
Cheques/ Drafts in hand	312,519		-	
Balances with Banks in Current Accounts	89,205,540	90,018,778	5,990,009	6,177,445
		<u>90,018,778</u>		<u>6,177,445</u>
18 SHORT-TERM LOANS AND ADVANCES				
(Unsecured considered good)				
Advances recoverable in cash or in kind or for value to be received		3,474,336		2,546,129
Balances with customs, excise, etc.		80,139,299		72,751,187
Advance paid to Suppliers		15,020,316		46,368,127
Prepaid Expenses		5,257,477		3,434,090
Advance Income Tax (Net of provisions)		23,873,623		27,487,457
		<u>127,765,051</u>		<u>152,586,990</u>

MAJESTIC AUTO LIMITED

Notes on Financial Statements for the Year ended 31st March, 2015

PARTICULARS	Year Ended 31.03.2015 (Rs.)	Year Ended 31.03.2014 (Rs.)
19 OTHER CURRENT ASSETS		
(Unsecured considered good)		
Margin Money Deposits*	675,000	282,106
Interest accrued on Above	39,391	42,082
	<u>714,391</u>	<u>324,188</u>
* Pledged as security for letters of credit / bank guarantees		
20 CONTINGENT LIABILITIES AND COMMITMENTS		
(I) Contingent Liabilities		
(a) Claims against the company not acknowledged as debts		
Sales Tax matters under U.P. Trade Tax Act	198,108	198,108
(b) Bank Guarantees	25,418,900	18,996,800
(c) Letter of Credit	8,293,917	10,369,934
(d) Excise duty /Sale Tax paid under protest amounting to Rs.66,036(Previous Year Rs.220,036) is appearing under the head amounts recoverable.		
a) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.		
b) The Company does not expect any reimbursement in respect of the above contingent liabilities.		
c) Future cash outflows in respect of the above are determinable only on receipt of judgements / decisions pending with various forums / authorities.		
(II) Commitments		
Estimated value of contracts in capital accounts remaining to be executed and not provided for (net of advance)	12,088,474	3,115,411
21 REVENUE FROM OPERATIONS (GROSS)		
Sale of Products	872,730,687	867,730,545
Sale of Services	163,561,373	132,279,874
Other Operating Revenues	191,426,180	168,657,732
	<u>1,227,718,240</u>	<u>1,168,668,151</u>
(a) Details of products sold		
(i) Finished goods		
Mufflers	15,529,461	152,617,675
Fine Blanking components	156,804,859	170,273,839
Electricals	658,854,800	479,020,992
Others	41,541,567	57,957,615
	<u>872,730,687</u>	<u>859,870,121</u>
(ii) Traded goods		
Electricals	-	7,860,424
	-	7,860,424
	<u>872,730,687</u>	<u>867,730,545</u>
(b) Details of sale of services		
Job Charges	163,561,373	132,279,874
	<u>163,561,373</u>	<u>132,279,874</u>
(c) Details of other operating revenues		
Sale of scrap	189,337,235	162,155,961
Others	2,088,945	6,501,771
	<u>191,426,180</u>	<u>168,657,732</u>
22 OTHER INCOME		
Interest on		
- Bank Deposits	43,768	58,028
- Others	1,094,604	2,711,170
Dividend income from non current investments	106,384,325	94,061,160
Rent receive	147,479	144,180
Provisions/Liabilities no longer required written back	5,099,536	193,575
Provision written back for bed debts	25,416,512	-
Profit on sale of Fixed asset	9,615	-
Other non-operating income	3,173,167	5,445,000
Total	<u>141,369,006</u>	<u>102,613,113</u>

MAJESTIC AUTO LIMITED

Notes on Financial Statements for the Year ended 31st March, 2015

PARTICULARS	(Rs.)	Year Ended 31.03.2015 (Rs.)	Year Ended 31.03.2014 (Rs.)
23 COST OF MATERIALS CONSUMED			
Opening inventories		22,924,430	26,243,963
Add: Purchases		773,710,771	615,773,133
Less: Closing inventories		21,052,456	22,924,430
Cost of material consumed		<u>775,582,745</u>	<u>619,092,666</u>
Details of Imported and Indigenous Raw Materials Consumed:			
	% of Consumption		% of Consumption
Imported	1.26	9,788,343	0.33 2,027,278
Indigenous	98.74	765,794,402	99.67 617,065,388
Total	100.00	<u>775,582,745</u>	100.00 619,092,666
Details of Raw Material Consumed			
Particulars			
Raw Materials & Components		773,225,758	587,797,773
Paints and Chemicals		477,188	10,718,716
Plating Material		1,879,799	20,576,177
		<u>775,582,745</u>	<u>619,092,666</u>
24 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE			
Closing inventories			
- Finished goods		9,139,058	14,281,447
- Work-in-process		55,456,612	38,273,432
- Scrap		4,608,189	2,351,743
		<u>69,203,859</u>	<u>54,906,622</u>
Opening inventories			
- Finished goods		14,281,447	16,457,387
- Work-in-process		38,273,432	67,878,833
- Scrap		2,351,743	1,651,884
		<u>54,906,622</u>	<u>85,988,104</u>
(Increase) / Decrease in Inventories		<u>(14,297,237)</u>	<u>31,081,482</u>
25 EMPLOYEE BENEFIT EXPENSES			
Salaries, wages, bonus etc.		217,670,866	210,486,917
Contribution to Provident and other funds		18,734,367	17,556,391
Staff welfare expenses		4,690,475	2,667,670
		<u>241,095,708</u>	<u>230,710,978</u>
(a) Defined benefit Plans			
GRATUITY PLANS : The gratuity scheme of a company is covered under a group gratuity cum Life Assurance cash accumulation policy offered by LIC of India. The funding to the scheme is done through an approved gratuity trust. Every employee who has completed a minimum five years service is entitled to gratuity based on fifteen days last drawn salary for every completed year of service subject to a maximum of Rs.1,000,000/-. The disclosures as required pursuant to the Revised Accounting Standard -15 is as under:-			
Net Employee Benefit Expense recognized in the Statement of Profit and Loss			
Current service cost		5,158,161	1,644,279
Add : Interest cost on present value of defined benefit obligation as at the beginning of the year		2,787,974	4,120,802
Less: Expected return on plan assets		(60,039)	(1,037,383)
Add: Net actuarial(gain) / loss recognized in the year		102,700	(1,178,149)
Add: Past service cost		-	90,877
Net Gratuity Cost		<u>7,988,796</u>	<u>3,640,426</u>
Details of Provision for gratuity recognized in the Balance Sheet			
Present value of defined benefit obligation at the end of year		35,621,015	36,810,825
Less: Unrecognised past service cost		-	-
Less: Fair value of plan assets at the end of year		256,016	1,262,885
Funded Status-Net Liability/(Asset)		<u>35,364,999</u>	<u>35,547,940</u>
Changes in the present value of the defined benefit obligation are as follows:			
Opening defined benefit obligation		34,849,675	51,510,024
Add: Interest cost		2,787,974	4,120,802
Add: Current service cost		5,158,161	1,644,279
Less: Benefits paid		(7,277,495)	(19,286,131)
Add: Actuarial (gains) / losses on obligation		102,700	(1,178,149)
Closing defined benefit obligation		<u>35,621,015</u>	<u>36,810,825</u>

MAJESTIC AUTO LIMITED

Notes on Financial Statements for the Year ended 31st March, 2015

PARTICULARS	Year Ended 31.03.2015 (Rs.)	Year Ended 31.03.2014 (Rs.)
Changes in the fair value of plan assets are as follows:		
Opening fair value of plan assets	1,262,885	18,411,633
Add: Expected return on plan assets	60,039	1,037,383
Add: Contributions by employer	6,210,587	1,100,000
Less: Benefits paid	(7,277,495)	(19,286,131)
Add: Actuarial gains / (losses)	-	-
Closing fair value of plan assets	256,016	1,262,885
Actual Return on Plan Assets		
Expected Return on Plan Assets	60,039	1,037,383
Add: Actuarial gain/(loss) on Plan Assets	977,344	-
Actual Return on Plan Assets	1,037,383	1,037,383

Define Benefits plan for 5 years	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
GRATUITY					
Net (Asset)/Liability recognised in the Balance Sheet					
(a) Present Value of Obligation as at the close of the year	35,621,015	36,810,825	51,510,024	49,026,104	47,274,571
(b) Fair value of plan asset as at the close of the year	256,016	1,262,885	18,411,633	17,140,642	16,479,010
(c) (Asset)/Liability recognised in the Balance Sheet	35,364,999	35,547,940	33,098,391	31,885,462	30,795,561
Change in Defined Benefit Obligation (DBO) during the year ended					
Actuarial (Gain)/Loss	102,700	(1,178,149)	(727,687)	1,104,032	1,081,555
Changes in the fair value of Plan Assets					
Actuarial Gain/(Loss)	-	-	(118,781)	(46,665)	(37,478)

The expected return on plan assets is based on market expectation, at the beginning of the period, for returns over the entire life of the related obligation. The gratuity scheme contribution is invested in a group gratuity-cum-life assurance cash accumulation policy offered by LIC of India. The expected return on plan assets is taken on the basis of the LIC fund statement received.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Insurer Managed fund through Approved Trust	100%	100%
The principal assumptions used in determining gratuity are shown below:		
Discount rate	8.00%	8.00
Expected rate of return on Plan assets	9.25%	9.25
Salary escalation	7.00%	7.00
Mortality rate	LIC (1994-96) ULTIMATE	LIC (1994-96) ULTIMATE
Employee turnover:-		
Upto 30 years	1.00%	1.00%
Upto 44 years	2.00%	2.00%
Above 44 years	3.00%	3.00%
Method of Valuation	Projected Unit Credit	Projected Unit Credit

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

SUPERANNUATION BENEFIT

Apart from being covered under the Gratuity Plan, certain employees of the Company participate in a Superannuation Benefit; a defined contribution plan administrated by Life Insurance Corporation ("LIC"). The Company makes contributions based on a specified percentage of salary of each covered employee. The Company does not have any further obligation to the superannuation plan beyond making such contributions. Upon retirement or separation (only after completion of 5 years of services) an employee becomes entitled for superannuation benefit, as determined by LIC, which is paid directly to the concerned employee. The Company contributed Rs.901,810 (Previous Year Rs.973,645) to the Superannuation Plan."

26 FINANCE COSTS

Interest Expenses	103,333,342	133,283,895
Other borrowing costs	814,355	3,890,719
Applicable (gain)/loss on foreign currency transactions and translation	29,213	10,885,712
	104,176,910	148,060,326

MAJESTIC AUTO LIMITED

Notes on Financial Statements for the Year ended 31st March, 2015

PARTICULARS	(Rs.)	Year Ended 31.03.2015 (Rs.)	(Rs.)	Year Ended 31.03.2014 (Rs.)
27 OTHER EXPENSES				
Consumption of stores and spares*		30,678,633		34,940,988
Consumption of packing materials		14,296,962		10,789,795
Power and fuel		65,494,689		71,945,255
Fabrication expenses		4,568,917		7,865,632
Freight , cartage and octroi		5,275,623		7,076,945
Rent (refer note no.36)		814,059		948,142
Rates and taxes		2,463,901		1,619,437
Insurance		4,130,582		5,422,520
Research & development expenses		1,635,031		667
Repairs to plant & machinery		64,179,654		25,887,098
Repairs to buildings		3,286,678		1,542,074
Machinery rent		552,770		118,186
Repairs others		7,582,501		4,752,995
Directors' sitting fees		262,248		262,500
Auditor's remuneration and expenses				
- Audit fee		250,000		250,000
-Tax audit fee		50,000		50,000
- Taxation matters		75,000		75,000
Legal and Professional Expenses		4,617,834		3,954,596
(Decrease) / Increase of excise duty on inventories		(365,813)		(128,466)
Freight and forwarding charges		20,500,277		31,432,191
Selling expenses		6,216,741		3,172,091
Donations and contribution to charitable institutions		11,000		-
Prior period Items		905,090		28,033,733
Loss From AOP		-		3,051
Bed Debts		25,416,512		-
Miscellaneous expenses#		25,273,395		27,928,503
		288,172,284		267,942,933
*Including loose tools consumed				
Stores and Spare Consumed:				
	% of		% of	
Imported	Consumption	27.36	Consumption	22.45
Indigenous		72.64		77.55
		100.00		100.00
		8,394,646		7,845,095
		22,283,987		27,095,893
		30,678,633		34,940,988
28 EARNING PER SHARE (EPS)				
Net profit as per profit and loss account		263,685,777		598,084,600
Calculation of weighted average number of equity shares				
- Number of share at the beginning of the year		10,397,478		10,397,478
- Total equity shares outstanding at the end of the year		10,397,478		10,397,478
- Weighted average number of equity shares outstanding during the year		10,397,478		10,397,478
Basic Earnings Per Share (In Rs.)		25.36		57.52
Diluted Earnings Per Share (In Rs.)		25.36		57.52
Nominal Value of Equity Shares (In Rs.)		10.00		10.00

29. Foreign currency exposures recognized by the Company that have not been hedged by a derivative instrument or otherwise as at 31st March, 2015 are as under:

S.No.	Particulars	USD		EURO		CHF		JPY	
		As on 31.03.2015	As on 31.03.2014	As on 31.03.2015	As on 31.03.2014	As on 31.03.2015	As on 31.03.2014	As on 31.03.2015	As on 31.03.2014
i)	Debtors	25,130.49	15,568.30	60,548.88	-	2,580.70	-	35,99,991	22,51,605
ii)	Creditors	292.50	-	-	-	-	78,624	-	-
iii)	Loans	-	576,667	-	-	-	-	-	-

MAJESTIC AUTO LIMITED

Notes on Financial Statements for the Year ended 31st March, 2015

PARTICULARS	Year Ended 31.03.2015 (Rs.)	Year Ended 31.03.2014 (Rs.)
-------------	-----------------------------------	-----------------------------------

30. Details of dues to Micro Enterprises and Small Enterprises.

Sl. No.	Particulars	As on 31.03.2015 (Amount in Rs.)		As on 31.03.2014 (Amount in Rs.)	
		Principle	Interest	Principle	Interest
a)	The principle amount and interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting Year.	-	-	-	-
b)	The amount of interest paid by the buyer in terms of section 16 of Micro Small and Medium Enterprises Development 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-	-	-
c)	The amount of interest due and payable for the period of delay in making payment (which have been but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprises Development 2006.	-	-	-	-
d)	The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-	-	-
e)	The amount of further interest remaining due and payable even in the succeeding years, until such date, when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprises Development 2006.	-	-	-	-

31. Borrowing costs amounting to Rs. Nil (previous year Rs. Nil) attributable to acquisition and construction of fixed assets have been capitalized during the year.

32. In the opinion of the Board, all assets other than fixed assets and non-current investments have a value on realization in the ordinary course of business at least equal to the value at which they are stated in the foregoing Balance Sheet.

33. Value of imports calculated on C.I.F. basis in respect of -

Raw Material	9,788,343	2,027,278
Components & Spare Parts	8,394,646	7,845,095
Capital Goods	35,915,839	18,653,401
Total	54,098,828	28,525,774

34. Expenditure in Foreign Currency

Interest	331,353	1,626,437
Others	-	-
Total	331,353	1,626,437

35. Foreign Currency Earnings

Export of Goods on FOB basis	18,311	-
------------------------------	--------	---

36. Assets taken on Operative Lease

The Company has taken on lease certain assets with lease term upto 11 months, which are subject to renewal at mutual consent thereafter. These arrangements can be terminated by either party after giving due notice. The other information in pursuant to Accounting Standard-19 is given here under.

a)	The total of future minimum lease payments under non-cancelable operating leases for each of the following Periods:	Year ended 31.3.2015 (Rs.)	Year ended 31.3.2014 (Rs.)
	i) Not later than one year	-	-
	ii) Later than one year and not later than five year	-	-
	iii) Later than five year	-	-
b)	Lease payments recognized in the statement of profit and loss for the year with separate amounts for		
	i) Minimum lease payments	-	-
	ii) Contingent rents	-	-
c)	Sub lease payments received (or receivable) recognized in the Statement of profit and loss for the year	N.A	N.A

MAJESTIC AUTO LIMITED

Notes on Financial Statements for the Year ended 31st March, 2015

PARTICULARS	(Rs.)	Year Ended 31.03.2015 (Rs.)	Year Ended 31.03.2014 (Rs.)
-------------	-------	-----------------------------------	-----------------------------------

37. Related party disclosure under Accounting Standard 18

During the year the company had entered into transactions with related parties. Those transactions along with related balances as at March 31, 2015 and for the year then ended are presented in the following table. List of related parties along with nature and volume of transaction is given below:

- | | | | |
|----|--|---|--|
| a) | Holding Company | : | M/s Anadi Investments Pvt. Ltd. |
| b) | Subsidiary Company | : | M/s Majestic IT Services Ltd. |
| c) | Enterprises in which the Company has significant influence | : | - |
| d) | Key Management Personnel | : | Mr. Mahesh Munjal (Managing Director) |
| e) | Relatives of Key Management personnel | : | Mr. Ayush Munjal & Ms. Ashima Munjal |
| f) | Other Key Management Personnel | : | Mr. Rajesh Saini (Company Secretary) |
| | | : | Mr. Prakash Chandra Patro (Chief Financial Officer) |
| g) | Enterprises over which key management personnel and their relatives are able to exercise significant influence | : | M/s Munjal Showa Ltd. |
| h) | Employee welfare trust where there is control | : | i) Majestic Auto Ltd. - Employee Gratuity Fund
ii) Majestic Auto Ltd. - Superannuation Fund |

Transactions with related parties during the year ended 31.03.2015

(Amount in Rs.)

Particulars	Subsidiary Company	Subsidiary Company	Enterprises in which the company significant influence.	Enterprises in which the company significant influence.	Key management personnel & Other Key Management Personnel	Key management personnel & Other Key Management Personnel	Relative of Key management personnel	Relative of Key management personnel	Enterprises over which key management & their relatives are able to exercise significant influences	Enterprises over which key management & their relatives are able to exercise significant influences	Employees welfare trust where there is control	Employees welfare trust where there is control
	31.03.15	31.03.14	31.03.15	31.03.14	31.03.15	31.03.14	31.03.15	31.03.14	31.03.15	31.03.14	31.03.15	31.03.14
Sale of Goods												
M/s Munjal Showa Ltd.	-	-	-	-	-	-	-	-	6791041	4093602	-	-
Purchase of Goods												
M/s Munjal Showa Ltd.	-	-	-	-	-	-	-	-	-	583274	-	-
Reimbursement of Expenses	10309	-	-	-	5241008	22819941	-	-	-	-	-	-
Interest Paid	-	4470000	-	-	-	-	-	-	-	-	-	-
Share Application Money	-	-	-	-	-	-	-	-	-	-	-	-
Loan Received	-	-	-	-	-248300000	119050000	-	-	-	-	-	-
Loan Outstanding	-	-	-	-	15000000	263300000	-	-	-	-	-	-
Profit from BM Lall & Asso.	-	-	-	-3051	-	-	-	-	-	-	-	-
Balance with BM Lall & Associates	-	-	-	-	-	-	-	-	-	-	-	-
Remuneration Paid												
Mahesh Munjal	-	-	-	-	7732176	5419290	-	-	-	-	-	-
Aayush Munjal	-	-	-	-	-	-	2504117	1941476	-	-	-	-
Rajesh Saini	-	-	-	-	776100	722509	-	-	-	-	-	-
Prakash Chandra Patro	-	-	-	-	584019	477259	-	-	-	-	-	-
Sitting Fees												
(Ms. Ashima Munjal)	-	-	-	-	67500	67500	-	-	-	-	-	-
M/s Majestic Auto Ltd.	-	-	-	-	-	-	-	-	-	-	901810	973645
Superannuation Fund	-	-	-	-	-	-	-	-	-	-	-	-
Gratuity												
M/s Majestic Auto Ltd.	-	-	-	-	-	-	-	-	-	-	2816735	4026869
Employee Gratuity Fund	-	-	-	-	-	-	-	-	-	-	-	-
Investment												
Majestic IT Services Ltd.	164395000	145000000	-	-	-	-	-	-	-	-	-	-
Receivable												
Munjal Showa Ltd.	-	-	-	-	-	-	-	-	1413974	264922	-	-
Payable												
Munjal Showa Ltd.	-	-	-	-	-	-	-	-	-	92996	-	-

*Including perquisites as per Income Tax Act 1961.

Note: No amount has been provided as doubtful debts or advances / written off or written back in the year in respects of debts due from / to above related parties.

MAJESTIC AUTO LIMITED

Notes on Financial Statements for the Year ended 31st March, 2015

PARTICULARS	Year Ended 31.03.2015 (Rs.)	Year Ended 31.03.2014 (Rs.)
-------------	-----------------------------------	-----------------------------------

38. SEGMENT DISCLOSURE

Business Segment

(Amount in Rs.)

	31.03.2015						31.03.2014					
	Fine Blanking Components	Mufflers	Electricals	Other Operations	Eliminations	Consolidated	Fine Blanking Components	Mufflers	Electricals	Other Operations	Eliminations	Consolidated
SEGMENT REVENUE												
Net Sales / Income from operations	176,037,001	13,486,723	888,403,514	39,513,432	-	1,117,440,670	184,215,154	134,581,162	666,055,817	61,363,835	-	1,046,215,968
Less: Inter segment Revenue	-	-	-	-	-	-	-	-	-	-	-	-
NET SALES/ INCOME FROM OPERATIONS	176,037,001	13,486,723	888,403,514	39,513,432	-	1,117,440,670	184,215,154	134,581,162	666,055,817	61,363,835	-	1,046,215,968
SEGMENT RESULTS												
Profit before Tax, Interest & Other Income	(14,674,328)	(136,019,340)	(150,792,385)	(23,345,960)	-	(324,832,013)	(804,225)	(126,084,633)	(83,390,402)	(6,428,085)	-	(216,707,345)
Total	(14,674,328)	(136,019,340)	(150,792,385)	(23,345,960)	-	(324,832,013)	(804,225)	(126,084,633)	(83,390,402)	(6,428,085)	-	(216,707,345)
Less: i) Finance Cost						104,176,910						148,060,326
ii) Other un-allocable expenditure, Net of un-allocable income						(115,952,494)						(60,294,560)
Total Profit before tax/extra ordinary/exceptional items						(313,056,429)						(304,473,111)
Profit on Sale on Long Term Investments						430,310,583						777,991,992
Provision for Taxation						(146,431,623)						(124,565,719)
Profit after tax						263,685,777						598,084,600
OTHER INFORMATION												
Segment Assets- Fixed / Current Assets/Investments	320,970,352	83,737,331	1,624,733,270	66,804,718	-	2,096,245,671	325,247,498	119,121,128	1,497,302,788	230,359,545	-	2,172,030,959
Unallocated Corporate Asset						704,099,326						375,197,447
TOTAL ASSETS	320,970,352	83,737,331	1,624,733,270	66,804,718	-	2,800,344,997	325,247,498	119,121,128	1,497,302,788	230,359,545	-	2,547,228,406
Segment Liabilities-Term/ Current Liabilities	155,258,491	3,951,272	924,022,537	14,498,800	-	1,097,731,100	213,175,719	87,930,402	858,907,133	48,931,270	-	1,208,944,524
Unallocated Corporate Liabilities			-			101,344,239			-			700,000
TOTAL LIABILITIES	155,258,491	3,951,272	924,022,537	14,498,800	-	1,199,075,339	213,175,719	87,930,402	858,907,133	48,931,270	-	1,209,644,524
Capital Expenditure for the year	7,196,653	132,351	69,144,811	188,208,010	-	264,681,825	207,854	208,961	101,658,867	2,425,807	-	104,501,489
Depreciation for the year	30,993,427	5,160,100	108,667,973	32,314,194	-	177,135,694	32,255,089	4,493,970	97,530,008	10,837,673	-	145,116,740
Other Non Cash Expenditure	-	-	-	-	-	-	-	-	-	-	-	-

39. As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the Company. The areas for CSR activities are of promoting education, eradicating poverty, hunger and malnutrition, sanitation and empowering women etc. projects which are specified in Schedule VII of the Companies Act, 2013. During the financial year 2014-15, Company has not spent towards schemes of Corporate Social Responsibility as prescribed under section 135 of the Companies Act, 2013.

MAJESTIC AUTO LIMITED

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Majestic Auto Ltd.,

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of M/s Majestic Auto Limited (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2015, Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters, which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the 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 consolidated 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 Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Group, as at 31st March, 2015, and their consolidated Losses and their consolidated cash flows for the year ended on that date.

Other Matters

We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of Rs.6,32,90,924/- as at 31st March, 2015, total revenues of Rs.22867285/- and net cash flows amounting to Rs.347464/- for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditor.

MAJESTIC AUTO LIMITED

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

Report on the Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditors' reports of the Holding company and subsidiary company, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report, 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 consolidated financial statements.
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated 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 Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated 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 consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company, none of the directors of the Group companies, is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us: -
 - (i) There are no pending litigations, which would impact the consolidated financial position of the group.
 - (ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - (iii) There were no amounts, which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company.

Annexure to the Independent Auditors' Report

(Referred to in our report of even date)

1.
 - (a) The respective entities in the group have maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) As explained to us and the other auditor's, all the fixed assets have not been physically verified by the management of respective entities during the year, but there is a regular program of verification which, in our opinion and the opinion of other auditor's, is reasonable having regard to the size and the nature of their respective assets. As informed to us and the other auditor's, no material discrepancies were noticed on such verification.
2.
 - (a) The inventories except goods-in-transit has been physically verified by the respective management of the holding Company. The subsidiary does not have any inventory as it is involved in the business of IT & IT enabled services. In our opinion, the frequency of such verification is reasonable.
 - (b) In our opinion and the opinion of other auditor's and according to information and explanations given to us and the other auditor's, the procedures of physical verification of inventories followed by the management of the holding company is reasonable and adequate in relation to the size of the holding company and the nature of its businesses.
 - (c) The holding company is maintaining proper records of inventories. As per the information and explanations given to us, no material discrepancies were noticed on physical verification.
3. The respective entities in the group have not granted any loans to Companies, Firms or other parties covered in the register maintained u/s 189 of the company's Act, 2013.
4. In our opinion and the opinion of other auditor's and according to the information and explanations obtained by us and the other auditor's, there is an adequate internal control system in the respective entities, commensurate with the size of the respective entities and the nature of their business with regard to purchase of inventories in the case of holding company and fixed assets and sale of goods and services in respect of respective entities and during the course of our audit and the other auditor's no continuing failure to correct major weaknesses in internal control system have been observed.

MAJESTIC AUTO LIMITED

5. In our opinion and the opinion of other auditor's and according to the information and explanations obtained by us and the other auditor's, the respective entities in the group have not accepted any deposits from the public, in accordance with the provisions of section 73 to 76 of the Act and rules framed there under.
6. According to the information and explanations obtained by the holding company, In our opinion, the holding company have prima facie made and maintained cost records pursuant to the Companies (Cost Records & Audit) Rules, 2014, as amended, prescribed by the Central Government under sub section (1) of section 148 of the Companies Act 2013, wherever applicable. We have however, not made a detailed examination of the records with a view to determine whether they are accurate or complete. In the case of the subsidiary company, we have informed that subsidiary company is not required to maintain cost records as per the provisions of sub section (1) of section 148 of the Companies Act, 2013
7. a) According to the records of the holding company examined by us and those of the subsidiary company examined by the other auditor's and according to the information and explanation given to us and the other auditors, amount deducted/ accrued in the respective books of account of each entity in respect of undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth tax, Service tax, Duty of customs, Duty of excise, Value Added Tax, Cess and any other material statutory dues have been regularly deposited during the year by the respective entities with the appropriate authorities.
According to the information and explanations given to us and the other auditors, no undisputed amounts payable in respect of the above statutory dues in respect of each entity in the group were in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us and the other auditors, there are no dues of Income Tax, Sales Tax, Value Added Tax, Wealth Tax, Service Tax, Duty of customs, Duty of excise and Cess, which have not been deposited by the aforesaid entities with the appropriate authorities on account of any dispute except as stated below in the case holding company:

S. No.	Nature of Statute	Nature of Dispute	Amount Unpaid Rs.	Period to which the amount relates	Forum where dispute is pending
1	U.P. Trade Tax	Penalty Under U.P. Trade Tax Act	1,98,108	A.Y. 2005-06	Assistant Commissioner (Appeals),
- c) According to the information and explanations given to us and the other auditors, none of the entities in the group are required to transfer any amount 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. The holding company does not have accumulated losses at the end of the financial year, nor has it incurred cash losses during the current and immediately preceding financial year. However as per the report of the other auditor the subsidiary company has accumulated losses at the end of the financial year. It has also incurred cash losses during the current financial year as well as in the immediately preceding financial year. Since consolidation of financial statement are being done for the first time during this year without consolidating previous year figures, we are not commenting on the consolidated cash flows of the immediately preceding financial year, but which can be derived on the basis of stand alone financial statements.
9. In our opinion and according to the information and explanations given to us and the other auditor's, none of the entities in the group have defaulted in repayment of dues to its bankers. The group does not have any outstanding dues to any financial institution or debenture holder during the year.
10. According to the information and explanations given to us and the other auditor's, none of the entities in the group have given any guarantee for loans taken by others from bank or financial institutions.
11. According to the information and explanations given to us the holding company has applied the term loan for the purpose for which loan was raised. However as per the report of the other auditor, the subsidiary company has not raised any term loan during the year.
12. To the best of our knowledge and according to the information and explanations given to us and the other auditor's, no fraud by respective entities and no material fraud on respective entities in the group have been noticed or reported during the year.

For and on behalf of B.D. Bansal & Co.
Chartered Accountants
ICAI Reg No. 000621N

Place : Ludhiana
Date : 30.05.2015

(Anil Gupta)
Partner
Membership No.89988

MAJESTIC AUTO LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31.03.2015

PARTICULARS	Note No.	As at 31.03.2015 (Rs.)	As at 31.03.2014 (Rs.)
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	2	105,982,280	105,982,280
Reserve and Surplus	3	1,378,369,871	1,141,173,812
		<u>1,484,352,151</u>	<u>1,247,156,092</u>
Non-current liabilities			
Long-term borrowings	4	949,914,066	836,084,765
Other Long-term liabilities	5	9,780,595	7,936,228
Long-term provisions	6	36,150,634	36,184,216
		<u>995,845,295</u>	<u>880,205,209</u>
Current liabilities			
Short-term borrowings	7	66,009,581	66,094,662
Trade payables	8	96,513,196	155,915,867
Other current liabilities	9	54,739,953	88,619,205
Short-term provisions	10	1,780,746	32,075,692
		<u>219,043,476</u>	<u>342,705,426</u>
TOTAL		<u>2,699,240,922</u>	<u>2,470,066,727</u>
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	11	1,733,675,614	1,583,932,268
Intangible assets		57,758,122	64,363,250
Capital work-in-progress		19,614,767	83,616,885
		<u>1,811,048,503</u>	<u>1,731,912,403</u>
Non-current investments	12	824,317	966,946
Deferred tax assets (Net)	13	306,706,398	160,306,235
Long-term loans and advances	14	133,088,104	123,304,369
		<u>440,618,819</u>	<u>284,577,551</u>
		<u>2,251,667,322</u>	<u>2,016,489,954</u>
Current assets			
Inventories	15	101,925,783	105,038,770
Trade receivables	16	124,418,066	184,441,977
Cash and Bank balances	17	91,279,285	7,090,491
Short-term loans and advances	18	129,236,074	156,681,346
Other current assets	19	714,391	324,188
		<u>447,573,599</u>	<u>453,576,773</u>
TOTAL		<u>2,699,240,922</u>	<u>2,470,066,727</u>
Significant accounting policies	1		

The accompanying notes are an integral part of the financial statements.

AS PER OUR AUDIT REPORT
OF EVEN DATE ANNEXED
For and on behalf of B.D. Bansal & Co.
Chartered Accountants
Firm Regn. No. 000621N

Place : Ludhiana
Date : 30.05.2015

Rajesh Saini
DGM-Company Secretary

Prakash Chandra Patro
CFO

Mahesh Munjal
CMD

S.S.Khosla
Director

(Anil Gupta)
Partner
M.NO.089988

MAJESTIC AUTO LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2015

PARTICULARS	Note No.	As at 31.03.2015 (Rs.)	As at 31.03.2014 (Rs.)
Income:			
Revenue from Operations (Gross)	22	1,250,585,525	1,183,574,914
Less: Excise Duty		110,277,571	122,452,182
Revenue from Operations (Net)		1,140,307,954	1,061,122,732
Other Income	23	142,198,598	102,613,496
Total Revenue		1,282,506,552	1,163,736,228
Expenses:			
Cost of materials consumed	24	775,582,745	619,092,666
Purchases of Stock-in-Trade		-	6,107,199
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	25	(14,297,237)	31,081,482
Employee benefits expense	26	268,330,027	251,284,124
Finance costs	27	104,191,903	148,212,300
Depreciation and amortisation expense	11	184,697,061	162,826,581
Other expenses	28	303,548,200	288,146,404
Total expenses		1,622,052,699	1,506,750,756
Profit before tax/extra ordinary/exceptional items		(339,546,147)	(343,014,528)
Profit on Sale of Non Current Investments		430,310,583	777,991,992
Profit before tax		90,764,436	434,977,464
Less: Tax expenses:			
Current Tax			79,500,000
Less: MAT Credit Entitlement		-	79,500,000
Deferred tax		(146,400,163)	(124,492,982)
Tax with respect to earlier years		(31,460)	(72,737)
Profit / (Loss) for the year		237,196,059	559,543,183
Earnings per Share (in Rs.)	29		
(Face value of Rs. 10/- each)			
- Basic		22.81	53.82
- Diluted		22.81	53.82
Significant accounting policies	1		

The accompanying notes are an integral part of the financial statements.

AS PER OUR AUDIT REPORT
OF EVEN DATE ANNEXED
For and on behalf of B.D. Bansal & Co.
Chartered Accountants
Firm Regn. No. 000621N

Place : Ludhiana
Date : 30.05.2015

Rajesh Saini
DGM-Company Secretary

Prakash Chandra Patro
CFO

Mahesh Munjal
CMD

S.S.Khosla
Director

(Anil Gupta)
Partner
M.NO.089988

MAJESTIC AUTO LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

PARTICULARS	(Rs.)	Year Ended 31.03.2015 (Rs.)	Year Ended 31.03.2014 (Rs.)
A. CASH FLOW FROM OPERATING ACTIVITIES			
Net Profit before tax and Extraordinary items		90,764,436	434,977,464
Adjustment for:			
Add:			
a) Depreciation & Amortization Expenses	184,697,061		162,826,581
b) Exchange Difference	29,213		10,885,712
c) Interest -other and financial charges	104,147,697		137,174,614
d) Increase in Provision for Gratuity (Net of payment)	(182,940)		2,449,549
e) Prior period expense	905,090		28,033,733
f) Provision for doubtful debts written off/(written back)	25,416,512	315,012,633	(193,575)
Less:			
a) Interest received on Loans, Deposits	2,769,198		2,769,198
b) Dividend income on			
From Long term Investments (Non Trade)	106,384,325		94,061,160
c) Profit from investment in AOP (Non Trade)	-		(3,051)
d) Profit on sale of Fixed Assets	9,615		-
e) Profit on sale of Investments	430,310,583		777,991,992
f) Provision for doubtful debts (written back)	25,416,511	564,890,232	-
Operating Profit before working Capital Changes		(159,113,163)	(98,665,221)
Adjustment for:			
a) Increase/(decrease) in Trade Payable	(61,971,628)		(34,935,669)
b) Increase/(decrease) in other liabilities	1,767,814		(65,644,840)
c) (Increase)/decrease in inventories	3,183,619		36,356,101
d) (Increase)/decrease in Loan and advance & other current assets	20,997,132		(32,112,224)
e) (Increase)/decrease in Trade and other receivable	59,953,280	23,930,217	(47,287,337)
Cash Generated from Operations		(135,182,947)	(242,289,190)
Less:			
a) Direct Taxes Paid	33,444,329		30,402,314
b) Exchange Difference	29,213		10,885,712
c) Net prior period expenses/ Tax adjustments	905,090	34,378,632	27,960,996
Net Cash Flow operating activities		(169,561,579)	(311,538,212)
B. CASH FLOW FROM INVESTMENT ACTIVITIES			
a) Interest received on Loan deposit	2,769,198		2,769,198
b) Dividend received	106,384,325		94,061,160
c) Purchase of Fixed Assets	(263,823,546)		(103,582,102)
d) Share in AOP profit	-		(3,051)
e) Sale of Investments	430,453,212		786,285,467
Net cash from (used in) Investments activities		275,783,189	779,530,672
C. CASH FLOW FROM FINANCING ACTIVITIES			
a) Repayment of borrowing	(31,714,420)		(363,670,458)
b) Interest -other and Financial charges	(104,147,697)		(137,174,614)
c) Proceed from borrowings	113,829,301		20,050,000
Cash Generated(used in) from Financing Activities		(22,032,816)	(480,795,072)
Net cash from (used in) financing activities		(22,032,816)	(480,795,072)
D. NET INCREASE(+)/DECREASE(-) IN CASH AND CASH EQUIVALENTS (A+B+C)		84,188,794	(12,802,615)
cash and cash equivalents as at the beginning of the year		7,090,491	19,893,103
cash and cash equivalents as at the end of the year		91,279,285	7,090,491

NOTE TO THE CASH FLOW STATEMENT

- Cash and cash equivalents include cash and bank balance shown in schedule VII of the Balance sheet
- Prior year figures have been regrouped and recast wherever necessary

The accompanying notes are an integral part of the financial statements.

AS PER OUR AUDIT REPORT
OF EVEN DATE ANNEXED
For and on behalf of B.D. Bansal & Co.
Chartered Accountants
Firm Regn. No. 000621N

Place : Ludhiana
Date : 30.05.2015

Rajesh Saini
DGM-Company Secretary

Prakash Chandra Patro
CFO

Mahesh Munjal
CMD

S.S.Khosla
Director

(Anil Gupta)
Partner
M.NO.089988

MAJESTIC AUTO LIMITED

Notes on Consolidated Financial Statements for the Year ended 31st March, 2015

1. SIGNIFICANT ACCOUNTING POLICIES

A. PRINCIPLES OF CONSOLIDATION

The consolidated financial statements include accounts of Majestic Auto Limited (MAL) and its wholly owned subsidiary, Majestic IT Services Limited, a company incorporated in India. The consolidated financial statements have been prepared to comply in all material respects with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006, (as amended) and in particular Accounting Standard 21 (AS 21)-'Consolidated Financial Statements.

B. ACCOUNTING CONVENTIONS

The financial statements are prepared under the historical cost convention, on the accrual basis of accounting in accordance with the Generally Accepted Accounting Principles (GAAP) in India and comply with the accounting standards as notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant presentational requirements of the Companies Act, 2013.

C. BASIS OF PREPARATION

The financial statements have been prepared and presented under the historical cost convention on the accrual basis of accounting, unless stated otherwise and comply with the mandatory Accounting Standards ('AS') prescribed under the Companies Act, 2013 and other accounting principles generally accepted in India. The accounting policies adopted in the preparation of financial statements are consistent with those of the previous year.

D. FIXED ASSETS INCLUDING INTANGIBLE ASSETS AND DEPRECIATION/AMORTIZATION

- a) Fixed assets including intangible assets are stated at cost net of cenvat, less accumulated depreciation and/ or impairment loss, if any. Intangible assets comprise purchased software/licenses. All costs till commencement of commercial production attributable to the fixed assets and intangible assets are capitalized.
- b) Depreciation on fixed assets has been provided on straight-line method at the rates and in the manner prescribed in Schedule II to the Companies Act, 2013.
- c) Depreciation on intangible assets has been provided as per Accounting Standard 26 'Intangible Assets'.
- d) The cost of Leasehold land is amortized over the period of lease.
- e) In respect of assets added / disposed off during the year, depreciation is charged on a pro-rata basis with reference to the month of addition/disposal.
- f) Intangible assets are recognised if it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably. These assets are valued at cost which comprises its purchase price and any directly attributable expenditure.

E. INVESTMENTS

Investments are classified into current and non current investments. Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non current investments. Current investments (excluding current maturities of non current investments) are stated at the lower of cost and fair value. Non current investments are carried at cost. Provision for diminution in value of non current investments is made only if such decline is not temporary.

F. INVENTORIES

- a) Finished goods are valued at lower of cost or net realizable value. Cost is considered at material cost on movement moving weighted average basis plus appropriate overheads.
- b) Work in progress is valued at material cost on movement moving weighted average basis plus appropriate overheads.
- c) Scrap is valued at net realizable value.
- d) Goods in transit are valued at cost.
- e) Other inventories are valued at cost on moment moving weighted average basis.
- f) The liability of excise duty on finished goods and scrap lying in the factory at year end is estimated on the basis of sales price of goods and excise rates prevailing on the said date, while determining the cost of closing stock of finished goods and scrap.

G. EMPLOYEE BENEFITS

Superannuation, Provident and Gratuity Funds are accounted for on accrual basis with corresponding payments to recognized scheme/fund. Short term employees' benefits are recognized as an expense at the undiscounted amount in the Statement of profit and loss for the year in which the related services rendered.

MAJESTIC AUTO LIMITED

Notes on Consolidated Financial Statements for the Year ended 31st March, 2015

H. REVENUE RECOGNITION

Revenue from sale of products/job-work is recognized on dispatch of goods from factory premises and is recognized on accrual basis except for export sales, which are booked on the basis of date of custom clearance.

Gross sales as reflected in the financial statements are inclusive of excise duty and net of rebate / trade discounts and returns.

Interest income is recognized on an accrual basis on time proportion method, taking into account the amount outstanding and the rate applicable.

Dividend income is recognized when the right to receive payment is established by the balance sheet date.

Exports benefits are recognized on an accrual basis at the anticipated realizable value, based on past experience.

I. RESEARCH AND DEVELOPMENT

Revenue expenditure on research and development is charged against the profit of the year in which it is incurred. Capital expenditure on research and development is shown as an addition to fixed assets and depreciation is provided on the same basis as for other fixed assets.

J. FOREIGN EXCHANGE TRANSACTIONS

The Company accounts for effects of difference in foreign exchange rates in accordance with Accounting Standard 11 notified by the Companies (Accounting Standards) Rules, 2006.

- a) Transactions in foreign currencies are accounted for at the exchange rate prevailing at the date of transaction/ negotiations.
- b) Monetary foreign currencies items outstanding at the year end are restated into rupees at the rate of exchange prevailing on the Balance Sheet date.
- c) Non monetary foreign currency items are carried at cost.
- d) Any income or expenses on account of exchange rate difference either on settlement or on transaction is recognized in the statement of profit and loss.
- e) In respect of forward contracts, forward premium or discount arising at the inception of forward contract is amortized over the life of contract. Exchange differences on such contracts are recognized in the statement of profit and loss in the year in which exchange rates change. Any profit and loss arising on cancellation or renewal of forward exchange contract is recognized as income or as expense for the year.

K. TAXATION

The provision for current income tax liability is ascertained on the basis of assessable profits computed in accordance with the provisions of Income Tax Act, 1961. Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of being reversed in one or more subsequent periods.

Minimum Alternative Tax ("MAT") paid in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal tax in future. MAT Credit entitlement can be carried forward and utilized for a specific period as prescribed under the law from the year in which the same is availed. Accordingly, it is recognized as an asset in the Balance Sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.

L. GOVERNMENT GRANTS

Government grants are deducted from the value of the concerned asset if the grant is specifically received for the purchase, construction or acquisition of the asset. However, if it is received as a contribution towards the total investment or by way of contribution to its capital outlay and no repayment is ordinarily required to be made; such grants are treated as capital reserves.

M. ACCOUNTING FOR ESTIMATES

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Examples of such estimates include estimation of future obligations under employee retirement benefit plans, estimated useful life of fixed assets, classification of assets / liabilities etc. Actual results could differ from these estimates. Any revision to accounting estimates is recognized in accordance with the requirements of the respective accounting standards.

MAJESTIC AUTO LIMITED

Notes on Consolidated Financial Statements for the Year ended 31st March, 2015

N. IMPAIRMENT

The carrying amounts of assets are reviewed at each balance sheet date in accordance with Accounting Standard 28, 'Impairment of Assets', to determine whether there is any indication of impairment. An impairment loss is charged to the statement of profit & loss in the year in which an assets is identified as impaired.

O. ACCOUNTING FOR LEASES

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Operating lease charges are expensed on a straight line basis with reference to lease terms and other considerations.

P. BORROWING COSTS

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets to the extent that they relate to the period till such assets are ready to be put to use. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to the Statement of Profit and Loss.

Q. SEGMENT REPORTING

- a) The Company has disclosed business segment as the primary segment for disclosure. The Company has identified four separate segments i.e. Fine Blanking Components, Mufflers, Electricals and others. The Segments are identified with regard to the dominant source, nature of risks and returns, internal organization and management structure and internal reporting systems.
- b) The accounting policies adopted for segment reporting are in line with the accounting policies of the Company.
- c) Segment revenues, Results and Capital employed figures include the respective amounts identifiable to each of the segments. Interest and other financial charges/ incomes are reported at corporate level. Also those assets and liabilities which are not identifiable to the individual segments are reported at corporate level.
- d) The inter segmental revenue is accounted for on the basis of transfer price agreed to amongst segments as per market trend.

R. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

A provision is recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

A contingent asset is neither recognized nor disclosed in the financial statements.

S. CASH FLOW STATEMENT

The Cash Flow Statement is prepared by the indirect method set out in Accounting Standard-3 on Cash Flow Statements and presents cash flows by operating, investing and financing activities of the Company. The Company considers all highly liquid financial instruments, which are readily convertible into cash, to be cash equivalents.

T. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

MAJESTIC AUTO LIMITED

Notes on Consolidated Financial Statements for the Year ended 31st March, 2015

PARTICULARS	(Rs.)	Year Ended 31.03.2015 (Rs.)	Year Ended 31.03.2014 (Rs.)
2 SHARE CAPITAL			
AUTHORISED SHARE CAPITAL			
15,000,000 (Previous Year 15,000,000) Equity Shares of Rs.10/- each		150,000,000	150,000,000
25,500,000 (Previous Year 25,000,000) Preference Shares of Rs.10/- each		255,000,000	255,000,000
		405,000,000	405,000,000
ISSUED SHARE CAPITAL			
10,598,978 (Previous Year 10,398,978) Equity Shares of Rs.10/- each		103,989,780	103,989,780
200,000 (Previous Year 200,000) Preference Shares of Rs.10/- each		2,000,000	2,000,000
		105,989,780	105,989,780
SUBSCRIBED AND PAID UP SHARE CAPITAL			
10,597,478 (Previous Year 10,397,478) Equity Shares of Rs.10/- each fully paid up		103,974,780	103,974,780
Add: Shares forfeited (Amount paid up)		7,500	7,500
200,000 (Previous Year 200,000) Preference Shares of Rs.10/- each		2,000,000	2,000,000
		105,982,280	105,982,280

a) Reconciliation of Equity & Preference shares outstanding at the beginning and at the end of the reporting period.

Particulars	31-Mar-15		31-Mar-14	
	Number	Amount(Rs)	Number	Amount(Rs)
Shares outstanding at the beginning of the year	10,597,478	105,974,780	10,397,478	103,974,780
Add: Shares forfeited (Amount paid up)	-	7,500	-	7,500
Changes during the year	-	-	200,000	2,000,000
Shares outstanding at the end of the year	10,597,478	105,982,280	10,597,478	105,982,280

b) Rights, preference and restrictions attached to Equity/Preference shares

"Equity/Preference shares: The company has one class of equity shares having a par value of Re. 10/- per share. Each shareholder is eligible for one vote per share held. The dividend if any proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount, in proportion to their shareholding. Preference shares shall be given preference over equity shares in respect of payment of dividend and capital distribution at the time of winding up of the company.

c) Shares held by holding company

Particulars	31-Mar-15		31-Mar-14	
	Number	Amount(Rs)	Number	Amount(Rs)
M/s Anadi Investments (P) Ltd.	7,757,687	77,576,870	7,757,687	77,576,870

d) The details of Shareholders holding more than 5% shares :

Particulars	31-Mar-15		31-Mar-14	
	No. of Shares	% holding	No. of Shares	% holding
M/s Anadi Investments (P) Ltd.	7,757,687	74.61	7,757,687	74.61

e) There are NIL number of shares (Previous year Nil) reserved for issue under option and contracts/commitment for the sale of shares/disinvestment including the terms and amounts.

f) For the period of five years immediately preceding the date as at which the balance sheet is prepared

Particulars	No. of Shares in Current Year	No. of Shares in Previous Year
Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash	Nil	Nil
Aggregate number and class of shares allotted as fully paidup by way of bonus shares.	Nil	Nil
Aggregate number and class of shares bought back	Nil	Nil

g) There are NO securities (Previous year No) convertible into Equity/ Preferential Shares.

h) " There are NO calls unpaid (Previous year No)including calls unpaid by Directors and Officers as on"balance sheet date "

i) 1500 equity shares of Rs. 10/- each were forfeited by Company against unpaid call money of Rs.5/- per equity share.

MAJESTIC AUTO LIMITED

Notes on Consolidated Financial Statements for the Year ended 31st March, 2015

PARTICULARS	(Rs.)	Year Ended 31.03.2015 (Rs.)	(Rs.)	Year Ended 31.03.2014 (Rs.)
3 RESERVES AND SURPLUS				
CAPITAL RESERVE				
As per last Balance Sheet		3,000,000		3,000,000
SECURITIES PREMIUM RESERVE				
As per last Balance Sheet		12,952,386		12,952,386
GENERAL RESERVE				
As per last Balance Sheet		50,000,000		50,000,000
SURPLUS				
As per last Balance Sheet	1,075,221,426		515,678,243	
Add: Profit / (Loss) for the year	237,196,059		559,543,183	
		1,312,417,485		1,075,221,426
		1,378,369,871		1,141,173,812
4 LONG-TERM BORROWINGS				
FROM BANKS	Non-Current	Current	Non-Current	Current
Secured:				
Rupee Term loans	404,914,066	3,004,705	342,784,765	-
Foreign Currency Term Loans	-	-	-	34,634,044
FROM OTHERS				
Secured:				
Bajaj Finance Limited	530,000,000	-	230,000,000	-
Unsecured:				
Deposits (Refer Note 4 (b))	15,000,000	-	263,300,000	-
	949,914,066	3,004,705	836,084,765	34,634,044
Less : Current maturities shown under other current liability (refer note no. 9)		3,004,705		34,634,044
	949,914,066	-	836,084,765	-

a) Terms of repayment of secured borrowings

Type of loan	Amount (including current maturities) as on 31.03.2015 (Rs.)	Terms of repayment and Maturity	Nature of Security	Rate of Interest
Rupee term loans				
(i) Term loan- IDBI Bank	63,800,000	Repayable in 28 quarterly installments commencing from 30-June-11 with 7st 12 installments of Rs.3,800,000 each, next 12 installments of Rs.11,100,000 each and remaining 4 installments of Rs. 10,300,000 each.	Term Loans are secured by mortgage over the immovable properties on pari-passu basis and 7st charge on entire 7xed assets of the Company both present & future on pari-passu basis and also secured by Second Charge on entire current assets of the Company both present and future. These Term Loans are also further secured by personal guarantee of Managing Director of the Company.	The rate of interest on the loans ranges from 12.00% to 12.10% per annum.
(ii) Term loan- Catholic Syrian Bank	94,984,765	Repayable in 26 quarterly installments commencing from 31-May-11 with 7st 12 installments of Rs.4,350,000 each, Next 12 installments of Rs.12,575,000 each and last 2 installments of Rs.23,450,000 Lakhs each.		
(iii) Term loan- HDFC Bank	150,000,000	Repayable after one year or rollover for further period.	Term Loans are secured primary by hypothecate by way of Subservient charges on all movable plant & machinery, 7xed assets both present & future of the Company and Secondary-Pledge of equity shares of Hero Motocorp Limited.	9.85% per annum (Base Rate) Floating
(iv) Housing Loan- Punjab National Bank	99,134,006	180 equated monthly installments of Rs.11.05 lacs each.	Housing Loan is secured by equitable mortgage of Flat No. C-100 (Block-C), First Floor, Southern Avenue, Maharani Bagh, New Delhi	10.25% Per Annum (BR+0.25%)
Foreign currency term loans				
(iv) Buyer's Credit Standard Chartered Bank, UK (LOU issuing Bank "Yes Bank Ltd")	-	Principal including interest will be repaid during the year (360 days from disbursement date)	Loan is secured by Subservient charge on all the Current Assets and Movable Fixed Assets of the Borrower (both present and future) of the Company. These Loans are further secured by personal guarantee of Managing Director of the Company.	Yearly LIBOR+62 to 67BPS
Others				
v) Bajaj Finance Ltd	530,000,000	Principal including interest will be repayable within two year.	Loan is secured by pledge of equity shares of Hero MotoCorp Limited.	Rate of interest -10.50%

MAJESTIC AUTO LIMITED

Notes on Consolidated Financial Statements for the Year ended 31st March, 2015

PARTICULARS	Year Ended 31.03.2015 (Rs.)	Year Ended 31.03.2014 (Rs.)
b) Terms of Repayment for unsecured deposits.		
Deposits from Director	15,000,000	263,300,000
	<u>15,000,000</u>	<u>263,300,000</u>
Repayable as per the terms of individual deposit ranging from 24 months to 36 months from the date of acceptance of deposits		
5 OTHER LONG-TERM LIABILITIES		
Trade Deposits & Trade Payables	9,780,595	7,936,228
	<u>9,780,595</u>	<u>7,936,228</u>
6 LONG-TERM PROVISIONS		
Provision for employees benefit		
Provision for Gratuity	36,150,634	36,184,216
	<u>36,150,634</u>	<u>36,184,216</u>
7 SHORT TERM BORROWINGS		
Secured :		
i) Working Capital Loans repayable on demand from banks	144,608	34,713,636
ii) Working Capital Loans repayable on demand from banks	65,864,973	31,381,026
	<u>66,009,581</u>	<u>66,094,662</u>
Nature of Security		
i) The Secured working capital Loans from Banks are secured by hypothecation of stock in trade and book debts and other current assets of the Company both present and future on pari-passu basis and also secured by second pari-passu charge on the immovable properties and entire fixed assets (both present & future) of the Company. These Loans are further secured by personal guarantee of Managing Director of the Company.		
ii) The Secured working capital Loans are secured by Subservient charge on all the Current Assets and Movable Fixed Assets of the Borrower (both present and future) of the Company. These Loans are further secured by personal guarantee of Managing Director of the Company.		
8 TRADE PAYABLES		
Micro, Small and Medium Enterprises #	-	-
Others	96,513,196	155,915,867
	<u>96,513,196</u>	<u>155,915,867</u>
# This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.		
9 OTHER CURRENT LIABILITIES		
Current Maturity of long term Borrowings (refer note no.4)	3,004,705	34,634,044
Interest accrued but not due on borrowings	-	207,937
Income Received in Advance	375,463	1,465,196
Advance from customers	919,068	2,068,899
Other payables (including Govt. dues, taxes, employee benefits and other misc. items)	50,440,717	50,243,129
	<u>54,739,953</u>	<u>88,619,205</u>
10 SHORT TERM PROVISIONS		
Provision for employees benefits		
Gratuity	6,942	6,942
Leave Encashment	323,804	868,750
Others		
Provision for Income tax	-	30,500,000
Provision for wealth tax	1,450,000	700,000
	<u>1,780,746</u>	<u>32,075,692</u>

Notes on Consolidated Financial Statements for the Year ended 31st March, 2015

12 NON-CURRENT INVESTMENTS

NON-TRADE INVESTMENTS (AT COST)

Quoted Equity Instruments

Hero Moto Corp Limited.

1,030,395 (Previous Year 1,208,681)

Equity shares of Rs.2/- each fully paid up

824,317	966,946
<u>824,317</u>	<u>966,946</u>
824,317	966,946
2,722,921,827	2,747,150,611

13 DEFERRED TAX ASSETS/(LIABILITIES) (Net)

Deferred Tax Assets

Expenses booked but allowable for tax purposes in subsequent years

402,734,347 254,827,467

Deferred Tax Liabilities

Related to Fixed Assets

96.027.949 94.521.232

Net Deferred Tax Assets/(Liabilities)

306,706,398	160,306,235
-------------	-------------

14 LONG TERM LOANS AND ADVANCES

(Unsecured, considered good)

Capital Advances

738,029 7,516,139

Security Deposits

18,676,812	10,249,658
------------	------------

MAT Credit Entitlement

100,300,000 100,300,000

Advance Income Tax (Net of provisions)

11,312,805	3,973,181
------------	-----------

Others

2.060.458	1.265.391
-----------	-----------

133,088,104	123,304,369
-------------	-------------

MAJESTIC AUTO LIMITED

Notes on Consolidated Financial Statements for the Year ended 31st March, 2015

PARTICULARS	(Rs.)	Year Ended	(Rs.)	Year Ended
		31.03.2015		31.03.2014
			(Rs.)	(Rs.)
15 INVENTORIES				
(valued at lower of cost and net realisable value)				
Raw Materials & Components		21,052,456		22,924,430
Work-in-Progress (Refer Note a (i))		55,456,612		38,273,432
Finished Goods (Refer Note a (ii))		9,139,058		14,281,447
Stores and Spares		8,625,896		24,544,503
Loose Tools		2,904,126		2,663,215
Scrap		4,608,189		2,351,743
Goods-in-Transit		139,446		-
		<u>101,925,783</u>		<u>105,038,770</u>
(a) Details of Inventory				
(i) Work-in-progress				
Mufflers		10,919,426		7,680,374
Fine Blanking components		14,935,705		11,320,032
Electricals		24,194,918		14,711,863
Others		5,406,563		4,561,163
		<u>55,456,612</u>		<u>38,273,432</u>
(ii) Finished Goods				
Mufflers		1,891,683		1,807,223
Fine Blanking components		4,057,780		2,202,615
Electricals		2,492,846		9,657,598
Others		696,749		614,011
		<u>9,139,058</u>		<u>14,281,447</u>
16 TRADE RECEIVABLES				
(Unsecured)				
Outstanding for a period exceeding six months from the due date of payment				
Considered good		9,072,786		3,033,260
Considered doubtful		35,326,847		60,743,358
		<u>44,399,633</u>		<u>63,776,618</u>
Less: Provision for Doubtful debts		35,326,847		60,743,358
		<u>9,072,786</u>		<u>3,033,260</u>
Others Considered good		115,345,280		181,408,717
		<u>124,418,066</u>		<u>184,441,977</u>
17 CASH AND BANK BALANCES				
Cash and cash equivalents				
Cash on hand	579,583		274,434	
Cheques/ Drafts in hand	312,519		-	
Balances with Banks in Current Accounts	<u>90,387,183</u>	<u>91,279,285</u>	<u>6,816,057</u>	<u>7,090,491</u>
		<u>91,279,285</u>		<u>7,090,491</u>
18 SHORT-TERM LOANS AND ADVANCES				
(Unsecured considered good)				
Advances recoverable in cash or in kind or for value to be received		4,644,286		4,077,070
Balances with customs, excise, etc.		80,139,299		75,223,187
Advance paid to Suppliers		15,020,316		46,368,127
Prepaid Expenses		5,257,477		3,434,090
Advance Income Tax (Net of provisions)		24,174,696		27,578,872
		<u>129,236,074</u>		<u>156,681,346</u>
19 OTHER CURRENT ASSETS				
(Unsecured considered good)				
Margin Money Deposits*		675,000		282,106
Interest accrued on Above		39,391		42,082
		<u>714,391</u>		<u>324,188</u>

* Pledged as security for letters of credit / bank guarantees

MAJESTIC AUTO LIMITED

Notes on Consolidated Financial Statements for the Year ended 31st March, 2015

PARTICULARS	Year Ended 31.03.2015 (Rs.)	Year Ended 31.03.2014 (Rs.)
20 CONTINGENT LIABILITIES AND COMMITMENTS		
(I) Contingent Liabilities		
(a) Claims against the company not acknowledged as debts		
Sales Tax matters under U.P. Trade Tax Act	198,108	198,108
(b) Guarantees		
Bank Guarantees	25,418,900	18,796,800
(c) Letter of Credit	8,293,917	1,525,406
(d) Excise duty /Sale Tax paid under protest amounting to Rs.66,036 (Previous Year Rs.220,036) is appearing under the head amounts recoverable.		
a) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.		
b) The Company does not expect any reimbursement in respect of the above contingent liabilities.		
c) Future cash outflows in respect of the above are determinable only on receipt of judgements / decisions pending with various forums / authorities.		
(II) Commitments		
Estimated value of contracts in capital accounts remaining to be executed and not provided for (net of advance)	12,088,474	3,115,411
21 REVENUE FROM OPERATIONS (GROSS)		
Sale of Products	872,730,687	867,730,545
Sale of Services	186,428,658	147,186,637
Other Operating Revenues	191,426,180	168,657,732
	<u>1,250,585,525</u>	<u>1,183,574,914</u>
(a) Details of products sold		
(i) Finished goods		
Mufflers	15,529,461	152,617,675
Fine Blanking components	156,804,859	170,273,839
Electricals	658,854,800	479,020,992
Others	41,541,567	57,957,615
	<u>872,730,687</u>	<u>859,870,121</u>
(ii) Traded goods		
Electricals	-	7,860,424
	<u>-</u>	<u>7,860,424</u>
	<u>872,730,687</u>	<u>867,730,545</u>
(b) Details of sale of services		
Job Charges	163,561,373	132,279,874
Others(IT projects)	22,867,285	14,906,763
	<u>186,428,658</u>	<u>147,186,637</u>
(c) Details of other operating revenues		
Sale of scrap	189,337,235	162,155,961
Others	2,088,945	6,501,771
	<u>191,426,180</u>	<u>168,657,732</u>
22 OTHER INCOME		
Interest on		
- Bank Deposits	43,768	58,028
- Others	1,102,930	2,711,170
Dividend income from Long Term investments	106,384,325	94,061,160
Rent received	147,479	144,180
Provisions/Liabilities no longer required written back	5,920,802	193,575
Provision written back for bed debts	25,416,512	-
Profit on sale of Fixed asset	9,615	-
Other non-operating income	3,173,167	5,445,383
Total	<u>142,198,598</u>	<u>102,613,496</u>

MAJESTIC AUTO LIMITED

Notes on Consolidated Financial Statements for the Year ended 31st March, 2015

PARTICULARS		Year Ended 31.03.2015 (Rs.)	Year Ended 31.03.2014 (Rs.)
23 COST OF MATERIALS CONSUMED (Derived)			
Opening inventories		22,924,430	26,243,963
Add: Purchases		773,710,771	615,773,133
Less: Closing inventories		21,052,456	22,924,430
Cost of material consumed		<u>775,582,745</u>	<u>619,092,666</u>
Details of Imported and Indigenous Raw Materials Consumed:	% of Consumption		% of Consumption
Imported	1.26	9,788,343	0.33
Indigenous	98.74	765,794,402	99.67
Total	100.00	<u>775,582,745</u>	<u>619,092,666</u>
Details of Raw Material Consumed			
Particulars			
Raw Materials & Components		773,225,758	603,897,628
Paints and Chemicals		477,188	10,718,716
Plating Material		1,879,799	4,476,322
Total		<u>775,582,745</u>	<u>619,092,666</u>
24 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE			
Closing inventories			
- Finished goods		9,139,058	14,281,447
- Work-in-process		55,456,612	38,273,432
- Scrap		4,608,189	2,351,743
		<u>69,203,859</u>	<u>54,906,622</u>
Opening inventories			
- Finished goods		14,281,447	16,457,387
- Work-in-process		38,273,432	67,878,833
- Scrap		2,351,743	1,651,884
		<u>54,906,622</u>	<u>85,988,104</u>
(Increase) / Decrease in Inventories		<u>(14,297,237)</u>	<u>31,081,482</u>
25 EMPLOYEE BENEFIT EXPENSES			
Salaries, wages, bonus etc.		243,955,812	230,436,707
Contribution to Provident and other funds		19,251,459	17,817,783
Staff welfare expenses		5,122,756	3,029,634
		<u>268,330,027</u>	<u>251,284,124</u>
(a) Defined benefit Plans			
GRATUITY PLANS : The gratuity scheme of a company is covered under a group gratuity cum Life Assurance cash accumulation policy offered by LIC of India. The funding to the scheme is done through an approved gratuity trust. Every employee who has completed a minimum five years service is entitled to gratuity based on fifteen days last drawn salary for every completed year of service subject to a maximum of Rs.1,000,000/-. The disclosures as required pursuant to the Revised Accounting Standard -15 is as under:-			
Net Employee Benefit Expense recognized in the Statement of Profit and Loss			
Current service cost		5,400,367	1,867,703
Add : Interest cost on present value of defined benefit obligation as at the beginning of the year		2,839,431	4,159,291
Less: Expected return on plan assets		(60,039)	(1,037,383)
Add: Net actuarial(gain) / loss recognized in the year		(44,822)	(1,277,961)
Add: Past service cost		-	90,877
Net Gratuity Cost		<u>8,134,937</u>	<u>3,802,527</u>
Details of Provision for gratuity recognized in the Balance Sheet			
Present value of defined benefit obligation at the end of year		36,413,591	37,454,043
Less: Unrecognised past service cost		-	-
Less: Fair value of plan assets at the end of year		256,016	1,262,885
Funded Status-Net Liability/(Asset)		<u>36,157,575</u>	<u>36,191,158</u>
Changes in the present value of the defined benefit obligation are as follows:			
Opening defined benefit obligation		35,492,893	51,991,141
Add: Interest cost		2,842,648	4,159,291
Add: Current service cost		5,400,367	1,867,703
Less: Benefits paid		(7,277,495)	(19,286,131)
Add: Actuarial (gains) / losses on obligation		(44,822)	(1,277,961)
Closing defined benefit obligation		<u>36,413,591</u>	<u>37,454,043</u>

MAJESTIC AUTO LIMITED

Notes on Consolidated Financial Statements for the Year ended 31st March, 2015

PARTICULARS	Year Ended 31.03.2015 (Rs.)	Year Ended 31.03.2014 (Rs.)
Changes in the fair value of plan assets are as follows:		
Opening fair value of plan assets	1,262,885	18,411,633
Add: Expected return on plan assets	60,039	1,037,383
Add: Contributions by employer	6,210,587	1,100,000
Less: Benefits paid	(7,277,495)	(19,286,131)
Add: Actuarial gains / (losses)	-	-
Closing fair value of plan assets	256,016	1,262,885
Actual Return on Plan Assets		
Expected Return on Plan Assets	60,039	1,037,383
Add: Actuarial gain/(loss) on Plan Assets	977,344	-
Actual Return on Plan Assets	1,037,383	1,037,383

Define Benefits plan for 5 years	31.03.2015	31.03.2014	31.03.2013	31.03.2012	31.03.2011
GRATUITY					
Net (Asset)/Liability recognised in the Balance Sheet					
(a) Present Value of Obligation as at the close of the year	36,413,591	37,454,043	51,991,141	49,383,222	47,407,394
(b) Fair value of plan asset as at the close of the year	256,016	1,262,885	18,411,633	17,140,642	16,479,010
(c) (Asset)/Liability recognised in the Balance Sheet	36,157,575	36,191,158	33,579,508	32,242,580	30,928,384
Change in Defined Benefit Obligation (DBO) during the year ended					
Actuarial (Gain)/Loss	(44,822)	(1,277,961)	(852,732)	(1,356,822)	1,070,908
Changes in the fair value of Plan Assets					
Actuarial Gain/(Loss)	-	-	(118,781)	(46,665)	(37,478)

The expected return on plan assets is based on market expectation, at the beginning of the period, for returns over the entire life of the related obligation. The gratuity scheme contribution is invested in a group gratuity-cum-life assurance cash accumulation policy offered by LIC of India. The expected return on plan assets is taken on the basis of the LIC fund statement received.

The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

	%	%
Insurer Managed fund through Approved Trust	100	100
The principal assumptions used in determining gratuity are shown below:	%	%
Discount rate	8.00%	8.00
Expected rate of return on Plan assets	9.25%	9.25
Salary escalation	7.00%	7.00
Mortality rate	LIC (1994-96)	LIC (1994-96)
	ULTIMATE	ULTIMATE
Employee turnover:-		
Upto 30 years	1.00%	1.00%
Upto 44 years	2.00%	2.00%
Above 44 years	3.00%	3.00%
Method of Valuation	Projected Unit	Projected Unit
	Credit	Credit

The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

SUPERANNUATION BENEFIT

Apart from being covered under the Gratuity Plan, certain employees of the Company participate in a Superannuation Benefit; a defined contribution plan administrated by Life Insurance Corporation ("LIC"). The Company makes contributions based on a specified percentage of salary of each covered employee. The Company does not have any further obligation to the superannuation plan beyond making such contributions. Upon retirement or separation (only after completion of 5 years of services) an employee becomes entitled for superannuation benefit, as determined by LIC, which is paid directly to the concerned employee. The Company contributed Rs.901,810 (Previous Year Rs.973,645) to the Superannuation Plan."

26 FINANCE COSTS

Interest Expenses	103,333,342	133,283,895
Other borrowing costs	829,348	4,042,693
Applicable (gain)/loss on foreign currency transactions and translation	29,213	10,885,712
	104,191,903	148,212,300

MAJESTIC AUTO LIMITED

Notes on Consolidated Financial Statements for the Year ended 31st March, 2015

PARTICULARS	(Rs.)	Year Ended	(Rs.)	Year Ended
		31.03.2015		31.03.2014
		(Rs.)		(Rs.)
27 OTHER EXPENSES				
Consumption of stores and spares*		30,678,633		34,940,988
Consumption of packing materials		14,296,962		10,789,795
Power and fuel		66,990,548		73,336,584
Fabrication expenses		4,568,917		7,865,632
Freight , cartage and octroi		5,275,623		7,076,945
Rent (refer note no.36)		5,039,479		5,055,826
Rates and taxes		2,463,901		1,619,437
Insurance		4,130,582		5,422,520
Research & development expenses		1,635,031		667
Repairs to plant & machinery		64,179,654		25,887,098
Repairs to buildings		3,286,678		1,542,074
Machinery rent		552,770		118,186
Repairs others		7,760,054		4,899,176
Directors' sitting fees		262,248		262,500
Auditor's remuneration and expenses				
- Audit fee		310,000		287,500
- Tax audit fee		50,000		50,000
- Taxation matters		75,000		75,000
Legal and Professional Expenses		5,118,375		3,957,096
(Decrease) / Increase of excise duty on inventories		(365,813)		(128,466)
Freight and forwarding charges		20,500,277		31,432,191
Selling expenses		8,678,820		11,649,914
Donations and contribution to charitable institutions		11,000		-
Prior period Items		905,090		28,033,733
Loss From AOP		-		3,051
Bad Debts		25,416,512		-
Miscellaneous expenses		31,727,512		33,968,957
		303,548,200		288,146,404
*Including loose tools consumed				
Stores and Spare Consumed:				
	% of		% of	
Imported	Consumption	8,394,646	Consumption	7,845,095
Indigenous	27.36	22,283,987	22.45	27,095,893
	72.64		77.55	
	100.00	30,678,633	100.00	34,940,988

28 EARNING PER SHARE (EPS)				
Net profit as per profit and loss account		237,196,059		559,543,183
Calculation of weighted average number of equity shares				
- Number of share at the beginning of the year		10,397,478		10,397,478
- Total equity shares outstanding at the end of the year		10,397,478		10,397,478
- Weighted average number of equity shares outstanding during the year		10,397,478		10,397,478
Basic Earnings Per Share (In Rs.)		22.81		53.82
Diluted Earnings Per Share (In Rs.)		22.81		53.82
Nominal Value of Equity Shares (In Rs.)		10.00		10.00
29. Foreign currency exposures recognized by the Company that have not been hedged by a derivative instrument or otherwise as at 31st March, 2015 are as under:				

S.No.	Particulars	USD		EURO		CHF		JPY	
		As on	As on	As on	As on	As on	As on	As on	As on
		31.03.2015	31.03.2014	31.03.2015	31.03.2014	31.03.2015	31.03.2014	31.03.2015	31.03.2014
i)	Debtors	25,130.49	15,568.30	60,548.88	-	2,580.70	-	35,99,991	22,51,605
ii)	Creditors	292.50	-	-	-	-	78,624	-	-
iii)	Loans	-	576,667	-	-	-	-	-	-

MAJESTIC AUTO LIMITED

Notes on Consolidated Financial Statements for the Year ended 31st March, 2015

PARTICULARS	Year Ended 31.03.2015 (Rs.)	Year Ended 31.03.2014 (Rs.)
-------------	-----------------------------------	-----------------------------------

30. Details of dues to Micro Enterprises and Small Enterprises.

Sl. No.	Particulars	As on 31.03.2015 (Amount in Rs.)		As on 31.03.2014 (Amount in Rs.)	
		Principle	Interest	Principle	Interest
a)	The principle amount and interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of each accounting Year.	-	-	-	-
b)	The amount of interest paid by the buyer in terms of section 16 of Micro Small and Medium Enterprises Development 2006, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-	-	-
c)	The amount of interest due and payable for the period of delay in making payment (which have been but beyond the appointed day during the year) but without adding the interest specified under Micro Small and Medium Enterprises Development 2006.	-	-	-	-
d)	The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-	-	-
e)	The amount of further interest remaining due and payable even in the succeeding years, until such date, when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under section 23 of the Micro Small and Medium Enterprises Development 2006.	-	-	-	-

31. Borrowing costs amounting to Rs. Nil (previous year Rs. Nil) attributable to acquisition and construction of fixed assets have been capitalized during the year.

32. In the opinion of the Board, all assets other than fixed assets and non-current investments have a value on realization in the ordinary course of business at least equal to the value at which they are stated in the foregoing Balance Sheet.

33. Value of imports calculated on C.I.F. basis in respect of -

Raw Material	9,788,343	2,027,278
Components & Spare Parts	8,394,646	7,845,095
Capital Goods	35,915,839	18,653,401
Total	<u>54,098,828</u>	<u>28,525,774</u>

34. Expenditure in Foreign Currency

Interest	331,353	1,626,437
Others	-	-
Total	<u>331,353</u>	<u>1,626,437</u>

35. Foreign Currency Earnings

Export of Goods on FOB basis	<u>18,311</u>	-
------------------------------	---------------	---

36. Assets taken on Operative Lease

The Company has taken on lease certain assets with lease term upto 11 months, which are subject to renewal at mutual consent thereafter. These arrangements can be terminated by either party after giving due notice. The other information in pursuant to Accounting Standard-19 is given hereunder.

a)	The total of future minimum lease payments under non-cancelable operating leases for each of the following Periods:	Year ended 31.3.2015 (Rs.)	Year ended 31.3.2014 (Rs.)
	i) Not later than one year	-	3724560
	ii) Later than one year and not later than five year	-	-
	iii) Later than five year	-	-
b)	Lease payments recognized in the statement of profit and loss for the year with separate amounts for		
	i) Minimum lease payments	-	3724560
	ii) Contingent rents	-	-
c)	Sub lease payments received (or receivable) recognized in the Statement of profit and loss for the year	N.A	N.A

MAJESTIC AUTO LIMITED

Notes on Consolidated Financial Statements for the Year ended 31st March, 2015

PARTICULARS	(Rs.)	Year Ended 31.03.2015 (Rs.)	Year Ended 31.03.2014 (Rs.)
37. Related party disclosure under Accounting Standard 18			
During the year the company had entered into transactions with related parties. Those transactions along with related balances as at March 31, 2015 and for the year then ended are presented in the following table. List of related parties along with nature and volume of transaction is given below:			
a) Holding Company	:	M/s Anadi Investments Pvt. Ltd.	
b) Subsidiary Company	:	M/s Majestic IT Services Ltd.	
c) Enterprises in which the Company has significant influence	:	-	
d) Key Management Personnel	:	Mr. Mahesh Munjal (Managing Director)	
e) Relatives of Key Management personnel	:	Mr. Ayush Munjal & Ms. Ashima Munjal	
f) Other Key Management Personnel	:	Mr. Rajesh Saini (Company Secretary)	
	:	Mr. Prakash Chandra Patro (Chief Financial Officer)	
g) Enterprises over which key management personnel and their relatives are able to exercise significant influence	:	M/s Munjal Showa Ltd.	
h) Employee welfare trust where there is control	:	i) Majestic Auto Ltd. - Employee Gratuity Fund	
		ii) Majestic Auto Ltd. - Superannuation Fund	

Transactions with related parties during the year ended 31.03.2015

(Amount in Rs.)

Particulars	Subsidiary Company	Subsidiary Company	Enterprises in which the company sign?cant in?uence.	Enterprises in which the company sign?cant in?uence.	Key management personnel & Other Key Management Personnel	Key management personnel & Other Key Management Personnel	Relative of Key management personnel	Relative of Key management personnel	Enterprises over which key management & their relatives are able to exercise sign?cant influences	Enterprises over which key management & their relatives are able to exercise sign?cant influences	Employees welfare trust where there is control	Employees welfare trust where there is control
	31.03.15	31.03.14	31.03.15	31.03.14	31.03.15	31.03.14	31.03.15	31.03.14	31.03.15	31.03.14	31.03.15	31.03.14
<u>Sale of Goods</u>												
M/s Munjal Showa Ltd.	-	-	-	-	-	-	-	-	6791041	4093602	-	-
<u>Purchase of Goods</u>												
M/s Munjal Showa Ltd.	-	-	-	-	-	-	-	-	-	583274	-	-
<u>Reimbursement of Expenses</u>	10309	-	-	-	-	-	-	-	-	-	-	-
<u>Interest Paid</u>	-	-	-	-	5241008	22819941	-	-	-	-	-	-
<u>Share Application Money</u>	-	4470000	-	-	-	-	-	-	-	-	-	-
<u>Loan Received</u>	-	-	-	-	-248300000	119050000	-	-	-	-	-	-
<u>Loan Outstanding</u>	-	-	-	-	15000000	263300000	-	-	-	-	-	-
Prof? from BML Lall & Asso.	-	-	-	-3051	-	-	-	-	-	-	-	-
Balance with BML Lall & Associates	-	-	-	-	-	-	-	-	-	-	-	-
<u>Remuneration Paid</u>												
Mahesh Munjal	-	-	-	-	7732176	5419290	-	-	-	-	-	-
Aayush Munjal	-	-	-	-	-	-	2504117	1941476	-	-	-	-
Aashima Munjal	-	-	-	-	1800000	1800000	-	-	-	-	-	-
Rajesh Saini	-	-	-	-	776100	722509	-	-	-	-	-	-
Prakash Chandra Patro	-	-	-	-	584019	477259	-	-	-	-	-	-
<u>Sitting Fees</u>												
(Ms. Ashima Munjal)	-	-	-	-	67500	67500	-	-	-	-	-	-
M/s Majestic Auto Ltd.	-	-	-	-	-	-	-	-	-	-	901810	973645
<u>Gratuity</u>												
M/s Majestic Auto Ltd.	-	-	-	-	-	-	-	-	-	-	2816735	4026869
<u>Investment</u>												
Majestic IT Services Ltd.	164395000	145000000	-	-	-	-	-	-	-	-	-	-
<u>Receivable</u>												
Munjal Showa Ltd.	-	-	-	-	-	-	-	-	1413974	364922	-	-
<u>Payable</u>												
Munjal Showa Ltd.	-	-	-	-	-	-	-	-	-	92996	-	-
Aashima Munjal	-	-	-	-	1125198	1054778	-	-	-	-	-	-

*Including perquisites as per Income Tax Act 1961.

Note: No amount has been provided as doubtful debts or advances / written off or written back in the year in respects of debts due from / to above related parties.

MAJESTIC AUTO LIMITED

Notes on Consolidated Financial Statements for the Year ended 31st March, 2015

PARTICULARS	Year Ended 31.03.2015 (Rs.)	Year Ended 31.03.2014 (Rs.)
-------------	-----------------------------------	-----------------------------------

38. SEGMENT DISCLOSURE

Business Segment

(Amount in Rs.)

	31.03.2015						31.03.2014					
	Fine Blanking Components	Mufflers	Electricals	Other Operations	Eliminations	Consolidated	Fine Blanking Components	Mufflers	Electricals	Other Operations	Eliminations	Consolidated
1 SEGMENT REVENUE												
Net Sales / Income from	176,037,001	13,486,723	888,403,514	62,380,717	-	1,140,307,955	184,215,154	134,581,162	666,055,817	76,270,598	-	1,061,122,731
Less: Inter segment Revenue	-	-	-	-	-	-	-	-	-	-	-	-
NET SALES/ INCOME FROM OPERATIONS	176,037,001	13,486,723	888,403,514	62,380,717	-	1,140,307,955	184,215,154	134,581,162	666,055,817	76,270,598	-	1,061,122,731
2 SEGMENT RESULTS												
Profit before Tax, Interest & Other	(14,674,328)	(136,019,340)	(150,792,385)	(49,820,685)	-	(351,306,738)	(804,225)	(126,084,633)	(83,390,402)	(44,817,527)	-	(255,096,787)
Total	(14,674,328)	(136,019,340)	(150,792,385)	(49,820,685)	-	(351,306,738)	(804,225)	(126,084,633)	(83,390,402)	(44,817,527)	-	(255,096,787)
Less: i) Finance Cost						104,191,903						148,212,300
ii) Other un-allocable expenditure						(115,952,494)						(60,294,560)
Net of un-allocable income												
Total Profit before tax/extra ordinary/exceptional items						(339,546,147)						(343,014,528)
Profit on Sale on Long Term						430,310,583						777,991,992
Provision for Taxation						(146,431,623)						(124,565,719)
Profit after tax						237,196,059						559,543,183
3 OTHER INFORMATION												
Segment Assets-Fixed/Current Assets/Investments	320,970,352	83,737,331	1,624,733,270	130,095,648	-	2,159,536,601	325,247,498	119,121,128	1,497,302,788	302,667,871	-	2,244,339,285
Unallocated Corporate Asset	-	-	-	-	-	539,704,326	-	-	-	-	-	375,197,447
TOTAL ASSETS	320,970,352	83,737,331	1,624,733,270	130,095,648	-	2,699,240,927	325,247,498	119,121,128	1,497,302,788	302,667,871	-	2,619,536,732
Segment Liabilities-Term/Current	155,258,491	3,951,272	924,022,537	32,312,232	-	1,115,544,532	213,175,719	87,930,402	858,907,133	64,197,381	-	1,224,210,635
Unallocated Corporate Liabilities	-	-	-	-	-	101,344,239	-	-	-	-	-	700,000
TOTAL LIABILITIES	155,258,491	3,951,272	924,022,537	32,312,232	-	1,216,888,771	213,175,719	87,930,402	858,907,133	64,197,381	-	1,224,910,635
4 Capital Expenditure for the year	7,196,653	132,351	69,144,811	188,303,417	-	264,777,232	207,854	208,961	101,658,867	2,485,134	-	104,560,816
5 Depreciation for the year	30,993,427	5,160,100	108,667,973	39,875,561	-	184,697,061	32,255,089	4,493,970	97,530,008	23,195,336	-	157,474,403
6 Other Non Cash Expenditure	-	-	-	-	-	-	-	-	-	-	-	-

39. As per Section 135 of the Companies Act, 2013, a Corporate Social Responsibility (CSR) committee has been formed by the Company. The areas for CSR activities are of promoting education, eradicating poverty, hunger and malnutrition, sanitation and empowering women etc. projects which are specified in Schedule VII of the Companies Act, 2013. During the financial year 2014-15, Company has not spent towards schemes of Corporate Social Responsibility as prescribed under section 135 of the Companies Act, 2013.

Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary

Name of the entity in the	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount
1	2	3	4	5
Parent				
Majestic Auto Limited	96.80%	1436874653	111.17%	263685776
Subsidiaries				
Indian Majestic IT Services Ltd.	3.20%	47477498	-11.17%	-26489716

"Form AOC-I"

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014) "

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

Part "A": Subsidiaries

(Rs. In Lacs)

Name of Subsidiary Company	Extent of holding	Capital	Reserves	Total Assets	Total Liabilities	Investment Details	Turnover	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend
Majestic IT Services Limited	100%	1,663.95	(1,189.18)	632.91	158.13	-	228.67	(264.90)	-	(264.90)	-

The annual accounts of the subsidiary company and the related detailed information will be made available upon request by the investors of the company and of its subsidiary company. These documents will also be available for inspection by any investor at the Registered Office of the Company at Majestic Auto Limited, C-48, Focal Point, Ludhiana - 141010, and of the subsidiary company.

MAJESTIC AUTO LIMITED

Registered Office : C-48, Focal Point, Ludhiana - 141 010

ATTENDANCE SLIP

(Please complete this Attendance Slip and hand it over at entrance of the Meeting Hall)

I/We hereby record my/our presence at the Annual General Meeting being held on Wednesday the 30th day of September, 2015 at 11.00 A.M. at the premises of Mohini Resorts, Near Sector-32, Chandigarh Road, Ludhiana - 141 010.

Name of the Shareholder/Proxy _____ Folio No. _____

Address _____

No. of Shares Held _____

Signature of Shareholder / Proxy*

*Strike out whichever is not applicable

MAJESTIC AUTO LIMITED

Registered Office : C-48, Focal Point, Ludhiana - 141 010.

Form No. MGT-11

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 member(s):

Registered address:

E-mail Id:

Folio No/ Client Id: DP ID:

I/We, being the member(s) of Shares of Majestic Auto Limited, hereby appoint:

1. Name :

2. Address :

3. E-mail Id :

4. Signature :, or failing him

1. Name :

2. Address :

3. E-mail Id :

4. Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 42nd Annual general meeting of the company, to be held on the 30th day of Sep., 2015 At 11.00 a.m. at Mohini Resorts, Near Sector-32, Chandigarh Road, Ludhiana - 141010 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No:

1 4 7
2 5 8
3 6 9

Signed this day of 2015

Signature of shareholder

Signature of Proxy holder(s)

Affix
Revenue
Stamp here

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.

Cut here

REGD. POST / COURIER
(PRINTED MATTER)



If undelivered please return to :
MAJESTIC AUTO LIMITED
Regd. Office : C-48, Focal Point,
Ludhiana - 141 010.

Design & Printed at :
Soham Graphic # 98142-83783