

MAL/SEC/SEBI

October 03, 2018

To

The Manager
BSE Limited
25th Floor
Phiroze JeeJeebhoy Towers
Dalal Street
Mumbai-400001

Dear Sir

Sub: Annual Report of Majestic Auto Limited for the Financial Year 2017-18

Ref: Scrip Code – BSE: 500267

Please find enclosed herewith copy of the Annual Report of the Company for the Financial Year 2017-18 approved and adopted at the Annual General Meeting of the Company held on 28th day of September, 2018 at the premises of Mohini Resorts, Chandigarh Road, Ludhiana, Punjab as per the requirement of Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

You are kindly requested to take the same on record.

Thanking You

Yours faithfully

For M/s Majestic Auto Limited



Juhi Garg

Company Secretary & Compliance Officer



45th Annual Report
2017-18



MAJESTIC AUTO LIMITED

MAJESTIC AUTO LIMITED

CONTENTS

Corporate Overview	Page No.
Chairman or MD's message	3
Board of Directors	5
Management Team	7
Statutory Reports & Notices	
AGM Notice	8
Director's Report	23
Secretarial Audit Report	29
Corporate Governance Report	47
Financial Statements	
Auditor's Report	60
Standalone Financial Statements	66
Consolidated Financial Statements	119
Attendance Slip/Proxy Forms	172
Proxy Form	173

CHAIRMAN'S ADDRESS TO SHAREHOLDERS



Dear Shareholders,

It gives me pleasure to share with you our performance for the year gone by and the journey ahead. The year gone by was marked by tumultuous changes and challenging business environment on several fronts. We are living in a world of socio-economic change driven by economy, technology, digitization, sustainability and many other factors. I am truly energized by the strengths which our company has built over the years and the transformation agenda in front of us. The theme of this year's annual report is also about transformation & Diversification.

Discontinued Operations

As you all are aware, we have discontinued our manufacturing operations (Fine Blanking, Electric & Winding) in the second half of the year 2017-18 due to the losses incurred, lack of viable orders, external environmental challenges & technology moving forward. Our decision to exit the manufacturing operations was a critical move in line with the need of the hour.

Business Diversification

Going by the theme of the year, your company diversified into the business of Facility Management Services, Office space leasing, in the last quarter of the year 2017-18. This diversified business line is going to be our future growth catalyst. As already informed, the company is having two subsidiaries which are into Real Estate business. One is Majestic IT Services Limited, a wholly owned subsidiary of the company and the other is Emirates Technologies Private Limited also known as 'Knowledge Boulevard' located at Plot No. A-8A, Sector – 62, Noida.

Facility Management Services

According to "India Facility Management Market by Service, By Application, Competition Forecast & Opportunities, 2013-2023" facility management market to cross \$ 100 billion by 2023. Anticipated growth in the market can be attributed to an increase in construction activities across commercial as well as residential sector. Furthermore, rising population across tier 1 cities and continuing growth in IT/ITeS and banking sectors would further steer India facility management market during the forecast period.

Going Forward- Our Strategy

Our strategy is to maintain our strengths in the diversified business line while growing the office space leasing business through our subsidiary Emirates Technologies Private Limited. We are going to enhance our focus on value addition to the chosen business line as we see a lot of potential in this space.

In conclusion

I would like to thank all our Shareholders, including our other promoters for their support, especially during difficult times during the year 2017-18 which only reinforced our commitment and our deep belief in our values and purpose and the very principles on which Majestic Auto Limited was incorporated.

I want to thank all our stakeholders, who over the years have made this a memorable journey in all its facets. I seek the support and guidance of all our stakeholders in this endeavor.

Best Regards,

Mahesh Munjal

Managing Director & Chairman



BOARD OF DIRECTORS

EXECUTIVE DIRECTORS OF THE COMPANY

MAHESH MUNJAL (Chairman & Managing Director)

Sh. Mahesh ChanderMunjhal was appointed as a Director of the Company w.e.f. 29.06.1993 and was appointed as an Executive Director of the Company w.e.f. 29.10.1993 and re-designated as the Managing Director of the Company w.e.f. 29.7.1999. He carries with him enriched experience of 30 years of running Industries. Before joining as a Director of the Company, Sh. Mahesh ChanderMunjhal was Executive Director of Munjal Auto Industries Limited formerly known as Gujarat Cycles Limited. He is Graduate Engineer and M.B.A. He is member of various trade and management bodies. He is working as Executive Director / Managing Director of the Company since 1993.

AASHIMA MUNJAL (Joint Managing Director)

Ms. AshimaMunjhal joined the Company on August 14, 2010 as Director of the Company. She is also Managing Director of Director of Majestic IT Services Limited, a wholly owned subsidiary of the Company. Ms. AshimaMunjhal is 36 years old and has a Master of Science in Engineering Degree and Bachelors in Computer Science from John Hopkins University, USA. Previously she has worked with the centrefor networking and Distributed Systems at John Hopkins University, Unisys Corporation and the Veteran Health Administration in the United States of America. She is doing great with the Real Estate, Office Space Leasing and Facility business.

AAYUSH MUNJAL (Whole Time Director)

Sh. AayushMunjhal, 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 and was looking after the plant at Greater Noida unit of the company.

INDEPENDENT DIRECTORS OF THE COMPANY

VIKAS NANDA (Chairman of Audit Committee)

Mr. Vikas Nanda has nearly 40 years of experience in Banking and Finance. After obtaining degree in Mechanical Engineering, he gained core banking skills early as Probationary Officer with State Bank of India; thereafter, he has managed senior level assignments with SBI, American Express Bank and Bank of America. He has been Managing Director of two Companies engaged in the business of financial services. He has also served on international boards, overseeing group businesses in Asia. He was one of the founders of the Factors Association of India and has been its Director since 2009.

DR. M.A. ZAHIR

Dr. Zahir started his career as an officer at Industrial Development Bank of India (IDBI), Bombay (1966-68). But his love for teaching made him resign & join the teaching profession. He served at Banaras Hindu University and Himachal Pradesh University, Shimla and finally shifted to Punjab Agricultural University in August 1977, as Professor of Business Management and joined as Dean on 01-04-2000. He retired in December 2002 but was given the exalted position of Professor Emeritus, for two years. Dr. Zahir, having over forty years of experience in management education, is a well-known academician with practical wisdom and societal concerns. Presently he is serving as Director on the Boards of several Companies.

MAJOR S.S. KHOSLA (RETD.)*1

Mr. Khosla retired as a Major from Indian Army in 1989 at an age of 56 Years. During 26 years' service in the Indian Army, he was known as achiever. After retiring from Indian Army he came back in Ludhiana & ever since he set-up Khosla Investments and is involved in Financial Business Career as an Independent Agent & Financial Advisor. Since last 12 years he is a Government of India qualified Financial Advisor having ARN NO.1069. He had done equally well and won awards from U.T.I., TATA M.F., HDFC M.F. including Rotary awards and Honours from LIC. In the social life, he has been Associated with Bharat Vikas Parishad and remained President of Bhai Ghanaya Branch for 1. ½ Years.

NAVEEN JAIN*2

As a Hospitality professional with over 35 years of experience, Naveen has held several leadership positions across various functions with leading hotel companies. Naveen is currently Managing Director of Nouvelle Knowledge Services and is member on the Board within Hospitality, Food & Beverage, Retail and Service Organizations. He is also Angel & Strategic advisor to new startups in the service industry. He has worked with leading hotel companies namely The Oberois and The Leela Hotels leading several functions including hotel investments, treasury, corporate finance, operational finance, project execution & general management making significant contribution and adding value to the organizations.

*1 Mr. Shavinder Singh Khosla has resigned from the company in the board meeting dated 10.08.2018 due to some health issues.

*2 Appointed by the Board of the Directors of the Company as Additional Independent Director w.e.f. 10.08.2018 subject to the approval of the members of the Company in ensuing Annual General Meeting.

MANAGEMENT TEAM

Corporate

Mr. RajpalNegi
Chief Financial Officer

Ms. JuhiGarg
Company Secretary

Other Information

AUDITORS

M/S SAR & Associates
Chartered Accountants

Registrar & Transfer Agents

Alankit Assignments Limited
Alankit House, 4E/2,
Jhandewalan Extension
New Delhi-110055

Internal Auditors

S.Tandon & Associates
Chartered Accountants
205, SCO: 19,
Feroze Gandhi Market,
Ludhiana

Corporate Office

A-110, Sector-4
Noida-201301
Phone No: 0120-4348907

NOTICE OF 45th ANNUAL GENERAL MEETING

Notice is hereby given that the 45th Annual General Meeting of the members of Majestic Auto Limited will be held on Friday, the 28th day of September, 2018 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:

Item no. 1: To receive, consider, approve and adopt Audited Financial Statements (including consolidated financial statements) of the Company for the financial year ended March 31, 2018 and the Report of Board of Directors and Auditors' thereon:

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

"RESOLVED THAT Audited Financial Statements including Consolidated Financial Statements of the Company for the financial year ended 31st March 2018 along with Directors' Report, Independent Auditors' Report thereon be and are hereby received, considered, approved and adopted."

Item no. 2: To appoint Mr. Mahesh Munjal (DIN:00002990), who retires by rotation and being eligible, offers himself for re-appointment as a Director:

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

"RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Mahesh Munjal (DIN: 00002990), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as Director of the Company liable to retire by rotation."

Item no. 3: To appoint M/s SAR & Associates (Firm Registration No: 122400W), Chartered Accountants, as Statutory Auditors of the Company:

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

"RESOLVED THAT pursuant to the provisions of Section 139, 141 and 142 of the Companies Act, 2013 read with rules made thereunder (including any statutory modification or re-enactments thereof) and other applicable provisions, if any, M/s SAR & Associates (Firm

Registration No: 122400W), Chartered Accountants be and are hereby appointed as the Statutory Auditors of the Company for a term of five (5) years i.e. from the conclusion of the 45th Annual General Meeting till the conclusion of 50th Annual General Meeting of the Company at such remuneration as may be mutually agreed upon between the auditors and the Board of Directors of the Company plus out of pocket expenses as may be incurred by them for the performance of their duties in connection with the audit of the Company."

SPECIAL BUSINESS:

Item No. 4: To appoint Mr. Naveen Jain (DIN: 00051183) as an Independent Director of the Company:

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

"RESOLVED THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification or re-enactment(s) thereof, for the time being in force), Mr. Naveen Jain (DIN: 00051183), who was appointed as Additional Director in the capacity of Independent Director of the Company by the Board of Directors with effect from August 10, 2018, be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation for a term of 5 (five) consecutive years with effect from August 10, 2018."

"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 deemed necessary, proper and expedient to implement this Resolution."

Item No. 5: To re-appoint Mr. Aayush Munjal (DIN:07276802) as Whole Time Director of the Company:

To consider and if thought fit, to pass, with or without modification, the following resolution as **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) read

with Schedule V of the Act and Articles of Association of the Company and subject to the requisite approval as may be required under provisions of the Act, if any, Mr. Aayush Munjal (DIN: 07276802) be and is hereby re-appointed as a Whole Time Director of the Company, for a period of 3 years with effect from August 14, 2018, liable to retire by rotation, on such terms and conditions including remuneration as stated in the Explanatory Statement annexed to the Notice convening this meeting with liberty to the Board of Directors to alter and vary the terms and conditions of the said re-appointment in such manner as the Board may think fit."

"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."

"RESOLVED FURTHER 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 Mr. AayushMunjal, 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 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."

Item No. 6: To re-appoint Mr. Mahesh Munjal (DIN:00002990) as Managing Director of the Company:

To consider and if thought fit, to pass, with or without modification, the following resolution as **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 196, 197 & 203 of the Companies Act, 2013 ("Act") read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification or re-enactment thereof for the time being in force) and

Schedule V of the Act and Articles of Association of the Company and subject to the requisite approval as may be required under provisions of the Act, if any, Mr. Mahesh Munjal (DIN:00002990) be and is hereby re-appointed as a Managing Director of the Company, for a period of 3 years with effect from October 29, 2018, liable to retire by rotation, on such terms and conditions including remuneration as stated in the Explanatory Statement annexed to the Notice convening this meeting with liberty to the Board of Directors to alter and vary the terms and conditions of the said re-appointment in such manner as the Board may think fit."

"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."

"RESOLVED FURTHER 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 Mr. 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."

Item No. 7: Shifting of Registered Office of the Company from the state of Punjab to the National Capital Territory (NCT) of Delhi:

To consider and if thought fit, to pass, with or without modification, the following resolution as **Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 12, 13 and all other applicable provisions, if any, of the Companies Act, 2013 (the "Act") read with Rule 30 of the Companies (Incorporation) Rules, 2014 (including any statutory modification, or reenactment(s) thereof for the

time being in force) and subject to the approval of the Central Government (power delegated to Regional Director) and/or any other authority(ies) as may be prescribed from time to time and subject to such other approvals, permissions and sanctions, as may be required under the provisions of the said Act or under any other law for the time being in force, consent of the members of the Company be and is hereby accorded for shifting the Registered Office of the Company from the State of Punjab to the National Capital Territory (NCT) of Delhi and that Clause II of the Memorandum of Association of the Company be substituted with the following clause:

II. The Registered Office of the Company will be situated in the National Capital Territory (NCT) of Delhi.

“RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as the “Board”, which term shall deem to include any of its duly constituted Committee) or any officer/executive/representative and/or any other person so authorized by the Board, be hereby authorized on behalf of the Company to make any modifications, changes, variations, alterations or revisions stipulated by any authority, while according approval, consent as may be considered necessary and to appoint authorized representatives, counsels/consultant and

advisors, file applications/petitions, issue notices, advertisements, obtain orders for shifting of Registered Office from the authorities concerned and to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary and to settle any questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further consent or approval of the members of the Company.”

“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 deemed necessary, proper and expedient to implement this Resolution.”

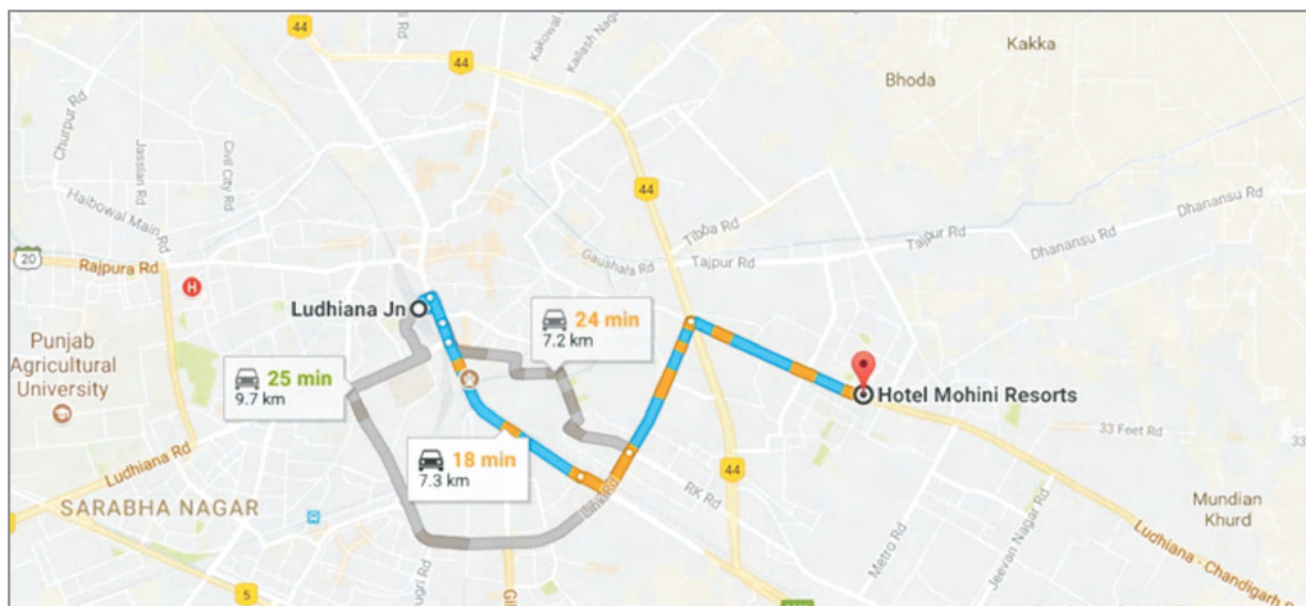
Place :Noida
Date :10.08.2018

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

Sd/-
Juhi Garg
Company Secretary

ROUTE MAP



NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM IS ENCLOSED WITH THIS NOTICE.**

A PERSON CAN ACT AS A PROXY ON BEHALF OF THE MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER SHAREHOLDER.

2. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the board resolution or power of attorney authorizing their representative to attend and vote on their behalf at the meeting.
3. Pursuant to Section 91 of the Companies Act, 2013 and SEBI (Listing Obligations and Discloser Requirements) Regulations, 2015, the Register of Members and the Shares Transfer Books of the Company will remain closed from 21.09.2018 to 28.09.2018 (both days inclusive).
4. 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.
5. Members are requested to notify immediately any change of address to their Depositories Participants (DPs) in respect of their electronic share accounts and to the Registrar and Share Transfer Agent of the Company in respect of their physical share folios, if any.
6. Members are requested to bring their copy of the Annual Report along with them in the Annual General Meeting.
7. Members attending the meeting are requested to complete the enclosed Attendance slip and deliver the same at the entrance of the meeting hall. Members are also advised to carry latest valid photo ID proof in original for verification, if required.
8. 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.
9. 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.
10. The Company has designated an exclusive e-mail ID namely: grievance@majesticauto.in for receiving and addressing investors' grievances.
11. 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.
12. The Register of Directors and Key Managerial Personnel and their shareholding, Register of Contracts or Arrangements in which Directors are interested and all documents referred to in the Notice and Explanatory Statement are available for inspection at the Registered Office of the Company during the business hours between 2.00 PM and 4.00 PM on all working days of the Company up to the date of the Annual General Meeting and will also be available for inspection at the venue of the Meeting.
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 2017-18 are being sent by permitted mode.
14. 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. The Annual Report along with Notice of AGM for financial year 2017-18

will also be available on the Company's website www.majesticauto.in.

15. Members of the Company who have registered their email address are also entitled to receive such communication in physical form upon making a request for the same by any, permissible mode, free of cost. For any communication, the members may also send requests to company's investor email id: grievance@majesticauto.in
16. Please note that the meeting is for members or their proxies only. Please avoid being accompanied by non-members and children.
17. Members are requested to send their queries, if any, at least seven (7) days in advance of the meeting so that the information can be made available at the meeting.
18. Route map and details of prominent land mark of the venue of meeting is enclosed.

VOTING THROUGH ELECTRONIC MEANS

1. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), 2015 ("Listing Regulations") and any other applicable provisions, 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.
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, 24.08.2018.
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. MadanGopal Jindal, Practicing Company Secretary, as the scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.

6. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company and make, not later than three days from the conclusion of meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any to the Chairman or a person authorized by him in writing who shall countersign the same. Thereafter, the Chairman or the person authorized by him in writing shall declare the result of the voting forthwith.
7. The results declared along with 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 voting period begins on 9.00 a.m. (IST) on 25.09.2018, and ends on 5.00 p.m. (IST) on 27.09.2018. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 20.09.2018, may cast their vote electronically. The e-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. 20.09.2018, may obtain the login ID and password by sending a request at grievance@majesticauto.in.

Instructions for Voting through electronic mode

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) 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.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) 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.

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

For Members holding shares in Demat Form and Physical Form

PAN*

Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

- Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the last 8 digits of the Client ID/Folio number in the PAN field.
- In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 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.

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

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

(ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(x) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(xi) 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.

(xii) Click on the **"RESOLUTIONS FILE LINK"** if you wish to view the entire Resolution details.

(xiii) 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.

(xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvi) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for all mobile users. The m-Voting app can be downloaded from Google Play Store. I-Phone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xviii) **Note for Non – Individual Shareholders and Custodians**

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- 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.

- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same

(xix) 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.co.in under help section or write an email to helpdesk.evoting@cdslindia.com or you

may also contact CDSL on Toll Free 1800-200-5533 (10.00 am to 6.15 pm Monday – Friday and 10.00 am to 2.00 pm on Saturday).

ELECTRONIC VOTING PARTICULARS

EVSN	USER ID	PASSWORD
(E-Voting Sequence No.) 180827063	16 Digit Demat Account No./ Folio No. of Member holding shares in physical form	As pe re-voting Instructions

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO. 4

Based on the recommendation of the Nomination and Remuneration Committee, The Board of Directors of the Company at their meeting held on August 10, 2018 appointed Mr. Naveen Jain as Additional Director(Independent) with effect from August 10, 2018 pursuant to Section 161 of the Companies Act 2013, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations and Articles of Association of the Company. Hence, they will hold office up to the date of the ensuing Annual General Meeting.

The Company has received a notice in writing from a member along with the deposit of requisite amount under the Section-160 of the Act proposing the candidature of Mr. Naveen Jain for the office of Director of the Company. The Company has received consent in writing to act as directors in Form DIR-2 and intimation in Form DIR-8 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that he is not disqualified under sub- section (2) of section 164 of the Companies Act, 2013.

Further, the Company has received declaration from Mr. Naveen Jain that he meets the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations. Mr. Naveen Jain is independent of the management and possesses appropriate skills, experience and knowledge and he does not hold any shares of the Company in his name. He is not related to any Director or Key Managerial Personnel of the Company.

The Board considers that their association would be of immense benefit to the Company and it is desirable to continue to avail his services as an Independent Director.

Accordingly, the approval of the members is sought for appointment of Mr. Naveen Jain as an Independent Director of the Company for 5 (five) consecutive years w.e.f. August 10, 2018. Save and except Mr. Naveen Jain, none of the other Director/Key Managerial Personnel is concerned or interested, financially or otherwise, in the resolution set out at item No. 4 of the Notice.

ITEM NO.5

In line with the recommendation of the Nomination and Remuneration Committee, the Board of Directors in their meeting held on August 10, 2018 has re-appointed Mr. Aayush Munjal as a Whole Time Director of the Company for a further period of three years with effect from August 14, 2018 subject to approval of shareholders.

Keeping his knowledge of the Company's affairs, the Board of Directors is of the opinion that for smooth and efficient running of the business, the services of Mr. Aayush Munjal should be available to the Company for a further period of three years with effect from August 14, 2018 at the below mentioned terms and conditions.

TERMS & CONDITIONS

1. **Basic Salary:** Basic Salary in the scale of Rs. 187000-37000-261000 per month.
2. **Bonus:** As per Company Rules.
3. **Commission:** Commission may 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 Magazine 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. 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.

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:

ITEM NO.5

1	Nature of Industry	Company is engaged in business of office space leasing and facility management	
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 during the financial year ended March 31, 2018	(Rs. in lakhs)	
		Total Income	1745.32
		Expenses	(1548.59)
		Profit after tax	196.73
		EPS	(9.17)
5	Foreign investments or collaborators, if Any	None	

II.Information about the appointee:

1	Background details	Sh. Aayush Munjal, aged about 30 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 June 01, 2011 as Chief Technology Officer. Previously he was looking after the overall business unit at greater Noida and thereafter appointed as the Whole time Director of the Company w.e.f. August 14, 2015	
2	Past remuneration	Remuneration paid by the Company For F.Y 2017-18: Rs. 31.64 Lacs For F.Y 2016-17: Rs. 29.45 lacs For F.Y 2015-16: Rs. 31.14 lacs	
3	Recognition or awards	-	
4	Job profile and his suitability	<p>Job Profile: Sh. Aayush Munjal is having over 6 years of experience of Corporate management and possesses all required competencies. Thus, he is found to be most suitable for the position based on his qualification and vast experience.</p> <p>Suitability: Your Board considers that the re-appointment of Sh. Aayush 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 provided above in the terms & conditions
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 the son of Sh. Mahesh Munjal, Chairman and Managing Director and brother of Ms. Ashima Munjal, the Whole Time Director of the Company

III. Other Information

1	Reasons of loss or inadequate profits	Due to the sudden economic changes like demonetization and GST implementation, Company was not able to match with the pace of such changes.
2	Steps taken or proposed to be taken for Improvement	Company has already diversified in new business ventures i.e. office space leasing and facility management services etc.
3	Expected Increase in productivity and profit and measurable terms	Company continues to focus on debt reduction to minimize the finance cost and increasing the revenues and value addition in new chosen business line.

IV. Disclosures:

The details of remunerations and other information is given in the Corporate Governance Report of the Directors' Report to financial year 2017-18.

ITEM NO.6

In line with the recommendation of the Nomination and Remuneration Committee, the Board of Directors in their meeting held on August 10, 2018 have re-appointed Mr. Mahesh Munjal as Managing Director of the Company for a further period of three years with effect from October 29, 2018 subject to approval of shareholders.

Keeping his knowledge of various aspects relating to the Company's affairs and long business experience of more than 30 years, the Board of Directors is of the opinion that for smooth and efficient running of the business, the services of Mr. Mahesh Munjal should be available to the Company for a further period of three years with effect from October 29, 2018 at the below mentioned terms and conditions.

Terms and conditions

1. **Basic Salary:** Basic Salary in the scale of Rs. 700000-500000-800000 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;
 - 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 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 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:

ITEM NO.6

1	Nature of Industry	Company is engaged in business of office space leasing and facility management	
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	(Rs. in lakhs)	
	Sale	Total Income	1745.32
	Net Profit	Expenses	(1548.59)
		Profit after tax	196.73
		EPS	(9.17)
5	Foreign investments or collaborators, if Any	None	

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 AutoIndustries 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	Remuneration paid by the Company For F.Y 2017-18: Rs. 114.07 Lacs For F.Y 2016-17: Rs. 113.48 Lacs For F.Y 2015-16: Rs. 102.95 Lacs	
3	Recognition or awards	-	
4	Job profile and his suitability	<p>Job Profile: Sh. Mahesh Munjal is having rich experience of approx 39 years as stated below:</p> <p>a) He has worked as an Assistant Works Director, Chief Executive (Works) during the period from 1979 to 1986 in Hero Cycles Limited, Ludhiana.</p> <p>b) He has worked as an Executive Director in Munjal Auto Industries Limited formerly known as Gujarat Cycles Limited during the period from 1986 to 1993.</p>	

		<p>c) He is working as an Executive Director/ Managing Director of the Company since 1993.</p> <p>He is responsible for providing strategic leadership, directing the implementation of strategic, business and operational goals of the Company</p>
5	Remuneration proposed	As provided above in the terms & conditions
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 the father of Ms. Ashima Munjal and Mr. Aayush Munjal the Whole time Directors of the Company.

III. Other Information

1	Reasons of loss or inadequate profits	Due to the sudden economic changes like demonetization and GST implementation, Company was not able to match with the pace of such changes.
2	Steps taken or proposed to be taken for Improvement	Company has already diversified in new business ventures i.e. office space leasing and facility management services etc.
3	Expected Increase in productivity and profit and measurable terms	Company continues to focus on debt reduction to minimize the finance cost and increasing the revenues and value addition in new chosen business line.

IV. Disclosures:

The details of remunerations and other information is given in the Corporate Governance Report of the Directors' Report to financial year 2017-18.

ITEM NO. 7

Presently, the Registered Office of the Company is situated in the State of Punjab. To exercise better administrative and economic control and enable the Company to rationalize and streamline its operations as well as the management of

affairs, the Board of Directors of the Company in its meeting held on August 10, 2018 has recommended to shift the Registered Office of the Company from the State of Punjab to National Capital Territory (NCT) of Delhi. The shifting of Registered Office from the State of Punjab to National Capital Territory (NCT) of Delhi is in the best interest of the Company, shareholders and all concerned parties and will not be detrimental to the interest of members of the public, shareholders, creditors or employees, in any manner whatsoever. Pursuant to the provisions of Section 12, 13 and all other applicable provisions, if any, of the Act read with applicable Rules and Regulations made thereunder

(including any statutory modification or re-enactment(s) thereof for the time being in force), shifting of the Registered Office from one State to another and alteration of Clause II of the Memorandum of Association (the "MOA") of the Company requires the approval of the members of the Company by means of a Special Resolution and approval of the Central Government (power delegated to Regional Director). In light of the above facts, the approval of the members is sought through e-voting for shifting of the Registered Office of the Company from the State of Punjab to National Capital Territory (NCT) of Delhi and consequently for altering Clause II of the MOA. Copy of the

existing MOA, copy indicating the proposed amendments and other allied documents, if any being referred in this resolution would be available for inspection by the members, free of cost, at the Registered Office and Head Office of the Company during 12.00 P.M. to 2.00 P.M. on all working days. None of the Directors, Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise in the said resolution except to the extent of their shareholding, if any. The Board recommends the resolution under Item No. 7 for approval of the members as a Special Resolution.

Details of persons seeking appointment/re-appointment as required to be given as per Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Companies Act, 2013 and applicable Secretarial Standards are given herein below:

Particulars	Mr. Mahesh Munjal	Mr. Naveen Jain	Mr. Aayush Munjal
Age and date of birth	64 Years, February 28, 1954	60 Years, June 04, 1958	30 Years, November 13, 1987
Qualifications	Graduate Engineer and M.B.A.	fellow member of Institute of Chartered Accountants of India	Bachelor of Science in Computer Science from Washington University in St. Louis, USA
Experience (including expertise in specific functional area)/ Brief Resume	He carries with him enriched experience of more than 38 years of running Auto Parts Industries.	As a hospitality professional, he carries with him over 35 years of experience	he is having the experience of more than 7 years in running Auto Parts Industries and previously handling the Noida unit of the Company
Date of first appointment on the Board	June 29, 1993	August 10, 2018	August 14, 2015
Shareholding in the Company as on March 31, 2018	NIL	NIL	NIL
Relationship with other Directors/Key Managerial Personnel	He is father of Ms. Ashima Munjal and Mr. Aayush Munjal, the Whole time Directors of the Company.	None	He is the son of Sh. Mahesh Munjal, Chairman and Managing Director and brother of Ms. Ashima Munjal, the Whole Time Director of the Company
Number of meetings of the Board attended during the year	Details are given in Corporate Governance Report	N.A.	Details are given in Corporate Governance Report
Directorships of other Boards as on March 31, 2018	Details given in Corporate Governance Report	Director in 4 Companies	Details given in Corporate Governance Report
Membership / Chairmanship of Committees of other Boards as on March 31, 2018	Details are given in Corporate Governance Report	Details are given in Corporate Governance Report	Details are given in Corporate Governance Report

Results at a GLANCE

	Standalone		Consolidated	
	Year ended		Year ended	
Particulars	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Revenue from operations	896.64	605.50	5577.24	5660.26
Profit before tax				
- Continuing Operations	196.76	51.86	1086.49	894.22
- Discontinuing operations	(1761.82)	(2599.11)	(1761.81)	(2599.11)
Profit after tax				
- Continuing operations	348.84	335.15	1037.36	1034.92
- Discontinuing operations	(1302.07)	(2065.93)	(1302.06)	(2065.93)
Other Comprehensive Income	3086.57	2403.34	3087.52	2403.46
Other Equity	40224.72	38091.38	40520.68	37792.89
Capital Employed				
Net Worth	41264.54	39131.20	41560.50	38832.71
Gross debt	10687.29	17077.45	29300.07	36617.01
Cash and Cash Equivalents	5.74	12.62	38.71	45.98
Debt : Equity	0.26	0.44	0.69	0.92
Net worth per share as at year end	39.68	37.63	39.97	37.35
Earnings per share:				
Basic & Diluted				
-Continuing operations	3.36	3.22	9.98	9.95
-Discontinued operation	(12.52)	(19.87)	(12.52)	(19.87)
Basic & Diluted				
-Continuing and Discontinued operations	(9.16)	(16.65)	(2.54)	(9.92)
Dividend proposed for the year	Nil	Nil	Nil	Nil
Shareholders (Numbers)	1039.82	1039.82	1039.82	1039.82

BOARD'S REPORT

TO THE MEMBERS OF MAJESTIC AUTO LIMITED

Your Directors have pleasure in presenting you the 45th Annual Report on the business and operations of the company together with the Audited Results for the financial year ended March 31, 2018.

FINANCIAL RESULTS

Particulars	Standalone		Consolidated	
	Year ended		Year ended	
	March 31 2018	March 31, 2017	March 31 2018	March 31, 2017
Revenue from operations	896.64	605.50	5577.24	5660.26
Profit before Finance Cost and Depreciation Expenses	1029.37	983.12	4202.95	4418.95
Finance Costs	583.60	689.30	2297.12	2692.58
Depreciation and Amortisation Expenses	249.04	241.96	819.34	832.15
Profit from ordinary activities before share of Profit/(Loss) of Associates	196.73	51.86	1086.49	894.22
Profit before tax	196.73	51.86	1086.49	894.22
Tax Expense	(152.11)	(283.29)	49.13	(140.70)
Profit for the year from continuing operations after tax	348.84	335.15	1037.36	1034.92
Profit/(Loss) from discontinuing operations after tax	(1302.07)	(2065.93)	(1302.06)	(2065.93)
Profit for the year	(953.23)	(1730.78)	(264.70)	(1031.01)
Attributable to:				
-Equity Shareholders of the Company	(953.23)	(1730.78)	(359.73)	(1118.56)
-Non-controlling interests	N.A	N.A	95.03	87.55
Other Comprehensive Income	3086.57	2403.34	3087.52	2403.46
Total Comprehensive Income	2133.34	672.56	2822.82	1372.45
Balance in Retained Earnings at the beginning of the year	14188.56	15252.73	13890.07	14341.90
Profit for the year (attributable to equity shareholders of the company)	(953.23)	(1730.78)	(359.73)	(1118.56)
Remeasurement of defined Employee benefit plans)	68.67	143.15	69.62	143.27
Dividends including tax on dividend	Nil	Nil	Nil	Nil
Acquisition of non-controlling interests	NA	NA	Nil	Nil
Transferred to General Reserve	2113.71	523.46	2113.71	523.46
Balance in Retained Earnings at the end of the year	15417.71	14188.56	15713.67	13890.07

DIVIDEND

To sustain internal accruals for the future growth of the Company, your Directors do not recommend any dividend for the Accounting Year.

RESERVES

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

CAPACITY UTILIZATION & PLANT OPERATIONS

The company has discontinued operations of manufacturing in the second half of the financial year 2017-18 due to unviable business operations; lack of viable orders and profitability.

The company has diversified into facility management services, leasing of owned/rented property, purchase, acquire, build & construct any property etc.

CHANGE IN SHARE CAPITAL

The paid up equity capital as on March 31, 2018 stands at Rs. 10,39,82,280/- consisting of 1,03,97,478 Equity Shares of Rs.10/- each with no change as compared to previous year.

QUALITY

Your Company has focused on quality, right from new product development stage such as design of processes, manufacturing of tools, fixtures & dies to ensure to the production. This is the attribute of your Company which has enabled it to sustain as a consistent supplier to the quality conscious customers over the years.

Since, company has discontinued operations we ensure that Quality is still the most important factor of our working in the new areas as well.

SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

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 2017.

SUBSIDIARY COMPANIES

The Company has following Subsidiaries:

- i) **Majestic IT Services Limited (MITSL)**, engaged in the business of Facility Management Services led by Ms. Aashima Munjal, Managing Director of the company. The Company managed to achieve revenue of **Rs.20.94 Cr** in the FY 17-18.
- ii) **Emirates Technologies Private Limited (ETPL)**, whose 80% equity was acquired by the company in September 2015 has its operations in National Capital Region (Delhi NCR). The main objective for the acquisition was to diversify investments and operations of the company. ETPL achieved revenue of **Rs.33.31 Cr** in the FY 17-18. The main objects of ETPL are in the business of Facility Management Services or related services.

MATERIAL CHANGES AND COMMITMENTS

There are no material changes occurred in between the financial year ended on 31st March, 2018 and date of the report of the Company which affects the financial position of the Company.

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

During the period under review, no significant or material order has been passed by any regulators or court or tribunals impacting the going concern status and company operations in future during the period.

BOARD OF DIRECTORS

CHANGE IN DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the period under review, Mr. Prakash Patro, Chief Financial Officer of the company resigned on 30th August, 2017.

Mr. Rahul Tiwari, Company Secretary of the company also resigned dated 30th August' 2017 and the board approved the matter citing the effective date of the resignation shall be 30th September'2017.

Ms. Juhi Garg has been appointed as the Company Secretary of the company with effect from 3RD October' 2017.

RETIREMENT BY ROTATION

In accordance with the provisions of Section 152 of the Companies Act 2013 and the Articles of Association of the Company, Mr. Mahesh Munjal, Managing Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible has offered himself for reappointment.

DECLARATION BY INDEPENDENT DIRECTOR(S) FOR THE FINANCIAL YEAR 2017-18

The definition of "Independence" of Independent Directors has been derived from Section 149(6) of the Companies Act, 2013. Based on the confirmation/disclosures received, Mr. Vikas Nanda & Doctor M. A. Zahir are already holding the position of Independent Director of the company as per Section 149(6) of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013: -

The Company has received declarations from Mr. Vikas Nanda, (DIN: 00106264), Dr. M.A. Zahir (00002973) and Mr. Shavinder Singh Khosla (DIN: 02942033) Independent Directors in accordance with Section 149 of the Companies Act, 2013, for the financial year 2018-19, that they meet the criteria of independence as laid out in Sub-Section (6) of Section 149 of the Companies Act, 2013.

NUMBER OF MEETINGS OF BOARD OF DIRECTORS

Four (04) meetings of the Board of Directors of the Company were held in the financial year 2017-18. The details of the Board Meeting are mentioned in the Corporate Governance

report (Annexure VIII) as under. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

COMMITTEES OF BOARD

i. Nomination & Remuneration Committee:

Nomination & Remuneration Committee constituted under the provisions of Companies Act, 2013 consist of below mentioned members:

- Mr. Vikas Nanda
- Dr. M.A. Zahir
- Mr. Shavinder Singh Khosla

BOARD EVALUATION

Pursuant to the applicable provisions of the Act and Regulation 17(10) and other applicable regulations, if any, of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR'), the performance of the Board and individual Directors was evaluated by the Board seeking relevant inputs from all the Directors.

One separate meeting of Independent Directors was held during the year to review the performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chair-person of the Company. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report

ii. Audit Committee:

Audit Committee constituted under the provisions of Section 177 of the Companies Act, 2013 consist of below mentioned members:

- Mr. Vikas Nanda
- Dr. M.A. Zahir
- Mr. S.S. Khosla

During the period under review, four (04) meetings of Audit Committee were held in the year, the details of which are mentioned in the Corporate Governance Report and there was no such recommendation of Audit committee which was not accepted by the board. Hence, disclosure of the same is not required in this report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

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.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTY TRANSACTIONS COVERED UNDER SECTION 188(1)

All related party transactions that were entered into during the financial year were on arm's length basis and 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 and the regulations made under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. This Policy was considered and approved by the Board and has been uploaded on the website of the Company i.e. www.majesticauto.in.

LISTING

The shares of your Company are listed at BSE Limited, and pursuant to Regulation 14 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Annual Listing fees for the year 2018- 19 have been paid to them well before the due date i.e. April 30, 2018. The Company has also paid the annual custodian fees for the year 2018-19 in respect of Shares held in dematerialized mode to NSDL & CDSL.

FIXED DEPOSITS

PARTICULARS	AMOUNT
(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

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

Due to discontinued manufacturing operations, the detailed information as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) Companies (Accounts) Rules, 2014 is not applicable for our company.

Foreign Exchange Earnings & Outgo –

ENVIRONMENTAL & QUALITY MANAGEMENT

During the time frame of manufacturing operations, the company has implemented the Environment Management System (EMS) ISO- 14001:2004 and 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.

INSURANCE

Company's assets are adequately insured against multiple risks from fire, riot, earthquake, terrorism and other risks which are considered necessary by the management.

RATINGS FOR BORROWINGS

During the year ICRA, the rating agency has withdrawn the [ICRA]BBB Negative/[ICRA]A3+ assigned to bank lines of Majestic Auto Limited as the company was not falling into the requirement of getting the borrowings rated.

DIRECTOR'S RESPONSIBILITY STATEMENTS

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 Indian accounting standards (abbreviated Ind-AS) have been followed from 1st April 2017 as prescribed under Section 133 of Companies Act, 2013, as notified under the Companies (Indian Accounting Standard) Rules, 2015, in a simple and concise manner.
- 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.
- 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 have 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.

INTERNAL FINANCIAL CONTROL SYSTEMS

The Corporate Governance Policy guides the conduct of the affairs of your Company and clearly delineates the roles, responsibilities at each level of its key functionaries involved in governance. Your Company has in place adequate internal financial controls with reference to the Financial Statements. During the year under review, no reportable material weakness in the operation was observed. Regular audit and review processes ensure that such systems are reinforced on an ongoing basis.

STATUTORY AUDITORS

The Board of Directors has, based on the recommendation of the Audit Committee, at its meeting held on August 10, 2018, proposed the appointment of M/S SAR & Associates (Firm Registration No. 122400W) as the Statutory Auditors of the Company for a period of 5 years, to hold office from the conclusion of ensuing AGM to the conclusion of 50th AGM to be held in the year 2023 (subject to the ratification of their appointment at every AGM, if so required under the Act).

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.

SECRETARIAL AUDIT

M/s Ashok K Singla and Associates, Practicing Company Secretaries, Ludhiana, were appointed to conduct the Secretarial Audit of the Company for the financial year 2017-18 under Section 204 of the Indian Companies Act, 2013 and Rules made thereunder. The Secretarial Audit Report for Financial Year 2017-18 is appended as an **Annexure I** to the Board's report. The Secretarial auditors' report for the year under review requires no comments.

COST AUDIT

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 (as per Notification No. G.S.R.425[E] dated 30th June 2014 issued by the Ministry of Corporate Affairs across various segments) for the financial year ended March 31, 2018.

EXTRACT OF ANNUAL RETURN

In accordance with Section 134(3)(a) of the Companies Act, 2013, the extract of the Annual Return as provided under Section 92 (3) of the Companies Act, 2013 in Form No. MGT - 9 is attached at **Annexure II**.

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 www.majesticauto.in of the Company. The Key provisions of Nomination and Remuneration policy are appended as an **Annexure III** 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 IV** and forms an integral part of this report.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

A report in the form of Management Discussion and Analysis pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, as a part of this report is annexed hereto as **Annexure V**.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company has constituted the Corporate Social Responsibility (CSR) Committee, which 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.

During the year under review, the Company is not required to comply with the provisions related to Corporate Social Responsibility on the basis of its financial statements of the Company.

Annual Report on Corporate Social Responsibility [CSR] activities is appended as an **Annexure VI**.

CORPORATE GOVERNANCE

Pursuant to Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and Schedule V of the Companies Act, 2013, 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 as a part of this report is annexed hereto as **Annexure VII**.

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 forms a part of the Annual Report.

REPORTING OF FRAUDS

There have been no instances of fraud reported by the Statutory Auditors under Section 143(12) of the Companies Act, 2013 and Rules framed thereunder either to the Company or to the Central Government.

RISK MANAGEMENT AND INTERNAL ADEQUACY

The Company has adequate risk management process to identify and notify the Board of Directors about the risks or opportunities that could have an adverse impact on the Company's operations or could be exploited to maximize the gains. The processes and procedures are in place to act in a time bound manner to manage the risks or opportunities. The risk management process is reviewed and evaluated by the Board of Directors.

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations.

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

The Company has placed a Policy to treat women employees with dignity and no discrimination against them plus zero tolerance toward any sexual abuse - to abide by letter and spirit requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules there under and redressal of complaints of sexual harassment at work place. All employees (permanent, contractual, temporary, trainees)

are supposed to adhere to conduct themselves as prescribed in this policy. During the year under review no complaint was reported to the Board.

ACKNOWLEDGMENTS

The Board of Directors of the Company would like to express their sincere appreciation for the assistance and co-operation received from the Government authorities, workers, and executives for their contribution to the operations of the Company.

The Directors also place on record their sincere thanks to the shareholders for their support, co-operation and confidence in the management of the Company.

The Company has complied with all the mandatory requirements specified in Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standards.

For Majestic Auto Limited

Sd/-

Mahesh Munjal

Chairman

DIN No: 00002990

House No: 10,

Southern Avenue, First Floor,

Maharani Bagh,

New Delhi,-110065

Date: 10th August' 2018

Place: Noida

Annexure I

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018

To,
The Members,
Majestic Auto Limited
C-48, Focal Point,
Ludhiana-141010

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 us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on 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, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended as on 31st March, 2018 complied with the statutory provisions listed here under 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 here in after:

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 as on 31st March, 2018 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowing.
- 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; **Not Applicable**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable**
 - (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; **Not Applicable** and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not Applicable**

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

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

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

We further report that,

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

Adequate notice is given to all directors for every Board Meeting. 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 member's views are captured and recorded as part of the

minutes.

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

We further report that during the audit period the company, following major events have happened which are deemed to have major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

- i. Company has approved the sale, lease or otherwise disposal of the whole or substantially the whole of an undertaking of the Company for a limit not exceeding Rs. 300 Cr. by way of special resolution.
- ii. Company has approved the change in object clause of the Company by adding new business line of "office space leasing and facility management" by way of special resolution.

For Ashok K Singla & Associates Company Secretaries

Sd/-
Ashok Singla Proprietor
Membership No. FCS-2004
Certificate of Practise No. 1942

Date: 28.07.2018
Place: Ludhiana

To,
The Members,
Majestic Auto Limited
C-48, Focal Point,
Ludhiana-141010

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 are 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 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**

Sd/-
Ashok Singla Proprietor
Membership No. FCS-2004
Certificate of Practise No. 1942

Date: 28.07.2018
Place: Ludhiana

ANNEXURE II

Form No. MGT-9
Extract of Annual Return
As on the financial year ended on March 31, 2018

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L35911PB1973PLC003264
2.	Registration Date	April 23, 1973
3.	Name of the Company	Majestic Auto Limited
4.	Category/Sub-category of the Company	Limited by Shares
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

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	67.58
2	Fine Blanking Components	29209	22.76
3	Facility Management of owned and leased property	68100	09.66

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.	Anadi Investments Pvt. Ltd.	U67120PB1981 PTC004753	Holding Company	74.61	2(46)
2.	Majestic IT Services Limited	U70109DL2009 PLC196844	Subsidiary Company	100.00	2(87)
3.	Emirates Technologies Private Limited	U72900DL2004 PTC183874	Subsidiary Company	80.00	2(87)

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

Category of Shareholders	No. of Shares held at the beginning of the year [As on April 01, 2017]				No. of Shares held at the end of the year [As on March 31, 2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(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	-	7798108	75.00	7798108	-	7798108	75.00	-

Category of Shareholders	No. of Shares held at the beginning of the year [As on April 01, 2017]				No. of Shares held at the end of the year [As on March 31, 2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	2778	2778	0.03	-	2778	2778	0.03	-
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):-	-	5029	5029	0.05	-	5029	5029	0.05	-
2.Non- Institutions									
a) Bodies Corp.									
Indian	287138	4021	291159	2.80	253450	4021	257471	2.48	(0.32)
Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share Capital upto Rs. 2 lakh	1530023	161845	16918688	16.27	1397459	154716	1552175	14.93	(1.34)
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	588451	-	588451	5.66	691502	-	691502	6.65	0.99
c) Others									
Non Resident Indians	22002	766	22768	0.22	14666	766	15432	0.15	(0.07)
Clearing Members	-	-	-	-	13373	-	13373	0.13	0.13

Category of Shareholders	No. of Shares held at the beginning of the year [As on April 01, 2017]				No. of Shares held at the end of the year [As on March 31, 2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Trusts	-	95	95	0.00	-	95	95	0.00	-
HUF	-	-	-	-	64293	-	64293	0.62	0.62
Sub-total (B)(2):-	2427614	166727	2594341	24.95	2434743	159598	2594341	24.95	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	2427614	171756	2599370	25.00	2434743	164627	2599370	25.00	0.00
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	10225722	171756	10397478	100.00	10232851	164627	10397478	100.00	-

B) Shareholding of Promoters-

S No.	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% Change during the year
		No. of Shares of the company	% of total Pledged / encumbered to total shares	% of Shares	No. of Shares of the company	% of total Pledged / encumbered to total shares	% of Shares	
1	Anadi Investments Pvt. Ltd.	7757687	74.61	-	7757687	74.61	-	-
2	Renuka Munjal	40421	0.39	-	40421	0.39	-	-

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

S No.	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
1	At the beginning of the year	7798108	75%	7798108	75%
2	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	-	-	-	-
3	At the end of the year	7798108	75%	7798108	75%

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

S No.	For Each of the Top 10 Shareholders	No. of Shares held at the beginning of the year (as on 01.04.2017)		No. of shares held at the end of the year (as on 31.03.2018)		% 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	2.16	220000	2.12	(0.04)
2	Dipak Kanayalal Shah	132045	1.27	150000	1.44	0.17
3	Vanaja Sundar Iyer	-	-	102486	0.99	0.99
4	Ashika Credit Capital Limited	-	-	53798	0.52	0.52
5	Mahendra Girdharilal	32290	0.31	32290	0.31	-
6	Rhea Shah	30000	0.28	31000	0.30	(0.02)
7	Majestic Auto Ltd Unclaimed Suspense A/C	30607	0.29	30607	0.29	-
8	Shashank S Khade	27412	0.26	30281	0.29	0.03
9	G Shankar	-	-	30200	0.29	0.29
10	Amit Jain	50000	0.48	30000	0.28	(0.20)

E) Shareholding of Directors and Key Managerial Personnel:

S No.	Shareholding of Directors and 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
	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	-	-	-	-

• No Director or KMP held any share of the Company during the financial year 2017-18

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

	(Rs in Crores)			
Indebtedness at the beginning of the financial year	Secured Loans (Excluding Deposits)	Unsecured Loans	Deposits	Total Indebtedness
i) Principal Amount	165.95	4.83	-	170.77
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	165.95	4.83	-	170.77
Change in Indebtedness during the financial year				
* Addition	4.26	10.95	-	15.21
* Reduction	(74.89)	(4.24)	-	(79.13)
Net Change	(70.63)	6.71	-	(63.92)
Indebtedness at the end of the financial year				
i) Principal Amount	95.32	11.53	-	106.85
ii) Interest due but not paid		0.17	-	0.17
iii) Interest accrued but not due			-	
Total (i+ii+iii)	95.32	11.70	-	107.02

VI.REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

(Rs. In Lacs)

Sr. No.	Particulars of Remuneration	Mahesh Munjal (Managing Director)	Aayush Munjal (Whole Time Director)	Aashima Munjal (Whole Time Director)	Total Amount
1.	Gross salary	91.77	28.78	-	120.55
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	22.30	2.86	-	25.16
	(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 PF & Superannuation Fund	-	-	-	-
	TOTAL	114.07	31.64	-	145.71
	Ceiling	Rs.240 lacs as per Section II part II of schedule V of the Companies Act, 2013			

B. Remuneration to other directors (In Rs.)

Sr. No.	Particulars of Remuneration	Name of Directors			Total Amount
		M.A. Zahir	S. S. Khosla	Vikas Nanda	
1.	Independent Directors				
	Fee for attending board / committee meetings	60,000	67,500	60,000	1,87,500
	Commission	-	-	-	
	Others, please specify	-	-	-	
	Total (1)	60,000	67,500	60,000	1,87,500
2	Other Non-Executive Directors				
	Fee for attending board committee meetings	-	-	-	
	Commission	-	-	-	
	Others, please specify	-	-	-	
	Total (2)	-	-	-	
	Total (B)=(1+2)	60,000	67,500	60,000	1,87,500
	Total Managerial Remuneration				-
	Overall Ceiling as per the Act				-

C. Remuneration to Key Managerial Personnel Other Than MD/MANAGER/WTD (In Rs.)

Sr. No.	Particulars of Remuneration	Rahul Tiwari (Company Secretary)	Prakash Chandra Patro (CFO)	Juhi Garg (Company Secretary)	Rajpal Singh Negi (CFO)	Total Amount
1.	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,82,653	-	-	-	1,82,653
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	
2.	Stock Option	-	-	-	-	
3.	Sweat Equity	-	-	-	-	
4.	Commissions % of profit Others, specify...	-	-	-	-	
5.	Others, please specify PF & Superannuation Fund	-	-	-	-	
	TOTAL	1,82,653	-	-	-	1,82,653

- Mr. Rahul Tiwari has resigned from the post of Company Secretary w.e.f. September 30, 2017 from the organization.
- Ms. Juhi Garg was appointed as Company Secretary w.e.f. October 3, 2017 and receiving remuneration from Majestic IT Services Limited (WOS of the Company).
- Mr. Prakash Chandra Patro has resigned from the post of Chief Financial Officer w.e.f. August 30, 2017
- Mr. Rajpal Singh Negi was appointed as Chief Financial Officer w.e.f. November 14, 2017 and receiving remuneration from Majestic IT Services Limited (WOS of the Company).

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

For **Majestic Auto Limited**

Sd/-

Mahesh Munjal

Chairman

DIN: 00002990

10 Southern Avenue,

First Floor, Maharani Bagh,

New Delhi,-110065

Annexure III

NOMINATION AND REMUNERATION POLICY

The Company's Compensation Policy and Practices have been formulated and maintained to meet the following objectives:

1. To attract, retain and motivate qualified and competent individuals at Director, Key Managerial and other employee levels to carry out company's business operations as assigned to them.
2. To ensure payment of salaries and perks that are comparable to market salary levels so as to remain Competitive in the industry.
3. To revise the remuneration of its employees periodically for their performance, potential and value addition after systematic assessment of such performance and potential.

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.
- 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 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 IV

Particular of Employees

Details under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Name of Directors/KMP and designation	The Ratio of the remuneration of Executive Director to the median remuneration of the employees of the company for financial year.	The percentage increase in remuneration of each executive director and KMP in the financial year.
Mahesh Munjal, (Managing Director)	37.2:1	0.52%
Aayush Munjal, (Whole time Director)	10.3:1	7.44%
*Juhi Garg (Company Secretary)	1.46:1	-
*Rajpal Negi, (Chief Financial Officer)	2.65:1	-

*Ms. Juhi Garg and Mr. Rajpal Negi are appointed during the year and receiving salary from the wholly owned subsidiary of the Company i.e. Majestic IT Services Limited.

Note:

- i. The Non- Executive independent Directors are paid only sitting fees for attending the meetings of the Board and its Committees. The Non- Executive (non-independent) Directors of the Company do not receive any remuneration from the Company. The

- iv It is here by 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 Financial year and were in receipt of remuneration at the rate of not less than Rs. 1,02,00,000 per annum

Name of Employee	Designation of the employee	Remuneration Received in 2017-18 (Rs.in lac)	Qualification	Experience (No. of Years)	Date of Commence-ment 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	114.07	B.S.C. M.B.A.	38	29.06.1993	63	Munjat Auto Industries Ltd.	Nil

ratio of remuneration and percentage increase in remuneration of these directors is therefore not considered for the above*MRE-Median Remuneration of Employee based on annualized salary

- (ii) Employed for a part of the financial year and separated, we rein receipt of remunerati on not less than Rs. 8.50 lac per month - Nil.

- ii. In the financial year, there was an increase of 39% in the median remuneration of employees;
- iii. There were 43 permanent employees on the rolls of the Company as on March 31, 2018.

ANNEXURE V

MANAGEMENT DISCUSSION & ANALYSIS REPORT

GLOBAL ECONOMY

According to The World Economic Outlook (WEO) update around economies, accounting for three quarters of world GDP, saw a pickup in growth in year-on-year terms in 2017, the broadcast synchronized global growth upsurge since 2010. Global output is estimated to have grown by 3.7% in 2017. The International Monetary Fund has raised its growth forecasts for 2018 to 3.9%, expecting the global economy to continue to recover on the back of buoyant trade and investment.

Among advanced economies, the U.S. growth forecast has been raised from 2.3% to 2.7% in 2018. The U.S. tax policy changes are expected to stimulate activity, with the short-term impact in the United States mostly driven by the investment response to the corporate income tax cuts. Growth rates for many of the euro area economies have been marked up, especially for Germany, Italy, and the Netherlands, reflecting the stronger momentum in domestic and higher external demand.

Asia continues to be the main engine of the world's economy, accounting for more than 60% of global growth-three quarters of it coming China and India alone, per IMF's Regional Economic Outlook: Asia and Pacific (REO). Asia is expected to grow at 5.6% in 2018-19, supported by strong global demand, as well as accommodative policies and financial conditions. According to The International Monetary Fund (IMF), India is projected to grow at 7.4% of its Gross Domestic Product (GDP) in 2018 as against China's 6.6%, making it the fastest growing economy among emerging economies.

INDIAN ECONOMY

After facing several headwinds over the previous year, Indian economy is now back on track. The CSO, reported a GDP growth of 7.7% in the 4th quarter of 2017-18 - the fastest pace in seven quarters. The economy grew at the highest rate since the 2nd quarter of FY17, ahead of the demonetization in November 2016. The turnaround in the economy was led by robust agriculture (4.5%) and manufacturing growth (9.1%) as well as double digit growth in construction activities (11.5%) in the 4th quarter. Gross fixed capital formation, a proxy for investment demand in the economy, expanded at a double-digit pace (14.4%) after a gap of seven quarters, signaling a revival in investment activities. GDP growth for the year ended 31st March stood at 6.7%, a tad higher than previously estimated by the Central Statistics Office. While high oil prices may pose a risk to economic recovery and the inflation outlook, forecast of a normal monsoon by India's weather office is expected to mitigate farm distress and

boost rural demand this year. The World Bank in its India Economic update expects economic growth to accelerate to 7.3% in 2018-19 and 7.5% in 2019-20.

The rollout of the GST was a landmark accomplishment despite the initial glitches and will enhance efficiency, create a common national market, and improve tax buoyancy. India is steadily moving towards greater formalization of the informal economy. According to the Deloitte Voice of Asia report, revival in rural demand and increased infrastructure spending are key economic drivers that are likely to drive the economy's growth in the current year in spite of obstacles like rising debt and the recent trade protectionism. After a year of disruptions and growth slowdown, the Indian economy is consolidating the gains from the recent reforms and is moving in the right direction. With a steady increase in FDI inflows and pickup in growth, 2018 is expected to be a period of strong growth for India.

INDIAN REAL ESTATE SECTOR

The Indian Real Estate Sector is currently witnessing a structural transformation towards being a complete organized sector. The transformation is due to multiple initiatives by the Government such as the Real Estate (Regulation and Development) Act, 2016 ['RERA'], increased incentives for affordable housing like Pradhan Mantri Awas Yojana (PMAY), Credit - Linked Subsidy Scheme (CLSS), Real Estate Investment Trust Regulations, 2014 (REIT Regulations).

The Sector has been witnessing enhanced interest from Institutional Capital owing to greater transparency, reforms such as RERA and REIT Regulations. The commercial sector continues to demonstrate immense potential while the residential sector is undergoing a short-term unpredictable disruption attributed to various reforms. However, it is expected that these reforms are projected to augur well for industry in the long run.

According to a report by CREDAI and JLL India, the Indian real estate sector is projected to reach a market size of \$180 billion by 2020, a sharp rise from \$126 billion in 2015.

COMMERCIAL SEGMENT/OFFICE MARKET

According to a report by Knight Frank, the Indian office space market has been plagued by a lack of availability of quality office space while demand has remained steady. This slide in office space development was arrested in 2017 with supply growing by 7% in annual terms. The overall transactions stood at 41.7 million sq. ft. which continue to substantially exceed supply and have pulled down the vacancy levels to a decadal low of 11.6% from 13.5% a year ago. The lack of fresh office space is most visible in the IT/ITES sector dominated markets of Bengaluru, Pune and

IT/ITeS sector dominated markets of Bengaluru, Pune and Hyderabad that currently have single digit vacancy levels at 3%, 6% and 5% respectively while Chennai stands at 10%. Rental growth was strong across markets with the exception of Mumbai which experienced flat growth due to increasing supply and vacancy levels. Hyderabad and Bengaluru experienced the strongest rental growth at 8.5% and 9.2% YoY respectively. Also, Rentals are expected to rise faster in low vacancy markets like CBD Gurugram, Noida, Pune, Hyderabad, Bengaluru, Mumbai suburbs and Chennai.

IT/ITeS sector continues to be the largest driver of Office space in India with the Sector followed by other services, which includes sectors such as consulting, media, telecom and infrastructure.

OUTLOOK FOR OFFICE MARKETS

On the real estate front, while there has been no change in Request for Proposals (RFPs) floating in the market on share of IT Sector in leasing or type of buildings being developed, there is no denying that IT companies need to brace themselves to evolve and adopt to triple force of automation, new technologies and protectionism.

Despite emergence of newer sectors like e-commerce, logistics and manufacturing, it is expected that IT/ITeS with BFSI backend operations to continue to occupy a significant share in the overall office space pie.

Additionally, co-working is a disruptive business model that is redefining how we look at office spaces today. With marginal slowdown in the global economy and an ever expanding class of millennials who know exactly what they want, we are seeking workplace reforms in India, where 'Ubercool' and Chic workspaces are becoming the norm. With this paradigm shift, co-working industry is experiencing tremendous growth as well.

JLL research predicts that by 2025, 42% of India's population will be living and working in its urban centers. With this growth in urban population, there will be far greater demand for shared workspaces in less than a decade.

The year 2017-18 has seen a massive spike in growth of co-working industry and as it evolves further, we will witness an era of flexible office spaces.

REFORMS

RERA has been enacted by Central Government and State Governments have to enact their own laws and frame rules therein as the land is a state subject. The key highlights of RERA are:

- Developer cannot make any changes to the plan without the written consent of the buyer;
- The property will have to be sold to buyers on the basis of carpet area;

- Registration is mandatory for all commercial and residential real estate projects where the land is over 500 sq meters or includes 8 apartments and which are under construction;
 - If the project gets delayed, the developer will have to pay interest on the amount paid by the buyer;
 - It is compulsory for a state to establish a State Real Estate Regulatory Authority;
 - Failing to register a property will attract penalty upto 10% of project cost;
 - Every phase of the project can be considered a stand alone real estate project and will need to obtain separate registration;
 - The developer will have to place 70% of the money collected from the buyer in a separate escrow account to meet the construction cost of the project; and
 - If the buyer finds any shortcomings in the project, he can contact the developer in writing within one year of taking possession.
- RERA will have impact across all stakeholders in the real estate markets.

REITs

While the initial rules for formation of Indian Real Estate Investment Trusts (REITs) were formulated over 3 years ago, India is yet to see its first REIT listing owing to a number of procedural delays on the regulation and taxation front. However, with most of these issues now being sorted out, India may see its first REIT listing in CY18. Given the expanding universe of Grade A office properties in Indian Cities as well as rising rentals across their micro-markets, REITs offer an attractive way for investors to trade in prime commercial real estate. REITs are effectively going to increase the available growth capital for developers. Cushman and Wakefield estimates Indian commercial real estates (like office, real assets) offers investment opportunities for REITs worth \$43 billion - \$54 billion across top cities.

GOODS AND SERVICES TAX (GST)

The Goods and Services Tax (GST), a crucial indirect tax reform was implemented on 1st July' 2017. The new tax structure subsumes various indirect taxes such as excise duty, service tax and value added tax (VAT) which were levied by the central and state government. The GST aims to create a uniform market and eliminate multiple levels of taxation. This is expected to pave the way for higher transparency on the back of a streamlined structure. The GST is expected to bring the unorganized sector under the ambit of taxation which will help to increase the tax base and provide a level playing field for organized developers.

REVIEW OF OPERATIONS

Your company's business primarily focuses on the development and lease of Office Space and its facility management. These two involves a series of activities like

acquisition of building/land, obtaining approvals, project planning from execution to launch, refurbishing, sales & marketing and finally leasing.

Lease Business

Your Company's lease business is done through its subsidiary Emirates Technologies Private Limited which involves leasing of its developed offices and retail properties. One of the key objectives of its lease business is to achieve returns from investments in its portfolio properties within a targeted timeframe. Another key objective is to achieve high occupancy rates for the leased portfolio properties. The utilities and facilities management business supports and complements the lease business.

As at 31st March 2018, your company's lease business comprised completed offices with leasable area of approximately 6,10,620/- square feet.

Offices Segment

As at 31 March 2018, the occupancy rate for your Company's leased offices portfolio was approximately 94%.

Facility Management Business

Your company's Facility management business is done through the holding Company Majestic Auto Limited which involves support services for the building owned by

subsidiary company Emirates Technologies Private Limited at Sector-62, Noida.

FM covers these two main areas: 'Space & Infrastructure' (such as planning, design, workplace, construction, lease, occupancy, maintenance and furniture) and 'People & Organisation' (such as catering, cleaning, ICT, HR, accounting, marketing, hospitality).

STRATEGY

The business strategy remains focused on the following key pillars:

a) Loss from Discontinued Operations:

Your company continues to pay the loss incurred from the discontinued manufacturing operations and the strategy forward is to incur profits in terms of revenue. Post the transition in the Leasing & Facility Management business, we believe that this will attain a healthy position for the company.

b) Reduce Debt:

The company has an objective of reduce the debt and the finance cost associated with it for attaining a good gearing ratio by reducing the cost and terming out the principal payments.

c) Growth of Facility management business

Given the expected demand momentum, the company strongly believes that this segment is riding on a high tide and the time is to reap benefits out of it.

ANNEXURE VI

Annual report on corporate social responsibility

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

2. Composition of CSR Committee:
 - Dr. M.A. Zahir, Independent Director, Chairman
 - Maj. S.S. Khosla, Independent Director, Member
 - Sh. Mahesh Munjal, Managing Director, Member
3. Average net profit of the company for last three financial years (Rs.inlac)

5. Details of CSR spent during the financial year.
 - Total amount spent for the financial year; **NIL**
 - Amount unspent, if any; **N.A.**
 - Manner in which the amount spent during the financial year:
6. In case the Company has failed to spend the two percent 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.

	YEAR ENDED			
Particulars	31.03.2018	31.03.2017	31.03.2016	Average
Net Profit	Nil	Nil	Nil	Nil

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

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 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.

Place: Noida
Date : 10.08.2018

(Mahesh Munjal)
Managing Director

(Dr. M.A. Zahir)
Chairman

ANNEXURE VII

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 Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Company views Corporate Governance as more than just regulatory requirements as it believe there exists a fundamental link between the Company and the society.

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 composition of the Board of your Company is in conformity with

regulation 17(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board of Directors has composition with 3 Directors being non-executive Independent Directors, one Managing Director and two Whole Time Directors including one Women Director, as on 31.03.2018. None of the Directors on the Board holds memberships in committees of the Board in more than 10 committees or chairmanship of more than 5 committees.

- A. During the financial year four Board Meetings were held on May 29, 2017, August 30, 2017, November 14, 2017 and February 07, 2018. 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, attendance at the Board Meetings, attendance at 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 2017-18 are given below :

Name of the Director	No. of Board meetings attended	Attendance at Last AGM	Total number of Committee Membership Held (excluding Private Companies, Foreign Companies & Section 25 Companies)	Total number of Committee Chairmanship Held	Number of other Directorship held
Executive					
Mr. Mahesh Munjal (Managing Director)	4	Yes	1	-	2
Mr. Aayush Munjal (Whole Time Director)	4	Yes	-	-	-
Ms. Ashima Munjal (Whole Time Director)	4	Yes	1	-	2
Non-Executive and Independent					
Dr. M. A. Zahir	4	Yes	4	4	6
Maj. Shavinder Singh Khosla	4	Yes	2	1	-
Mr Vikas Nanda	4	Yes	2	2	1

- `Mr. Naveen Jain has been appointed as Additional Director pursuant to the section 161 of the Companies Act, 2013 with effect from August 10, 2018.
 - `Mr. Shavinder Singh Khosla has resigned from the post of Independent Director w.e.f. August 10, 2018.
- A. Independent Directors have no pecuniary relationship with other Directors of the Company. Ms. Aashima Munjal is daughter and Mr. Aayush Munjal is son of Mr. Mahesh Munjal, who is the Chairman and Managing Director of the Company. Chairmanships/Memberships of Board Committees include only Audit and Shareholders/Investors Grievance Committees.
 - 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.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Discloser Requirements) Regulations 2015, 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 judgment etc.

At the time of appointing a Director, a formal letter of appointment is given to the Director, 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 and SEBI (Listing Obligations and Discloser Requirements) Regulations, 2015. 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 fulfill 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) also the information as required to be placed before the Board in terms of Regulation 17(7) of the SEBI (Listing Obligations and Discloser Requirements) Regulations, 2015.

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.

CEO/CFO Certification

In terms of Regulation 17(8) and Part-B of Schedule II of the LODR, CMD and the CFO of the Company have certified to the Board regarding the Financial Statements for the year ended 31st March, 2018.

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 financial Year ended 31st March, 2018, four meetings of Audit committee were held on May 29, 2017, August 30, 2017, November 14, 2017 and February 07, 2018. The Composition of the Audit Committee and attendance record of members of the Audit Committee for the financial year 2017-18 is as under:

(Rs. in lacs)		
Name of the Director	Category	No. of Audit Committee Meetings Attended
Mr. Vikas Nanda (Chairman)	(Non-Executive and Independent Director)	4
Dr. M. A. Zahir	(Non-Executive and Independent Director)	4
Maj. Shavinder Singh Khosla	(Non-Executive and Independent 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 Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. As on March 31, 2018, the Committee has three Non-Executive Independent Directors in accordance with the prescribed guidelines. All the members have sound knowledge in the field of finance, accounting and law.

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. The power and role of the Remuneration Committee is as per Section 178 of the Companies Act, 2013 and regulation set out under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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.

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 V to the Companies Act, 2013 as minimum remuneration.

IV. Nomination and Remuneration Committee

During this financial year no Nomination and Remuneration Committee meeting was not held. The Composition of the Nomination and Remuneration Committee for the financial year 2017-18 is as under:

Director	Category	No of Remuneration Committee meeting Attended
Mr. Vikas Nanda (Chairman)	Non-Executive and Independent Director	-
Maj. Shavinder Singh Khosla	Non-Executive and Independent Director	-
Dr. M. A. Zahir	Non-Executive and Independent Director	-

The Nomination and 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) /

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 details of remuneration paid to Directors for the Financial Year 2017-18 are furnished below (Managing Director and Whole Time Director):

Name	Salary and other perquisites	Commission	Total
Maresh Munjal (Managing Director)	114.07	-	114.07
Aayush Munjal (Whole Time Director)	31.64	-	31.64
Total	145.71	-	145.7

• The Company had entered into service contract with Mr. Maresh Munjal, the Managing Director of the Company for a period of 3 years which will be completed on 28.10.2018 and appointment of Mr. Maresh Munjal for further period of 3 years is recommended to the members of the Company.

• The Company had appointed Mr. Aayush Munjal as Whole Time Director with effect from 14.08.2015 till 14.08.2018

B) The details of the sitting fees paid to the Non-Executive Directors during the financial year 2017-18 are given below:

Particulars of Remuneration	Name of Directors			Total Amount
Independent Directors	M.A. Zahir	S. S. Khosla	Vikas Nanda	
Sitting fees	60,000	67,500	60,000	1,87,500
Commission	-	-	-	-
Others, please specify	-	-	-	-
Total (1)	60,000	67,500	60,000	1,87,500

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 meeting of this committee were held on September 29, 2017 and March 30, 2018 to review the status of shareholder's complaints 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. Maresh Munjal	Executive Director	2
Ms. Ashima Munjal	Non-Executive Director	2

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. During the financial year no 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

During the Financial Year ended 31st March, 2018, one meeting of committee was held on February 07, 2018. The Composition of the Committee and attendance record of members for the financial year 2017-18 is as under:

Name of the Director	Category	No. of Audit Committee Meetings Attended
Mr. Vikas Nanda	(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

The details of familiarization programme for Independent Directors are available on the Company's website and the web link [www.Majesticauto.in/investors/corporate governance /familiarisation programme for Independent Directors](http://www.Majesticauto.in/investors/corporate%20governance/familiarisation%20programme%20for%20Independent%20Directors).

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 at are given below:

(i) Annual General Meetings

Year	Location	Date	Time	Special Resolutions Passed
2014-15	At the premises of Mohini Resorts, Near Sector-32, Chandigarh Road, Ludhiana-141010	Sept. 30, 2015	11.00 A.M.	-Appointment of Whole Time Director U/s 196,197 and 203. -Re- Appointment of Managerial Personnel U/s 196, 197 and 203.
2015-16	At the premises of Mohini Resorts, Near Sector-32, Chandigarh Road, Ludhiana-141010	Sept. 30, 2016	11.00 A.M.	-Appointment of Joint Managing Director U/s 196,197 and 203. - Change in Articles of Associations of the Company U/s 14.
2016-17	At the premises of Mohini Resorts, Near Sector-32, Chandigarh Road, Ludhiana-141010	Sept. 29, 2017	11.00 A.M.	-

(ii) Extraordinary General Meeting:

No Extraordinary General Meeting of the Members was held during the year 2017-18.

(iii) Postal Ballot:

During the financial year 2017-18 ended on March 31, 2018, following resolution were passed by postal ballot by way of special resolution:

1. Sell / Transfer/ Dispose off tangible and intangible assets of the Company.
2. Amendment to Object clause of the Memorandum of Association.
3. Amendment to clause IV of the Memorandum of Association.

Person conducting the Postal Ballot/E-voting

Mr. Nitin Bhatia of M/s Nitin Bhatia & Co., Company Secretaries, New Delhi (CP No. 12902) was appointed as scrutinizer for conducting the postal ballot/ e-voting process in a fair and transparent manner. Mr. Nitin Bhatia conducted the postal ballot/ e-voting process and submitted his report to the Company.

Procedure followed for Postal Ballot/ E-voting

In Compliance with the Listing Regulations and Section 108, 110 and other applicable provisions of the companies Act, 2013, read with the rules made thereunder, the Company provided electronic voting facility to all its members, to enable them to cast their votes electronically. The result of postal ballot/ e-voting is placed at the website of the Company at www.majesticauto.in besides being communicated to Stock Exchange and Registrar and Share Transfer Agent.

Details of Voting Pattern

Based on the Scrutinizers' Report, the details of voting pattern in respect of the Special Resolutions is as under:

Details of Resolutions	Number of valid Votes	Votes cast in favour of the resolution (no & % age)	Votes cast against the resolution (no & % age)
Sell / Transfer/ Dispose off tangible and intangible assets of the Company.	7766537	7766485(99.99%)	52(0.01%)
Amendment to Object clause of the Memorandum of Association.	7757734	7757734 (100%)	NIL
Amendment to clause IV of the Memorandum of Association.	7757734	7757734 (100%)	NIL

IX. Disclosures

1. Related parties and transactions with them as required under Accounting Standard 18 (AS-18)/Ind-AS are

furnished under Notes to the Accounts attached with the financial statements for the year ended March 31, 2018. 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 regulations of SEBI (Listing Obligations and Discloser Requirements) Regulations, 2015 Managing Directors and CFO has issued a certificate to the Board enclose IX for the Financial Year ended March 31,2018.

2. The company has a Whistle Blower Policy in place for employees to report concerns about unethical behavior. No personnel have been denied to approach the Management or the Audit Committee on any issue.
3. 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,
4. 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, by authorized mode, 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 India edition) and Desh 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 Saturday, 28th September, 2018, 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, 2018, Results were announced on :

First quarter ended June 30, 2017	August 31, 2017
Second quarter ended September 30, 2017	November 14, 2017
Third quarter ended December 31, 2017	February 07, 2018
Fourth quarter ended March 31, 2018	May 14, 2018

3. For the Year ending March 31, 2018, Results will be announced on (Tentative and subject to change)

First quarter results (June 30, 2018)	August 10, 2018
Second quarter / half year results (Sept. 30, 2018)	Second week of Nov. 2018
Third quarter results (Dec. 31, 2018)	Second week of Feb. 2019
Fourth quarter and year ending (March 31, 2019)	Last week of May, 2019
Annual General Meeting for the year ended March 31, 2019	September, 2018

4. Dates of book closure:

The dates of book closures are from September 21, 2018 to September 28, 2018 (both days inclusive).

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

6. Listing on Stock Exchange

Listing fees for the 2017-2018 have been paid to the Bombay Stock Exchange Limited, Mumbai within the stipulated time.

Stock Exchange where listed Address

Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400001

7. Stock Codes: 500267 at Bombay Stock Exchange Limited

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

9. 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 2017	May 2017	June 2017	July 2017	Aug. 2017	Sept 2017	Oct. 2017	Nov. 2017	Dec. 2017	Jan. 2018	Feb. 2018	March 2018
High(Rs.)	120.70	138.05	182.35	180.80	160.00	163.85	180.00	191.50	233.60	205.60	171.10	158.00
Low(Rs.)	101.80	97.95	127.00	133.25	128.05	129.00	143.00	138.05	160.00	156.00	122.00	123.00

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.. 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.

12. Investors' services

The Company has a Board level Committee dealing with investor's issue, which has been discussed in detail earlier. The details of complaints/requests/reminders received and redressed during the year from 01.04.2017 to 31.03.2018 are given here under.

Sr. No.	Nature of Complaints/Requests/Reminders	From 01.04.2017 to 31.3.2018 Received	Cleared
1.	Old Shares for Demat / Transfer	1	1
2.	Change of Address & Updation of Signature	-	-
3.	Unclaimed Share Certificate and POA	-	-
4.	Correction in Name	-	-
5.	Transmission of Share	-	-
6.	Loss of Certificate	-	-

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 31.03.2018.

13. Distribution of shareholding as on March 31st , 2018

No. of shares held Value (Rs.10/- paid up)	Folios		Shares of Rs.10/-paid up	
	Number	%	Number	%
Upto 5000	5002	98.83	1375311	13.22
5001 to 10000	27	0.53	204794	1.96
10001 to 20000	18	0.35	262603	2.52
20001 to 30000	3	0.06	76000	0.73
30001 to 40000	5	0.09	154378	1.48
40001 to 50000	1	0.02	40421	0.38
50001 to 100000	1	0.02	53798	0.51
100001 to 500000	3	0.06	472486	4.54
500001 TO Above	1	0.02	7757687	74.61
TOTAL	5061	100	10397478	100

14. Shareholding pattern as on March 31st 2018

Category	Holders (No.)	No. of Equity Shares	%age
Promoters			
Indian Promoters	2	7798108	75
Total Promoter Holding	2	7798108	75
Non Promoter Holding			
Foreign Portfolio Investors	5	2251	0.02
Mutual Funds	4	2778	0.03
Indian Public	4622	2243677	21.58
Others			
Body Corporates	118	257471	2.47
NRI/OCBS	41	15432	0.15
Co-op., HUF, Banks, Co-op. Societies, Trust, others	177	77761	0.74
Total Non-Promoter Holding	5184	2599370	25
Grand Total	5186	10397478	100

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, 2018, 98.35% of total Equity Share Capital i.e. 1,02,32,851

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 under SEBI (Listing Obligations and Discloser Requirements) Regulations, 2015.

23. Investors' correspondence may be addressed to:

Ms. Juhi Garg
Company Secretary
A-110, Sector-4 Noida-201301
e-mail: grievance@majesticauto.in, juhi.garg@mitsl.in

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

Mr. Rajpal Singh Negi, 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]	249	30,607
Addition made during the year [B]	Nil	Nil
Total [C] = [A] + [B]	249	30,607
Shareholders who approached Company for transfer of shares from suspense Account during the year	-	-
Shareholders to whom shares were transferred from suspense account during the year [D]*	-	-
Shareholders in process as on March 31, 2018	Nil	Nil
Balance at the end of the year [E] = [C] – [D]	249	30,607

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.

CERTIFICATE UNDER REGULATION 17(8) OF THE SEBI (LODR) REGULATION, 2015

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, 2018 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 in violation 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.

For Majestic Auto Limited

Sd/-
Mahesh Munjal
Managing Director

Sd/-
Rajpal Negi
Chief Financial Officer

Date: 10/08/2018
Place: Noida

Declaration

I hereby confirm that the Company has received from all the members of the Board and Senior Management, for the financial year ended March 31, 2018, a confirmation that they are in compliance with the Company's Code of Conduct.

For Majestic Auto Limited

Sd/-
Mahesh Munjal
Managing Director
DIN: 00002990

Compliance Certificate on Conditions of Corporate Governance

To,
The Members of Majestic Auto Limited
C-48, Focal Point,
Ludhiana PB-141010

We have examined all relevant records of Majestic Auto Limited ("the Company") for the purpose of certifying the conditions of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended March 31, 2018. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof. This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

On the basis of our examination of the records produced, explanations and information furnished, we certify that the Company has complied with the conditions of the Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For and behalf of SAR & Associates

Chartered Accountants
(FRN: 122400W)

Sd/-
Anubhav Goyal
(Partner)

Date: 10/08/2018

Place: Noida

INDEPENDENT AUDITOR'S REPORT

To The Members of **MAJESTIC AUTO LIMITED**

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of MAJESTIC AUTO LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

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 were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. In conducting 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 and the Order issued under section 143(11) of the Act.

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards

require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

- a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) the Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
- d) in our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.

e) on the basis of the written representations received from the directors of the Company as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.

f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) 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, as amended, 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 standalone Ind AS financial statements.

ii. The Company did not have any long-term contracts including derivative contracts, for which there were any material foreseeable losses.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For SAR & Associates

Chartered Accountants
Firm Registration no. 122400W

Sd/-

CA Anubhav Goyal

Partner

Membership No. 123328

Place: Noida

Date: 14th May, 2018

ANNEXURE “A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of Majestic Auto Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of MAJESTIC AUTO LIMITED (“the Company”) as of March 31, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditor’s Responsibility

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

Our audit involves performing procedures to obtain audit

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over

financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Noida
Date: 14th May, 2018

For SAR & Associates

Chartered Accountants
Firm Registration no. 122400W

Sd/-

CA Anubhav Goyal

Partner
Membership No. 123328

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Majestic Auto Limited of even date)

I. In respect of the Company's fixed assets:

- a.** The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b.** The Company has a program of verification to cover all the items of fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
- c.** According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as fixed assets in the standalone Ind AS financial statements, the lease agreements are in the name of the Company.

ii. In respect of the Company's inventories:

- a.** The inventories except goods in transit in the custody of the Company have been physically verified during the year by the management. In our opinion, the frequency of the verification is reasonable.
- b.** There were no discrepancies noticed on physical verification of inventories.

iii. According to the information and explanations given to us, the Company has granted unsecured loans to one bodies corporate, covered in the register maintained under section 189 of the Companies Act, 2013, in respect of which:

- a.** The terms and conditions of the grant of such loans are, in our opinion, prima facie, not prejudicial to the Company's interest.
- b.** The schedule of repayment of principal and payment of interest has been stipulated and repayments or receipts of principal amounts and interest have been regular as per stipulations.
- c.** There is no overdue amount remaining outstanding as at the year-end.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act in respect of grant of loans, making investments and providing guarantees and securities, as applicable.

v. The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2018 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

vi. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 prescribed by Central Government under section 148(1) of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. However we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. According to the information and explanations given to us, in respect of statutory dues:

- a.** The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Value Added Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
- b.** There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Value Added Tax, Goods and Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks and financial institutions. The Company has not taken any loan from the government and has not issued any debentures.

ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.

x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

xi. In our opinion and according to the information and explanations given to us, the Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

xii. The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards

xiv. During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.

xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For SAR & Associates

Chartered Accountants

Firm Registration no. 122400W

Sd/-

CA Anubhav Goyal

Partner

Membership No. 123328

Place: Noida

Date: 14th May, 2018

Majestic Auto Limited
Balance sheet as at 31 March 2018

(Rs. in lakhs)				
	Note	31 March 2018	31 March 2017	1 April 2016
Assets				
Non-current assets				
Property, plant and equipment	2	7,154.28	14,691.69	16,043.97
Capital work-in-progress	2	-	-	8.61
Intangible assets	3	13.01	22.69	25.99
Financial assets				
Investments	4	41,646.84	40,620.57	38,451.65
Loans	5A	184.40	185.03	165.06
Other financial assets	6A	-	0.55	2.64
Non-current tax assets (net)	7A	70.84	46.68	13.67
Other non-current assets	8A	-	5.64	9.05
Total non-current assets		49,069.37	55,572.85	54,720.64
Current assets				
Inventories	9	384.51	1,778.38	1,841.41
Financial assets				
Trade receivables	10	756.11	3,101.94	2,339.89
Cash and cash equivalents	11	5.74	12.62	67.67
Other bank balances	12	54.59	9.54	7.73
Loans	5B	-	-	1,000.25
Other financial assets	6B	443.95	18.61	15.58
Current tax assets (net)	7B	-	-	176.79
Other current assets	8B	140.03	498.47	781.78
Total current assets		1,784.93	5,419.56	6,231.10
Assets held for sale	13	3,609.71	-	-
Total assets		54,464.01	60,992.41	60,951.74
Equity and liabilities				
Equity				
Equity share capital	14	1,039.82	1,039.82	1,039.82
Other equity	15	40,224.72	38,091.38	37,418.82
Total equity		41,264.54	39,131.20	38,458.64
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	16A	10,237.52	14,634.17	15,372.33
Other financial liabilities	17A	6.25	11.69	10.05
Provisions	18A	4.93	69.77	46.69
Deferred tax liabilities (net)	19	641.35	983.77	1,326.51
Total non-current liabilities		10,890.05	15,699.40	16,755.58
Current liabilities				
Financial liabilities				
Borrowings	16B	-	1,686.38	1,876.43
Trade payables	20	326.85	3,187.45	2,199.65
Other financial liabilities	17B	669.60	1,076.77	1,258.51
Other current liabilities	21	398.79	153.25	116.76
Provisions	18B	15.58	57.96	286.17
Total current liabilities		1,410.82	6,161.81	5,737.52
Liabilities directly associated with assets classified as held for sale	13	898.60	-	-
Total equity and liabilities		54,464.01	60,992.41	60,951.74

Summary of significant accounting policies and accompanying notes form an integral part of these financial statements.
This is the balance sheet referred to in our report of even date.

For **SAR & Associates**
Chartered Accountants
Firm Registration No. 122400W
Sd/-
CA Anubhav Goyal
Partner
Membership No. 123328

Place: Noida
Date: 14th May, 2018

For and on behalf of **Majestic Auto Limited**

Sd/-
(Rajpal Singh Negi)
Chief Financial Officer

Sd/-
(Juhi Garg)
Company Secretary
M.No. 35389

Sd/-
(Mahesh Munjal)
Managing Director
DIN 00002990

Sd/-
(S.S. Khosla)
Director
DIN 02942033

Majestic Auto Limited

Statement of profit and loss for the year ended 31 March 2018

		(Rs. in lakhs)	
	Note	31 March 2018	31 March 2017
Income			
Revenue from operations	22	896.64	605.50
Other income	23	848.68	904.77
Total income		1,745.32	1,510.27
Expenses			
Cost of facility management services		208.47	-
Employee benefits expense	24	315.85	346.18
Finance costs	25	583.60	689.30
Depreciation and amortisation expense	26	249.04	241.96
Other expenses	27	191.63	180.97
Total expenses		1,548.59	1,458.41
Profit before tax from continuing operations		196.73	51.86
Tax expense	28		
Deferred tax credit		(152.11)	(283.29)
Profit from continuing operations		348.84	335.15
Discontinued operations	29		
Loss from discontinued operation before tax		(1,761.82)	(2,599.11)
Tax expense/(credit) of discontinued operations		(459.75)	(533.18)
Loss from discontinued operation		(1,302.07)	(2,065.93)
Loss for the year		(953.23)	(1,730.78)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement gain on defined benefit plans		92.79	218.91
Less: Income tax expense relating to items that will not be reclassified to profit and loss		(24.12)	(75.76)
Gain on fair value of FVOCI equity instruments		3,263.23	2,731.40
Less: Income tax expense relating to items that will not be reclassified to profit and loss		(245.33)	(471.21)
Total comprehensive income for the year		2,133.34	672.56
Earnings per equity share (for continuing operations):	30		
Basic (Rs.)		3.36	3.22
Diluted (Rs.)		3.36	3.22
Earnings per equity share (for discontinued operations):			
Basic (Rs.)		(12.52)	(19.87)
Diluted (Rs.)		(12.52)	(19.87)
Earnings per equity share (for discontinued and continuing operations):			
Basic (Rs.)		(9.16)	(16.65)
Diluted (Rs.)		(9.16)	(16.65)

Summary of significant accounting policies and accompanying notes form an integral part of these financial statements.
This is the statement of profit or loss referred to in our report of even date.

Summary of significant accounting policies and accompanying notes form an integral part of these financial statements.
This is the balance sheet referred to in our report of even date.

For **SAR & Associates**
Chartered Accountants
Firm Registration No. 122400W
Sd/-
CA Anubhav Goyal
Partner
Membership No. 123328

Place: Noida
Date: 14th May, 2018

For and on behalf of **Majestic Auto Limited**

Sd/-
(Rajpal Singh Negi)
Chief Financial Officer

Sd/-
(Juhi Garg)
Company Secretary
M.No. 35389

Sd/-
(Mahesh Munjal)
Managing Director
DIN 00002990

Sd/-
(S.S. Khosla)
Director
DIN 02942033

Majestic Auto Limited

Statement of changes in equity as at 31 March 2018

(Rs. in lakhs)

A Equity share capital*

Particulars	Opening balance as at 1 April 2016	Changes in equity share capital during the year	Balance as at 31 March 2017	Changes in equity share capital during the year	Balance as at 31 March 2018
Equity share capital	1,039.82	-	1,039.82	-	1,039.82

(Rs. in lakhs)

B Other equity**

Particulars	Reserves and surplus			Other comprehensive income	Total
	General reserve	Securities premium reserve	Retained earnings	Equity instruments through other comprehensive income	
Balance as at 1 April 2016	500.00	129.52	15,252.73	21,536.57	37,418.82
Loss for the period	-	-	(1,730.78)	-	(1,730.78)
Other comprehensive income (net of tax)	-	-	143.15	2,260.19	2,403.34
Transfer on disposal of equity investment	-	-	523.46	(523.46)	-
Balance as at 31 March 2017	500.00	129.52	14,188.56	23,273.30	38,091.38
Loss for the period	-	-	(953.23)	-	(953.23)
Other comprehensive income (net of tax)	-	-	68.67	3,017.90	3,086.57
Transfer on disposal of equity investment	-	-	2,113.71	(2,113.71)	-
Balance as at 31 March 2018	500.00	129.52	15,417.71	24,177.49	40,224.72

*Refer note 14 for details

**Refer note 15 for details

Summary of significant accounting policies and accompanying notes form an integral part of these financial statements.
This is the statement of profit or loss referred to in our report of even date.

Summary of significant accounting policies and accompanying notes form an integral part of these financial statements.
This is the balance sheet referred to in our report of even date.

For **SAR & Associates**
Chartered Accountants
Firm Registration No. 122400W
Sd/-
CA Anubhav Goyal
Partner
Membership No. 123328

Place: Noida
Date: 14th May, 2018

For and on behalf of **Majestic Auto Limited**

Sd/-
(Rajpal Singh Negi)
Chief Financial Officer

Sd/-
(Juhi Garg)
Company Secretary
M.No. 35389

Sd/-
(Mahesh Munjal)
Managing Director
DIN 00002990

Sd/-
(S.S. Khosla)
Director
DIN 02942033

Majestic Auto Limited

Cash Flow Statement for the year ended 31 March 2018

(Rs. in lakhs)

A CASH FLOW FROM OPERATING ACTIVITIES	31 March 2018	31 March 2017
Profit/(loss) before tax from		
Continuing operations	196.73	51.86
Discontinued operations	(1,761.82)	(2,599.11)
Loss before tax including discontinued operations	(1,565.09)	(2,547.25)
Adjustments for:		
Depreciation on property, plant and equipment	768.02	1,701.29
Loss/(gain) on disposal of property, plant and equipment	113.73	(117.42)
Interest income	(42.13)	(41.95)
Dividend income	(782.85)	(853.47)
Allowance for doubtful debts/balances write back	(130.06)	122.02
Finance costs	1,202.00	1,613.22
Operating loss before working capital changes	(436.38)	(123.56)
Movement in working capital		
Decrease in inventories	1,393.87	63.03
Increase in other financial assets	(424.79)	(0.94)
Decrease/(increase) in trade receivables	2,475.89	(884.07)
Decrease other non-current assets	5.64	3.41
Decrease in other current assets	358.44	283.31
Decrease in other financial liabilities	(105.48)	(70.34)
Increase in other current liability	1,144.14	36.49
(Decrease)/increase in provisions	(14.43)	13.78
(Decrease)/increase in trade and other payables	(2,860.60)	987.80
Cash flow from operating activities	1,536.30	308.91
post working capital changes		
Income tax paid (net)	(24.16)	70.55
Net cash flow from operating activities (A)	1,512.14	379.46
B CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangible assets and intangible assets	(85.01)	(362.08)
Proceeds from disposal of property, plant and equipment, capital work-in-progress and intangible assets (net of advance)	3,140.63	142.40
Proceeds from sale of investments	2,236.96	562.48
Redemption in margin money	(45.05)	(1.81)
Cash loans and advances	0.63	980.28
Dividend received	782.85	853.47
Interest received	42.13	41.95
Net cash flow from investing activities (B)	6,073.14	2,216.69
C CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	1,521.20	13,837.64
Repayment of borrowings	(7,913.23)	(14,875.62)
Interest paid	(1,202.00)	(1,613.22)
Net cash used in financing activities (C)	(7,594.03)	(2,651.20)
Decrease in cash and cash equivalents (A+B+C)	(8.75)	(55.05)
Cash and cash equivalents at the beginning of the year	12.62	67.67
Cash and cash equivalents at the end of the year*	3.87	12.62

*Net of book overdraft ₹ 1.87 lakhs (31 March 2017: Rs. nil).

This is the cash flow statement referred to in our report of even date.

Summary of significant accounting policies and accompanying notes form an integral part of these financial statements.
This is the balance sheet referred to in our report of even date.

For **SAR & Associates**
Chartered Accountants
Firm Registration No. 122400W
Sd/-
CA Anubhav Goyal
Partner
Membership No. 123328

Place: Noida
Date: 14th May, 2018

For and on behalf of **Majestic Auto Limited**

Sd/-
(Rajpal Singh Negi)
Chief Financial Officer

Sd/-
(Juhi Garg)
Company Secretary
M.No. 35389

Sd/-
(Mahesh Munjal)
Managing Director
DIN 00002990

Sd/-
(S.S. Khosla)
Director
DIN 02942033

Majestic Auto Limited

Notes to the standalone financial statements for the year ended 31 March 2018

Note - 2

Property, plant and equipment

(Rs. in lakhs)

Particulars	Freehold land	Leasehold land	Buildings	Plant and equipment	Furniture and fixtures	Office equipment	Vehicles	Total	Capital work in progress
Gross block									
At 1 April 2016*	442.98	3,245.75	6,613.67	17,685.48	149.05	274.20	301.49	28,712.62	8.61
Additions	-	-	38.06	305.79	10.53	7.66	-	362.04	-
Disposals	-	-	(5.84)	(0.53)	-	-	(27.46)	(33.83)	(8.61)
Balance as at 31 March 2017	442.98	3,245.75	6,645.89	17,990.74	159.58	281.86	274.03	29,040.83	-
Additions	-	-	15.13	27.43	-	5.88	36.57	85.01	-
Transferred to assets held for sale	(442.98)	-	(2,115.18)	(4,712.84)	-	-	-	(7,271.00)	-
Disposals/adjustments	-	-	(6.73)	(13,305.33)	(11.67)	(73.67)	(3.99)	(13,401.39)	-
Balance as at 31 March 2018	-	3,245.75	4,539.11	-	147.91	214.07	306.61	8,453.45	-
Accumulated depreciation									
At 1 April 2016*	-	198.90	1,122.05	10,920.40	95.40	234.44	97.46	12,668.65	-
Charge for the year	-	36.16	168.26	1,443.55	4.42	10.24	35.32	1,697.95	-
Disposals	-	-	(2.00)	(0.17)	-	-	(15.29)	(17.46)	-
Balance as at 31 March 2017	-	235.06	1,288.31	12,363.78	99.82	244.68	117.49	14,349.14	-
Charge for the year	-	36.16	169.54	514.93	5.97	5.24	34.07	765.91	-
Transferred to assets held for sale	-	-	(859.65)	(2,801.64)	-	-	-	(3,661.29)	-
Disposals/adjustments	-	-	(6.73)	(10,077.07)	(11.67)	(55.42)	(3.70)	(10,154.59)	-
Balance as at 31 March 2018	-	271.22	591.47	-	94.12	194.50	147.86	1,299.17	-
Net block as at 1 April 2016*	442.98	3,046.85	5,491.62	6,765.08	53.65	39.76	204.03	16,043.97	8.61
Net block as at 31 March 2017	442.98	3,010.69	5,357.58	5,626.96	59.76	37.18	156.54	14,691.69	-
Net block as at 31 March 2018	-	2,974.53	3,947.64	-	53.79	19.57	158.75	7,154.28	-

* Represents deemed cost on the date of transition to Ind AS. Gross block and accumulated depreciation from the previous GAAP have been disclosed for the purpose of better understanding of the original cost of assets.
Discontinued operations
Depreciation for the current year includes depreciation for discontinued operations ₹ 518.98 lakhs (31 March 2017: ₹ 1460.54 lakhs).

Majestic Auto Limited

Notes to the standalone financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Note - 3

Intangible assets

Particulars	Softwares	Total
Gross block		
At 1 April 2016*	57.45	57.45
Additions	0.04	0.04
Disposals	-	-
Balance as at 31 March 2017	57.49	57.49
Additions	-	-
Disposals	(9.66)	(9.66)
Balance as at 31 March 2018	47.83	47.83
Accumulated amortisation		
At 1 April 2016*	31.46	31.46
Charge for the year	3.34	3.34
Disposals	-	-
Balance as at 31 March 2017	34.80	34.80
Charge for the year	2.11	2.11
Disposals	(2.09)	(2.09)
Balance as at 31 March 2018	34.82	34.82
Net block as at 1 April 2016*	25.99	25.99
Net block as at 31 March 2017	22.69	22.69
Net block as at 31 March 2018	13.01	13.01

* Represents deemed cost on the date of transition to Ind AS. Gross block and accumulated amortisation from the previous GAAP have been disclosed for the purpose of better understanding of the original cost of assets.

Majestic Auto Limited

Notes to the standalone financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Note - 4

Notes to the financial statements for the year ended 31 March 2018

	31 March 2018	31 March 2017	1 April 2016
A Investments			
Investment in equity instruments			
Subsidiary companies (unquoted, at cost)			
Majestic IT Services Limited 16,776,500 (31 March 2017: 16,776,500 and 1 April 2016: 16,776,500) equity shares, fully paid up	1,677.65	1,677.65	1,677.65
Emirates Technologies Private Limited 16,000,000 (31 March 2017: 16,000,000 and 1 April 2016: 16,000,000) equity shares, fully paid up	7,320.00	7,320.00	7,320.00
Equity investment in others (quoted, at market value)			
Fair value through other comprehensive income 921,000 (31 March 2017: 981,000 and 1 April 2016 1,000,000) equity shares of Hero Moto Corp Limited	32,629.19	31,602.92	29,434.00
Investment in optionally convertible redeemable preference shares			
Subsidiary company (unquoted, at cost)			
Majestic IT Services Limited 200,000 (31 March 2017: 200,000 and 1 April 2016: 200,000) preference shares, fully paid up	20.00	20.00	20.00
	41,646.84	40,620.57	38,451.65
Aggregate amount of quoted investments	1,891.85	2,015.10	2,054.13
Aggregate market value of quoted investments	32,629.19	31,602.92	29,434.00
Aggregate amount of unquoted investments	9,017.65	9,017.65	9,017.65
Aggregate amount of impairment in the value of investments	-	-	-

Equity investment in others valued at fair value through other comprehensive income have been pledged as

Note - 5

	31 March 2018	31 March 2017	1 April 2016
A Loans non-current			
(Unsecured, considered good)			
Security deposits	184.40	185.03	165.06
	184.40	185.03	165.06
B Loans - current			
(Unsecured, considered good)			
Loans to subsidiaries	-	-	1,000.25
-	-	-	1,000.25

Majestic Auto Limited

Notes to the standalone financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Note - 6

	31 March 2018	31 March 2017	1 April 2016
A Other financial assets non-current (Unsecured, considered good)			
Finance lease recoverable	-	0.55	2.64
	-	0.55	2.64
B Other financial assets - current (Unsecured, considered good)			
Unbilled receivables	433.65	-	-
Finance lease recoverable	-	2.52	2.16
Advances recoverable in cash	10.30	16.09	13.42
	443.95	18.61	15.58

Note - 7

A Non - current tax assets (net)			
Advance income tax	70.84	46.68	13.67
	70.84	46.68	13.67
B Current tax assets (net)			
Advance income tax	-	-	971.79
Less: Provision for taxation	-	-	(795.00)
	-	-	176.79

Note - 8

A Other non-current assets (Unsecured, considered good)			
Prepaid expenses	-	5.64	9.05
	-	5.64	9.05
B Other current assets (Unsecured, considered good)			
Advances to suppliers	52.32	74.66	78.48
Prepaid expenses	11.72	17.74	29.52
Balance with government authorities	75.99	406.07	673.78
	140.03	498.47	781.78

Majestic Auto Limited

Notes to the standalone financial statements for the year ended 31 March 2018

(Rs. in n lakhs)

Note - 9

	31 March 2018	31 March 2017	1 April 2016
Inventories			
(Lower of cost or net realizable value)			
Finished goods	33.34	111.34	292.72
Raw materials and components	117.89	758.35	535.06
Stores and spares	154.11	329.07	155.26
Loose tools	22.42	117.10	17.02
Scrap	4.75	20.02	41.41
Goods-in-transit	-	0.05	102.42
Work-in-progress	52.00	442.45	697.52
	384.51	1,778.38	1,841.41

Amounts recognised in profit or loss

Write-downs of inventories to net realisable value amounted to ₹ 35.94 lakhs (31 March 2017 - ₹ nil). These were recognised as an expense during the year and included in 'changes in value of inventories of work-in-progress and finished goods' in statement of profit and loss.

Note - 10

Trade receivables*			
Considered good	756.11	3,227.12	2,339.89
Considered doubtful	274.68	274.78	277.94
Less: Impairment allowance (allowance for expected credit loss)			
Considered good	-	(125.18)	-
Considered doubtful	(274.68)	(274.78)	(277.94)
	756.11	3,101.94	2,339.89

*for related party balances refer note 36

Note - 11

Cash and cash equivalents			
Cash on hand	0.39	3.76	3.69
Cheques/drafts on hand	5.35	4.39	0.06
Balances with banks			
In current accounts	-	4.47	63.92
	5.74	12.62	67.67

Note - 12

Other bank balances			
Margin money *	54.59	9.54	7.73
	54.59	9.54	7.73

* Pledged as security for letters of credit/bank guarantees, for details refer note 38.

Majestic Auto Limited

Notes to the standalone financial statements for the year ended 31 March 2018

(Rs. in n lakhs)

Note - 13

Assets and liabilities classified as held for sale

During the year, management decided to discontinue 'Fine Blanking Components' and 'Electricals' divisions due to lack of viable orders, profitability and capital investment requirements for new technology. Consequently, certain assets and liabilities were classified as a disposal group.

	31 March 2018	31 March 2017	1 April 2016
Assets classified as held for sale			
Freehold land	442.98	-	-
Buildings	1,255.53	-	-
Plant and equipment	1,911.20	-	-
Total assets held for sale	3,609.71	-	-
Liabilities directly associated with assets classified as held for sale			
Advance received against sale of assets	(898.60)	-	-
Total liabilities held for sale	(898.60)		

The Company has sold certain Property plant and equipment which were part of the discontinued manufacturing operations. Further, the Company has identified certain Property, plant and equipment which were part of the discontinued manufacturing operations whose carrying amounts will be recovered principally through a sale transaction rather than through continuing use. The proposal has been approved by the Board of Directors and shareholders of the Company. The Company is in the process of closing the sale transaction and expects to realize the sale proceeds within next 12 months. Accordingly, the said Property plant and equipment have been classified as "Non-current asset held for sale".

Segment information

Plant and equipment is disclosed as part of the 'Electrical' segment which has now been discontinued. Freehold land and buildings are disclosed as part of the 'Facility Management Services' segment under Segment reporting disclosures.

Non-recurring fair value measurements

Asset classified as held for sale during the reporting period was measured at the lower of its carrying amount and fair value less costs to sell at the time of re-classification.

Majestic Auto Limited

Notes to the standalone financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Note - 14

Equity share capital		31 March 2018		31 March 2017		1 April 2016	
i	Authorised	Number	Amount	Number	Amount	Number	Amount
	15,000,000 Equity shares of ₹ 10/- each with voting rights	15,000,000	1,500.00	15,000,000	1,500.00	15,000,000	1,500.00
	25,000,000 Preference shares of ₹ 10/- each	25,000,000	2,500.00	25,000,000	2,500.00	25,000,000	2,500.00
			4,000.00		4,000.00		4,000.00
ii	Issued share capital						
	Equity share capital of face value of ₹ 10 each	10,398,978	1,039.90	10,398,978	1,039.90	10,398,978	1,039.90
			1,039.90		1,039.90		1,039.90
iii	Subscribed and fully paid up						
	Equity share capital of face value of ₹ 10/- each	10,397,478	1,039.82	10,397,478	1,039.82	10,397,478	1,039.75
	Add: Shares forfeited (amount paid up)		-		-		0.08
			1,039.82		1,039.82		1,039.82
iv	Reconciliation of number of equity shares outstanding						
	at the beginning and at the end of the year						
	Equity shares	Number	Amount	Number	Amount	Number	Amount
	Balance at the beginning of the year	10,397,478	1,039.82	10,397,478	1,039.82	10,397,478	1,039.75
	Add : Shares forfeited during the year	-	-	-	-	-	0.08
	Balance at the end of the year	10,397,478	1,039.82	10,397,478	1,039.82	10,397,478	1,039.82
vi	Details of shareholder holding more than 5% share capital						
	Name of the equity shareholders	Number	%	Number	%	Number	%
	M/s Anandi Investments Private Limited	7,757,687	74.61%	7,757,687	74.61%	7,757,687	74.61%

v Rights, preferences and restrictions attached to equity shares

The Company has one class of equity shares with paid up value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share on all resolutions submitted to shareholders. They have right to participate in the profits of the Company, if declared by the board as interim dividend and recommended by the board and declared by the members as final

dividend. They are also entitled to bonus/right issue, as declared by Company from time to time. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the Company, beside other rights available under the Companies Act.

The distribution will be in proportion to the number of equity shares held by the shareholders.

Majestic Auto Limited

Notes to the standalone financial statements for the year ended 31 March 2018

(Rs. in lakhs)

vii Details of shareholder holding more than 5% share capital

Name of the equity shareholders	Number	%	Number	%	Number	%
M/s Anandi Investments Private Limited	7,757,687	74.61%	7,757,687	74.61%	7,757,687	74.61%

viii Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, by way of bonus shares and shares bought back for the period of 5 years immediately preceding the balance sheet date

The Company has not issued any shares pursuant to contract(s) without payment being received in cash.

No bonus shares have been issued in preceding 5 years.

1500 equity shares of ₹ 10 per share were forfeited by Company against unpaid call money of ₹ 5 per equity share

Note - 15

Other equity

(i) Nature and purpose of other reserves

General reserve

General reserve is created out of the accumulated profits of the Company as per the provisions of Companies Act.

Retained earnings

All the profits made by the Company are transferred to retained earnings from statement of profit and loss.

Securities premium reserve

Securities premium reserve represents the amount received in excess of par value of securities (equity shares). Premium on redemption of securities is accounted in security premium available. Where security premium is not available, premium on redemption of securities is accounted in statement of profit and loss. Section 52 of Companies Act, 2013 specify restriction and utilisation of security premium.

Other comprehensive income

Other comprehensive income represents balance arising on account of changes in fair value of FVOCI equity instruments and gain/(loss) booked on re-measurement of defined benefit plans.

Majestic Auto Limited

Notes to the standalone financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Note - 16

		31 March 2018	31 March 2017	1 April 2016		
A Borrowings non-current						
Secured loans						
Term loans						
From banks		9,051.05	14,134.86	9,429.23		
From others		-	-	4,398.82		
Vehicle loan from banks		33.19	16.81	58.28		
Unsecured loans						
Loan from Directors		1,153.28	482.50	1,486.00		
		10,237.52	14,634.17	15,372.33		
Particulars	Nature of Security	Terms of repayment	Interest Rate	31 March 2018	31 March 2017	1 April 2016
Secured - term loan						
IDBI bank	Term loans are secured by mortgage over the immovable properties on charge on entire fixed pari-passu basis and first assets of the Company both present & future on pari-passu basis and also	'28 quarterly instalments commencing from 30 June 2011 with first 12 instalments of ₹ 38 lakhs each, next 12 instalments of ₹ 111 lakhs each and remaining 4 instalments of ₹ 103 lakhs each.	The rate of interest ranges from 11.40% to 12%.	-	229.00	457.00
Catholic Syrian Bank	secured by second charge 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.	26 quarterly instalments commencing from 31 May 2011 with first 12 instalments of ₹ 43.50 lakhs each, next 12 instalments of ₹ 125.75 lakhs each and last 2 instalments of ₹ 234.50 lakhs each.	The rate of interest ranges from 12.10% to 11.10%.	-	446.85	949.85
HDFC Bank	Primary hypothecate by way of subservient charges on all movable plant and machinery, fixed assets both present and future of the	Repayable after one year or rollover for further period.	The rate of interest ranges from 7.85% to 10%.	3,991.83	8,506.86	7,906.43
Deutsche Bank	Company and secondary by pledge of equity shares of Hero Motocorp Limited. Housing loan		The rate of interest ranges from 8% to 9.30%.	4,638.23	4,755.78	-
Punjab National Bank	Mortgage of flat no. C-100 (Block C), first floor, southern avenue, Maharani Bagh, New Delhi	180 equated monthly instalments of ₹ 11.05 lakhs each.	The rate of interest ranges from 8.65% to 10.50%.	854.56	909.44	953.86

Majestic Auto Limited

Notes to the standalone financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Particulars	Nature of Security	Terms of repayment	Interest Rate	31 March 2018	31 March 2017	1 April 2016
Secured - term loan						
Vehicle loan						
ICICI Bank	Vehicle loan is secured by mortgage of vehicle of the Company	36 EMI of ₹ 3.14 lakhs each.	10.09% per annum.	5.77	40.94	72.75
Canara Bank		60 EMI of ₹ 0.54 lakhs each	9.80% per annum.	15.07	19.89	21.91
Canara Bank		84 EMI of ₹ 0.47 lakhs each	8.90% per annum.	26.68	-	-
Others - secured						
Bajaj Finance Limited	Pledge of equity shares of Hero Moto Corp Limited.	Repayable within two year.	Ranges from 10% to 11%.	-	-	4,398.82
Unsecured						
Loan from Directors	Unsecured	Repayable as per s the term of individual deposit ranging from 24 months to 36 months from the date of acceptance of deposits.	10% per annum	1,153.28	482.50	1,486.00
Unamortised upfront fees on borrowing				-	(0.18)	7.62)
				10,685.42	15,391.07	16,239.00

Majestic Auto Limited

Notes to the standalone financial statements for the year ended 31 March 2018

(Rs. in lakhs)

	31 March 2018	31 March 2017	1 April 2016
B Borrowings - current			
Secured loans			
Working capital loans repayable on demand			
From banks	-	1,686.38	1,876.43
	-	1,686.38	1,876.43

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 and 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.

Reconciliation of liabilities arising from financing activities

The changes in the Company's liabilities arising from financing activities can be classified as follows:

Particulars	Long - term borrowings	Short - term borrowings	Total
1 April 2016	16,239.00	1,876.43	18,115.43
Cash flows:			
- Repayment	(14,233.92)	(641.70)	(14,875.62)
- Proceeds	13,385.99	451.65	13,837.64
31 March 2017	15,391.07	1,686.38	17,077.45
Cash flows:			
- Repayment	(6,226.85)	(1,686.38)	(7,913.23)
- Proceeds	1,521.20	-	1,521.20
31 March 2018	10,685.42	-	10,685.42

Note - 17

	31 March 2018	31 March 2017	1 April 2016
A Other financial liabilities non-current			
Security deposits	6.25	11.69	10.05
	6.25	11.69	10.05
B Other financial liabilities - current			
Current maturities of long-term borrowings	447.90	756.90	866.67
Book overdraft with banks	1.87	-	-
Others*	219.83	319.87	391.84
	669.60	1,076.77	1,258.51

* Represents provision for expenses at the end of the period.

Majestic Auto Limited

Notes to the standalone financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Note - 18

	31 March 20180	31 March 2017	1 April 2016
A Provisions - non-current			
Employee's post retirement/long-term benefits			
Gratuity	4.93	69.77	46.69
	4.93	69.77	46.69
B Provisions - current			
Employees' post retirement/long-term benefits			
Gratuity	15.58	57.96	286.17
	15.58	57.96	286.17

Note - 19

Deferred tax liabilities (net)			
Deferred tax liabilities arising on account of :			
Property, plant and equipment and other intangible assets	593.22	704.55	786.90
Financial instruments measured at amortised cost	-	1.26	3.27
Investment in fair value instruments measured at FVOCI	6,559.84	6,314.51	5,843.30
Deferred tax asset arising on account of :			
Minimum alternative tax credit *	978.13	978.13	978.13
Employee benefits	10.55	59.97	130.69
Allowances for doubtful debts	80.02	128.23	85.88
Unabsorbed business losses and depreciation**	5,443.01	4,870.22	4,112.26
	641.35	983.77	1,326.51

Majestic Auto Limited

Notes to the standalone financial statements for the year ended 31 March 2018

(Rs. in lakhs)

(i) Movement in deferred tax liabilities (net)				
Particulars	31 March 2017	Recognised in statement of profit and loss	Recognised in other comprehensive income	1 March 2018
Liabilities				
Property, plant and equipment and other intangible assets	704.55	(111.33)	-	593.22
Financial instruments measured at amortised cost	1.26	(1.26)	-	-
-				
Investment in fair value instruments measured at FVOCI	6,314.51	-	245.33	6,559.84
Assets				
Minimum alternative tax credit *	978.13	-	-	978.13
Employee benefits	59.97	(25.30)	(24.12)	10.55
Allowances for doubtful debts	128.23	(48.21)	-	80.02
Unabsorbed business losses and depreciation**	4,870.22	572.79	-	5,443.01
Total	983.77	(611.87)	269.45	641.35
Liabilities				
Property, plant and equipment and other intangible assets	786.90	(82.35)	-	704.55
Financial instruments measured at amortised cost	3.27	(2.01)	-	1.26
Investment in fair value instruments measured at FVOCI	5,843.30	-	471.21	6,314.51
Assets				
Minimum alternative tax credit *	978.13	-	-	978.13
Employee benefits	130.69	5.04	(75.76)	59.97
Allowances for doubtful debts	85.88	42.35	-	128.23
Unabsorbed business losses and depreciation**	4,112.26	757.96	-	4,870.22
Total	1,326.51	(889.71)	546.97	983.77

*** Expiry date of minimum alternative tax credit:**

Expiry year	31 March 2018	31 March 2017	1 April 2016
1 April 2019 - 31 March 2020	-	23.68	23.68
1 April 2020 - 31 March 2021	-	115.83	115.83
1 April 2021 - 31 March 2022	-	64.79	64.79
1 April 2024 - 31 March 2025	23.68	773.83	773.83
1 April 2025 - 31 March 2026	115.83	-	-
- 1 April 2026 - 31 March 2027	64.79	-	-
- 1 April 2029 - 31 March 2030	773.83	-	-
- Total	978.13	978.13	978.13

* From financial year ended 31 March 2018,

section 115JAA has been amended to provide tax credit determined under this section can be carried forward up to the 15th assessment year, immediately succeeding the assessment years in which such tax credit becomes allowable.

Majestic Auto Limited

Notes to the standalone financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Expiry date of unused tax losses and depreciation for which no deferred tax asset has been recognised:

Expiry year	31 March 2018	31 March 2017	1 April 2016
Unused tax losses			
1 April 2021 - 31 March 2022	304.84	304.84	304.84
1 April 2022 - 31 March 2023	1,924.89	1,924.89	1,801.68
1 April 2023 - 31 March 2024	2,550.81	2,550.81	2,550.81
1 April 2024 - 31 March 2025	903.84	903.84	903.84
1 April 2025 - 31 March 2026	1,541.39	1,541.39	-
- 1 April 2026 - 31 March 2027	1,842.92	-	-
Unabsorbed depreciation for indefinite period	9,622.96	9,016.42	7,748.89
Total	18,691.65	16,242.20	13,310.07

Note - 20

	31 March 2018	31 March 2017	1 April 2016
Trade payables			
Due to micro and small enterprises *	-	-	-
- Due to others	326.85	3,187.45	2,199.65
	326.85	3,187.45	2,199.65

*Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006") as at 31 March 2018, 31 March 2017 and 1 April 2016:

Particulars	31 March 2018	31 March 2017	1 April 2016
i the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	-	-	-
ii the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year; -	-	-	-
iii the amount of interest due and payable for the period of - delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	-	-	-
iv the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-	-
v 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 enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-	-

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

Majestic Auto Limited

Notes to the standalone financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Note - 21

	31 March 2018	31 March 2017	1 April 2016
Other current liabilities			
Payable to statutory authorities	350.99	43.95	60.68
Advance from customers	47.80	109.30	56.08
	398.79	153.25	116.76

Note - 22

	31 March 2018	31 March 2017
Income from operations		
Sale of services		
Service charges	896.64	605.50
	896.64	605.50

Note - 23

Other income		
Interest income		
- Bank deposits	1.00	0.89
- Others	41.13	40.63
Dividend received	782.85	853.47
Rent	6.73	1.28
Miscellaneous receipts	16.97	8.50
	848.68	904.77

Note - 24

Employee benefits expense		
Salaries and incentives	298.53	313.75
Contributions to provident and other fund	11.45	24.41
Staff welfare expenses	5.87	8.02
	315.85	346.18

Note - 25

Finance costs		
Interest on		
- Term loan from banks	583.60	689.30
Bank commission and charges	-	-
	583.60	689.30

Majestic Auto Limited

Notes to the standalone financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Note - 26

	31 March 2018	31 March 2017
Depreciation and amortisation expense		
Depreciation on:		
Property, plant and equipment	246.93	38.62
Amortisation on:		
Intangible assets	2.11	3.34
	249.04	241.96

Note - 27

Other expenses		
Water, electricity and fuel	27.40	60.07
Repairs and maintenance		
- Others	26.00	10.96
Legal and professional	53.86	58.06
Insurance	3.30	4.18
Rates and taxes	3.46	3.25
Auditor's remuneration		
- Statutory audit fee	2.50	2.50
Director's sitting fee	1.94	1.96
Miscellaneous expenses	73.17	39.99
	191.63	180.97

Note - 28

Income tax		
Tax expense comprises of:		
Current tax	-	-
Deferred tax credit	(152.11)	(283.29)
Income tax expense reported in the statement of profit and loss	(152.11)	(283.29)

Majestic Auto Limited

Notes to the standalone financial statements for the year ended 31 March 2018

(Rs. in lakhs)

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Company at 30.90% and the reported tax expense in profit or loss are as follows:

	31 March 2018	31 March 2017
Profit from continuing operations before income tax expense	196.73	51.86
Profit from discontinued operations before income tax expense	(1,761.82)	2,599.11)
	(1,565.09)	(2,547.25)
At India's statutory income tax rate of 30.90% (31 March 2017: 30.90%)*	(483.61)	(787.10)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Tax impact of exempted income	(235.96)	(229.63)
Tax impact of expenses which will never be allowed	4.05	2.10
Earlier years tax adjustments (net)	(148.61)	169.13
Allowable expenses	66.19	25.53
Effect of changes in tax rate	288.53	-
Tax impact of discontinued operations	459.75	533.18
Others	(102.45)	3.50
Income tax expense	(152.12)	(283.29)

* Changes in tax rate

The reduction of the Indian corporate tax rate from 30% to 25% is effective from 1 April 2018. As a result, the relevant deferred tax balances have been remeasured. Deferred tax expected to reverse in the year to 31 March 2019 has been measured using the effective rate that will apply in India for the period (25%).

The impact of the change in tax rate has been recognised in tax expense of statement of profit or loss, except to the extent that it relates to items previously recognised outside the statement of profit or loss.

Majestic Auto Limited

Notes to the standalone financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Note - 29

Discontinued operations

(i) Description

Pursuant to official notification issued on Bombay Stock Exchange ("BSE") dated 2 August 2017 and 7 September 2017 for electrical motor business of its "Electricals" division and official notification issued on Bombay Stock Exchange ("BSE") dated 5 October 2017 for fine blanking components business of its "Fine blanking components" division, the Company has discontinued both the divisions due to lack of viable orders, profitability and capital investment requirements for new technology. Consequently, revenue and expenses, gains and losses relating to the discontinuation of these divisions have been eliminated from profit or loss from the Company's continuing operations and are shown as a single line item in the statement of profit or loss.

	31 March 2018	31 March 2017
(ii) Financial performance and cash flow information		
Total income	8,516.64	19,141.59
Total expenses	10,164.73	21,858.12
Loss before tax	(1,648.09)	(2,716.53)
(Loss)/profit on disposal of non-current assets of discontinued operation	(113.73)	117.42
Loss before tax from discontinued operations	(1,761.82)	(2,599.11)
Tax expense		
Deferred tax credit	(459.75)	(606.42)
Earlier years tax adjustments (net)	-	73.24
Loss for the year from discontinued operations	(1,302.07)	(2,065.93)
Net cash outflow from operating activities	(510.70)	(333.70)
Net cash outflow from investing activities	(632.71)	(1,341.48)
Net cash outflow from financing activities	(618.40)	(923.92)
Net cash outflow from discontinued operation	(1,761.81)	(2,599.11)

Majestic Auto Limited

Notes to the standalone financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Note - 30

	31 March 2018	31 March 2017
Earnings per share		
Net profit attributable to equity shareholders	(953.23)	(1,730.78)
Profit from continuing operations (A)	348.84	335.15
Weighted average number of equity shares for basic EPS (B)	10,397,478.00	10,397,478.00
Effect of dilution	-	-
Weighted average number of equity shares adjusted for the effect of dilution (C)	10,397,478.00	10,397,478.00
Basic EPS (₹) (A/B)	3.36	3.22
Diluted EPS (₹) (A/C)	3.36	3.22
Loss from discontinued operations (A)	(1,302.07)	(2,065.93)
Weighted average number of equity shares for basic EPS (B)	10,397,478.00	10,397,478.00
Effect of dilution	-	-
Weighted average number of equity shares adjusted for the effect of dilution (C)	10,397,478.00	10,397,478.00
Basic EPS (₹) (A/B)	(12.52)	(19.87)
Diluted EPS (₹) (A/C)	(12.52)	(19.87)
Profit from continuing operations and discontinued operations (A)	(953.23)	(1,730.78)
Weighted average number of equity shares for basic EPS (B)	10,397,478.00	10,397,478.00
Effect of dilution	-	-
Weighted average number of equity shares adjusted for the effect of dilution (C)	10,397,478.00	10,397,478.00
Basic EPS (₹) (A/B)	(9.16)	(16.65)
Diluted EPS (₹) (A/C)	(9.16)	(16.65)

Financial instruments by category

Financial assets and financial liabilities measured at fair value in the statement of financial position are categorized into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Particulars	31 March 2018	31 March 2017	1 April 2016	(₹ in lakhs)
	FVOCI*	Amortised cost	FVOCI*	Amortised cost
Financial assets				
Investments				
Equity instruments	32,629.19	-	31,602.92	-
Trade receivables	-	756.11	-	2,339.89
Loans	-	-	-	1,000.25
Cash and cash equivalents	-	5.74	-	67.67
Other bank balances	-	54.59	-	7.73
Other financial assets	-	443.95	-	18.22
Security deposits	-	184.40	-	165.06
Total financial assets	32,629.19	1,444.79	31,602.92	3,598.82
Financial liabilities				
Borrowings	-	10,685.42	-	18,115.43
Trade payables	-	326.85	-	2,199.65
Other financial liabilities	-	227.95	-	401.89
Total financial liabilities	-	11,240.22	-	20,716.97

* These financial assets represents investment in equity instruments designated as such upon initial recognition.

The above table excludes Investment in subsidiaries, associate and joint venture, which are measured at cost as per Ind AS 27, 'Separate financial statements'.

Majestic Auto Limited

Notes to the standalone financial statements for the year ended 31 March 2018

(Rs. in lakhs)

(iii) Financial assets measured at fair value - recurring fair value measurements

The following table shows the levels within the hierarchy of financial assets measured at fair value on a recurring basis at 31 March 2018, 31 March 2017 and 1 April 2016:

(₹ in lakhs)					
Particulars	Period	Level 1	Level 2	Level 3	Total
Financial assets	31 March 2018	32,629.19	-	-	32,629.19
Investments at fair value through other comprehensive income					
Equity investments	31 March 2017	31,602.92	-	-	31,602.92
	01 April 2016	29,434.00	-	-	29,434.00

Majestic Auto Limited

Notes to the standalone financial statements for the year ended 31 March 2018

(Rs. in lakhs)

(iv) Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows:

Particulars	Level	31 March 2018		31 March 2017		1 April 2016	
		Carrying value	Fair value	Carrying value	Fair value	Carrying value	Fair value
Financial assets							
Loans	Level 3	-	-	-	-	1,000.25	1,000.25
Other financial assets	Level 3	-	-	3.07	3.08	4.80	4.82
Total financial assets		-	-	-	-	1,000.25	1,000.25
Financial liabilities							
Borrowings	Level 3	10,685.42	10,685.42	17,077.45	17,077.45	18,115.43	18,115.43
Other financial liabilities	Level 3	6.25	6.25	11.69	11.69	10.05	10.05
Total financial liabilities		10,691.67	10,691.67	17,089.14	17,089.14	18,125.48	18,125.48

The management assessed that cash and cash equivalents, trade receivables, other receivables, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- (i) Long-term fixed-rate and variable-rate receivables are evaluated by the Company based on parameters such as interest rates, individual creditworthiness of the customer and other market risk factors. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

Majestic Auto Limited

Notes to the standalone financial statements for the year ended 31 March 2018

(Rs. in lakhs)

(ii) The fair values of the Company's interest-bearing borrowings, loans and receivables are determined by applying discounted cash flows ('DCF') method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own nonperformance risk as at 31 March 2018 was assessed to be insignificant.

Note - 32

Financial risk management

The Company's activities expose it to credit risk, liquidity risk and market risk. The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, other financial assets	Aging analysis	Bank deposits, diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities.
Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting	Forward contract/hedging, if required.
Market risk - interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Negotiation of terms that reflect the market factors.
Market risk - security price	Investments in equity securities.	Sensitivity analysis	Portfolio diversification.

(A) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company's exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

(a) Credit risk management

(i) Credit risk rating

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets. The Company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

A: Low
B: Medium
C: High

Majestic Auto Limited

Notes to the standalone financial statements for the year ended 31 March 2018

(Rs. in lakhs)

The Company provides for expected credit loss based on the following:

Asset group	Basis of categorisation	Provision for expected credit loss
Low	Cash and cash equivalents, other bank balances, loans, trade receivables and other financial assets	12 month expected credit loss
Medium	Trade receivables	Life time expected credit loss or 12 month expected credit loss
High	Trade receivables	"Life time expected credit loss

Life time expected credit loss is provided for trade receivables.

Based on business environment in which the Company operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

		(₹ in lakhs)		
Credit rating	Particulars	31 March 2018	31 March 2017	1 April 2016
A: Low	Cash and cash equivalents, other bank balances, loans and other financial assets	688.68	226.35	1,258.93
B: Medium	Trade receivables	1,030.79	3,501.90	2,617.83

ii) Concentration of trade receivables

The Company's exposure to credit risk for trade receivables is presented as below. Loans and other financial assets majorly represents loans to employees and deposits given for business purposes.

		(₹ in lakhs)		
Particulars		31 March 2018	31 March 2017	1 April 2016
Auto components		786.74	1,080.69	831.67
Consumer electronics		110.87	2,251.66	1,648.10
IT Industry		69.05	-	55.64
Others		64.13	169.55	82.42
Total		1,030.80	3,501.90	2,617.83

Majestic Auto Limited

Notes to the standalone financial statements for the year ended 31 March 2018

(Rs. in lakhs)

(b) Credit risk exposure**(i) Provision for expected credit losses**

The Company provides for expected credit loss based on 12 month and lifetime expected credit loss basis for following financial assets –

As at 31 March 2018

(₹ in lakhs)

Particulars	"Estimated gross carrying amount at default"	"Expected credit losses"	Carrying amount net of impairment provision
Cash and cash equivalents	5.74	-	5.74
Trade receivables	1,030.79	(274.68)	756.11
Other bank balances	54.59	-	54.59
Loans	184.40	-	184.40
Other financial assets	443.95	-	443.95

As at 31 March 2017

(₹ in lakhs)

Particulars	"Estimated gross carrying amount at default"	"Expected credit losses"	Carrying amount net of impairment provision
Cash and cash equivalents	12.62	-	12.62
Trade receivables	3,501.90	(399.96)	3,101.94
Other bank balances	9.54	-	9.54
Loans	185.03	-	185.03
Other financial assets	19.16	-	19.16

As at 1 April 2016

(₹ in lakhs)

Particulars	"Estimated gross carrying amount at default"	"Expected credit losses"	Carrying amount net of impairment provision
Cash and cash equivalents	67.67	-	67.67
Trade receivables	2,617.83	(277.94)	2,339.89
Other bank balances	7.73	-	7.73
Loans	1,165.31	-	1,165.31
Other financial assets	18.22	-	18.22

Majestic Auto Limited

Notes to the standalone financial statements for the year ended 31 March 2018

(Rs. in lakhs)

(ii) Expected credit loss for trade receivables under simplified approach

The Company's trade receivables pertaining to income from sale of products and services has higher credit risk and accordingly allowance for expected credit loss is created using provision matrix approach.

	(₹ in lakhs)		
Particulars	31 March 2018	31 March 2017	1 April 2016
Gross amount of trade receivables	1,030.79	3,501.90	2,617.83
Expected loss rate	26.65%	11.42%	10.62%
Expected credit loss (loss allowance provision)	274.68	399.96	277.94

Due to discontinuation of two business the loss rates have increased in the current year.

Reconciliation of loss provision – lifetime expected credit losses		(₹ in lakhs)
Reconciliation of loss allowance		Trade receivables
Loss allowance as on 1 April 2016		277.94
Impairment loss recognised		125.18
Amounts written off		(3.16)
Loss allowance on 31 March 2017		399.96
Impairment loss reversed		(125.18)
Amounts written off		(0.10)
Loss allowance on 31 March 2018		274.68

(B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the entity operates.

Majestic Auto Limited

Notes to the standalone financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities.

31 March 2018	Less than 1 year	1 - 2 years	2 - 5 years	More than 5 years	Total
Non-derivative					
Borrowings	1,517.41	2,798.01	1,544.19	5,507.88	11,367.49
Trade payable	326.85	-	-	-	326.85
Security deposits	-	6.25	-	-	6.25
Other financial liabilities	221.70	-	-	-	221.70
Total	2,065.96	2,804.26	1,544.19	5,507.88	11,922.29

31 March 2017	Less than 1 year	1 - 2 years	2 - 5 years	More than 5 years	Total
Non-derivative					
Borrowing	8,045.94	1,002.49	3,033.87	5,795.42	17,877.71
Trade payable	3,187.45	-	-	-	3,187.45
Security deposits	-	11.69	-	-	11.69
Other financial liabilities	319.87	-	-	-	319.87
Total	11,553.26	1,014.18	3,033.87	5,795.42	21,396.72

1 April 2016	Less than 1 year	1 - 2 years	2 - 5 years	More than 5 years	Total
Non-derivative					
Borrowings	10,889.53	6,538.70	421.14	1,150.24	18,999.61
Trade payable	2,199.65	-	-	-	2,199.65
Security deposits	-	10.05	-	-	10.05
Other financial liabilities	391.84	-	-	-	391.84
Total	13,481.02	6,548.75	421.14	1,150.24	21,601.15

Majestic Auto Limited

Notes to the standalone financial statements for the year ended 31 March 2018

(Rs. in lakhs)

The Company had access to following funding facilities :

As at 31 March 2018

Particulars	Total Facility	Drawn	Undrawn
Less than 1 year	1,975.00	1,366.84	608.16
1-2 years	2,653.28	2,653.28	-
Above 2 years	5,763.23	5,763.23	-
Total	10,391.51	9,783.35	608.16

As at 31 March 2017

Particulars	Total Facility	Drawn	Undrawn
Less than 1 year	6,475.85	6,182.70	293.14
1-2 years	857.50	857.50	-
Above 2 years	7,380.78	7,380.78	-
Total	14,714.12	14,420.98	293.14

As at 1 April 2016

Particulars	Total Facility	Drawn	Undrawn
Less than 1 year	9,129.82	8,836.25	293.57
1-2 years	6,361.85	6,361.85	-
Above 2 years	-	-	-
Total	15,491.67	15,198.10	293.57

© Market risk

(I) Foreign exchange risk

The Company has international transactions and is exposed to foreign exchange risk arising from foreign currency transactions (imports and exports). Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency. The Company does not hedge its foreign exchange receivables/payables.

Majestic Auto Limited

Notes to the standalone financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Foreign currency risk exposure:				
Particulars	31 March 2018		31 March 2017	
	USD	"INR (Rs. in lakhs)"	USD	"INR (Rs. in lakhs)"
Receivables				
Trade receivable	-	-	3,715.50	2.41
Payables				
Trade payables	-	-	51,374.12	33.31
Net exposure	-	-	(47,658.62)	(30.90)

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

(₹ in lakhs)

Particulars	31 March 2018	31 March 2017
INR/USD increase by 5%	-	(1.55)
INR/USD decrease by 5%	-	1.55

(ii) Interest rate risk**Liabilities**

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Company's variable rate borrowing is subject to interest rate. Below is the overall exposure of the borrowing:

Particulars	31 March 2018	31 March 2017	1 April 2016
Variable rate borrowing	10,679.65	17,036.51	18,042.68
Fixed rate borrowing	5.77	40.94	72.75
Total borrowings	10,685.42	17,077.45	18,115.43

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	31 March 2018	31 March 2017
Interest rates – increase by 25 basis points	26.70	42.59
Interest rates – decrease by 25 basis points	(26.70)	(42.59)

(iii) Price risk

The Company's exposure to price risk arises from investments held and classified as FVOCI. To manage the price risk arising from investments, the Company diversifies its portfolio of assets.

Sensitivity analysis

Profit or loss and equity is sensitive to higher/lower prices of instruments on the Company's profit for the year -

Particulars	31 March 2018	31 March 2017
Price sensitivity		
Price increase by (5%) - FVOCI	1,631.46	1,580.15
Price decrease by (5%) - FVOCI	(1,631.46)	(1,580.15)

Majestic Auto Limited

Notes to the standalone financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Note - 33

Capital management

Risk management

The Company's objectives when managing capital are to

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

The Company monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

Particulars	31 March 2018	31 March 2017	1 April 2016
Net debts*	10,681.55	17,064.83	18,047.76
Total equity	41,264.54	39,131.20	38,458.64
Net debt to equity ratio	0.26	0.44	0.47

*Net debt = long-term borrowings + short-term borrowings + current maturities of long-term borrowings + book overdraft + interest accrued - cash and cash equivalents

Note - 34

Related party transactions

In accordance with the requirements of Ind AS 24 the names of the related party where control exists/ able to exercise significant influence along with the aggregate transactions and year end balances with them as identified and certified by the management are given below:

i) Parties where control exists:

(a) Holding Company:

- M/s Anadi Investments Private Limited

(b) Subsidiary:

- Majestic IT Services Limited
- Emirates Technologies Private Limited

(c) Key Management Personnel (KMP) and their Relatives:

- Mr. Mahesh Munjal (Managing Director)
- Ms. Aashima Munjal (Joint Managing Director)

- Mr. Aayush Munjal (Whole Time Director)
- Ms. Juhi Garg (Company Secretary) with effect from 3rd October 2017
- Mr. Rahul Tiwari (Company Secretary) till 30th August 2017
- Mr. Rajpal Singh Negi (Chief Financial Officer) with effect from 14th November 2017
- Mr. Prakash Chander Patro (Chief Financial Officer) till 30th August 2017
- Mr. Vikas Nanda (Independent Director) with effect from 14th February 2017
- Mr. Mohamad Abdul Zahir (Independent Director)
- Mr. Shavinder Singh Khosla (Independent Director)
- Mr. G.P. Sood (Independent Director) till 14th February 2017

(d) Enterprises over which Key Management Personnel is able to exercise significant influence with whom transactions has been undertaken:-

- M/s Munjal Showa Limited
- M/s OK Hosiery Mills Private Limited

Majestic Auto Limited

Notes to the standalone financial statements for the year ended 31 March 2018

(Rs. in lakhs)

ii) Transactions with related parties carried out in the ordinary course of business:

S.No	Particulars	Year	Related Parties			Total
			Subsidiary Company	Key Management Personnel and their relatives	Enterprise over which KMP exercise significant influence	
1	Sale of goods	31 March 2018	-	-	55.45	55.45
		31 March 2017	-	-	66.30	66.30
2	Purchase of goods	31 March 2018	52.76	-	-	52.76
		31 March 2017	-	-	-	-
3	Interest paid	31 March 2018	-	89.83	-	89.83
		31 March 2017	-	151.57	-	151.57
4	Rent paid	31 March 2018	-	-	2.94	2.94
		31 March 2017	-	-	-	-
5	Electricity expenses	31 March 2018	-	-	0.07	0.07
		31 March 2017	-	-	-	-
6	Sitting fees	31 March 2018	-	1.94	-	1.94
		31 March 2017	-	1.96	-	1.96
7	Facility management services	31 March 2018	500.00	-	-	500.00
		31 March 2017	600.00	-	-	600.00
8	Maintenance and management expenses	31 March 2018	70.00	-	0.49	70.49
		31 March 2017	-	-	-	-
9	Interest received	31 March 2018	30.99	-	-	30.99
		31 March 2017	27.17	-	-	27.17
10	Advance received for services	31 March 2018	200.00	-	-	200.00
		31 March 2017	-	-	-	-
11	Loan received	31 March 2018	-	1,099.75	-	1,099.75
		31 March 2017	-	1,652.50	-	1,652.50
12	Loan paid	31 March 2018	900.32	-	-	900.32
		31 March 2017	53.00	-	-	53.00
13	Remuneration paid*	31 March 2018	-	162.19	-	162.19
		31 March 2017	-	155.15	-	155.15

Majestic Auto Limited

Notes to the standalone financial statements for the year ended 31 March 2018

(Rs. in lakhs)

* The remuneration of Key Managerial Personnel included in various schedules to statement of profit and loss is as under:

Particulars	31 March 2018	31 March 2017
Salaries and incentives	160.89	153.13
Gratuity	1.30	2.02

iii) Closing balance with related parties in the ordinary course of business :

S.No	Particulars	Related Parties				Total
		Year	Subsidiary Company	Key Management Personnel and their relatives	Enterprise over which KMP exercise significant influence	
1	Loan given	31 March 2018	-	-	-	-
		31 March 2017	-	-	-	-
		01 April 2016	1,000.25	-	-	1,000.25
2	Loan taken	31 March 2018	-	1,153.28	-	1,153.28
		31 March 2017	-	482.50	-	482.50
		01 April 2016	-	1,486.00	-	1,486.00
3	Trade Payable	31 March 2018	104.05	-	3.82	107.87
		31 March 2017	-	-	-	-
		01 April 2016	-	-	-	-
4	Remuneration payable	31 March 2018	-	1.22	-	1.22
		31 March 2017	-	12.13	-	12.13
		01 April 2016	-	12.40	-	12.40
5	Trade receivable	31 March 2018	-	-	2.85	2.85
		31 March 2017	-	-	8.40	8.40
		01 April 2016	55.64	-	8.06	63.70

Majestic Auto Limited

Notes to the standalone financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Note - 35

Contingent liabilities and commitments (to the extent not provided for)**Contingent liabilities shall be classified as under:-**

Particulars	31 March 2018	31 March 2017	1 April 2016
(a) Claims against the company not acknowledged as debts			
Sales tax matters under U.P. Trade Tax Act	-	9.11	1.98
(b) Guarantees excluding financial guarantees; and			
Bank guarantees	44.20	44.20	109.57
(c) Letter of credit	-	444.64	230.69
Total	44.20	497.94	342.24

Excise duty/sales tax paid under protest amounting to ₹ 4.02 lakhs (previous years 31 March 2017 and 1 April 2016: ₹ 3.51 lakhs and ₹ 3.51 lakhs respectively) is appearing under the head balance with government authorities.

(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.

Note - 36

Leases disclosure as lessee**Operating leases**

The Company has taken on lease certain assets with lease term of 3 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 pursuant to Ind AS 17 is given hereunder:

Particulars	31 March 2018	31 March 2017	1 April 2016
Within one year	20.16	-	-
Later than one year but not later than five years	37.38	-	-
Later than five years	-	-	-

Majestic Auto Limited

Notes to the standalone financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Note - 37

Employee benefits

A Gratuity Risk

Salary increases	Actual salary increases will increase the plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
Investment risk	If plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
Discount rate	Reduction in discount rate in subsequent valuations can increase the plan's liability.
Mortality and disability	Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
Withdrawals	Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

i) Amounts recognized in the balance sheet

Particulars	31 March 2018	31 March 2017	1 April 2016
Present value of the obligation	24.08	135.75	333.52
Fair value of plan assets	3.57	8.02	0.67
Net obligation recognised in balance sheet as provision	20.51	127.73	332.86
Current liability (amount due within one year)	15.58	57.96	286.17
Non-current liability (amount due over one year)	4.93	69.77	46.69

ii) Expenses recognized in other comprehensive income

Particulars	31 March 2018	31 March 2017
Actuarial gain/(loss) on asset	(0.37)	0.33
Actuarial gain/(loss) on present benefit obligation	93.16	218.58
Unrecognised actuarial gain at the end of the year	92.79	218.91

iii) Actuarial (gain)/loss on obligation

Particulars	31 March 2018	31 March 2017
Actuarial (gain)/loss net on account of:		
- Changes in demographic assumptions	-	-
- Changes in financial assumptions	(6.49)	(5.30)
- Changes in experience adjustment	(86.66)	(213.28)

iv) Expenses recognised in statement of profit and loss

Particulars		
Current service cost	3.09	26.57
Net interest cost	9.63	26.63
Cost recognised during the year	12.72	53.20

Majestic Auto Limited

Notes to the standalone financial statements for the year ended 31 March 2018

(Rs. in lakhs)

v) Movement in the liability recognised in the balance sheet is as under:

Particulars	31 March 2017	31 March 2017
Present value of defined benefit obligation at the beginning of the year	135.75	333.52
Current service cost	3.09	26.57
Interest cost	10.24	26.68
Actuarial gain on obligation	(93.16)	(218.58)
Benefits paid	(31.83)	(32.45)
Present value of defined benefit obligation at the end of the year	24.08	135.75

vi) Change in plan assets is as under:

Particulars	31 March 2018	31 March 2017
Fair value of plan assets at the beginning of the period	8.02	0.67
Actual return on plan assets	0.23	0.39
Employer contribution	4.00	39.24
Benefits paid	(8.68)	(32.28)
Fair value of plan assets at the end of the period	3.57	8.02

vii) Major categories of plan assets (as percentage of total plan assets)

Funds managed by insurer	100%	100%	100%
Total	100%	100%	100%

viii) (a) For determination of the liability of the Company the following actuarial assumptions were used:

	31 March 2018	31 March 2017	1 April 2016
Discount rate	7.71% - 8.00%	7.54% - 8.00%	8.00%
Salary escalation rate	7.00% - 9.00%	7.00% - 9.00%	7.00% - 9.00%
Retirement Age (years)	58.00	58.00	58.00
Withdrawal rate			
Up to 30 years	3.00%	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%	2.00%
Above 44 years	1.00%	1.00%	1.00%
Mortality rates inclusive of provision for disability -100% of IALM (2006 – 08)			

viii) (b) Maturity profile of defined benefit obligation

Particulars	31 March 2018	31 March 2017
0 to 1 year	0.39	11.35
1 to 2 year	0.39	2.05
2 to 3 year	0.41	6.31
3 to 4 year	0.41	9.52
4 to 5 year	0.42	5.78
5 to 6 year	0.66	2.11
6 year onwards	21.40	98.63

Majestic Auto Limited

Notes to the standalone financial statements for the year ended 31 March 2018

(Rs. in lakhs)

ix) Sensitivity analysis for gratuity liability

Particulars	31 March 2018	31 March 2017
a) Impact of the change in discount rate		
Present value of obligation at the end of the year	24.08	135.75
Impact due to increase of 0.50 %	(0.80)	(5.20)
Impact due to decrease of 0.50 %	2.09	9.59
b) Impact of the change in salary increase		
Present value of obligation at the end of the year	24.08	135.75
Impact due to increase of 0.50 %	2.08	9.50
Impact due to decrease of 0.50 %	(0.81)	(5.19)
Sensitivities due to mortality and withdrawals are not material.		
Hence impact of change due to these is not calculated.		
Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable.		

Note - 38

Assets pledged as security

The carrying amounts of assets pledged as security are:

Particulars	31 March 2018	31 March 2017	1 April 2016
Non-current			
Second charge			
Investment in equity instruments valued through OCI	25,565.91	28,079.56	28,874.75
Total non-current assets pledged as security	25,565.91	28,079.56	28,874.75
Current			
First charge			
Margin money	54.59	9.54	7.73
Total current assets pledged as security	54.59	9.54	7.73
Total assets pledged as security	25,620.50	28,089.10	28,882.48

Majestic Auto Limited

Notes to the standalone financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Note - 39

Disclosures as per Indian Accounting Standard (Ind AS) 108 "Operating Segments"**a) Operating segments**

Management currently identifies the Company's three service lines as its operating segments as follows:

- Fine blanking components
- Electricals
- Facility management services

During the year ended 31 March 2018, Company has discontinued the 'Fine Blanking Components' and 'Electrical' operations and have included in Discontinued Operations.

b) Segment revenue and expenses

Revenue and expenses directly attributable to the segment

is considered as 'Segment Revenue and Segment Expenses'.

c) Segment assets and liabilities

Segment assets and liabilities include the respective directly identifiable to each of the segments.

These operating segments are monitored by the Company's chief operating decision maker and strategic decisions are made on the basis of segment operating results. Segment performance is evaluated based on the profit of each segment.

The following tables present

revenue and profit information and certain asset and liability information regarding the Company's reportable segments for the years ended 31 March 2018 and 31 March 2017.

Particulars	Facility management services		Discontinued operations		Total	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Revenue						
Sales to external customers	896.64	605.50	8,384.18	19,136.44	9,280.82	19,741.94
Inter-segment sale					-	-
Segment revenue	896.64	605.50	8,384.18	19,136.44	9,280.82	19,741.94
Interest revenue	42.13	41.52	-	0.43	42.13	41.95
Interest expense	583.60	689.30	618.40	923.92	1,202.00	1,613.22
Depreciation and amortisation	249.04	241.96	518.98	1,459.33	768.02	1,701.29
Write-down of inventories	-	-	35.94	-	35.94	-
Reversal of provisions	-	-	130.06	3.16	130.06	3.16
Dividend revenue	782.85	853.47	-	-	782.85	853.47
Disposals of property, plant and equipment	-	-	(113.73)	117.42	(113.73)	117.42
Segment result (profit/(loss) before tax)	196.73	51.86	(1,761.82)	(2,599.11)	(1,565.09)	(2,547.25)
Income tax expense	(152.11)	(283.29)	(459.75)	(533.18)	(611.86)	(816.47)
Material non-cash items other than depreciation and amortisation.	-	-	-	125.18	-	125.18
Segment assets	47,699.85	47,324.05	6,764.13	13,668.31	54,463.98	60,992.36
Segment liabilities	11,539.55	12,391.20	1,659.84	9,469.93	13,199.39	21,861.13
Additions to non-current assets other than financial instruments, deferred tax assets, net defined benefit assets	57.62	56.25	27.43	305.79	85.05	362.04

Geographical information

The operations of the Company are mainly carried out in India and therefore, geographical information is not disclosed.

Information about major customer

During the year ended 31 March 2018 revenue of approximately 38.49% (previous year 31 March 2017: 46.41%) are derived from a single external customer under 'Electrical Segment'.

Majestic Auto Limited

Notes to the standalone financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Note - 40

A Explanation of transition to Ind AS

1 Reconciliation of total equity as at 1 April 2016

Particulars	Note	1 April 2016		
		Previous GAAP*	Ind AS adjustments	Ind AS
Non-current assets				
Property, plant and equipment	6	16,051.96	(7.99)	16,043.97
Capital work-in-progress		8.61	-	8.61
Other intangible assets		25.99	-	25.99
Financial assets				
Investments	3	11,071.78	27,379.87	38,451.65
Loans		165.06	-	165.06
Other financial assets	6	-	2.64	2.64
Non - current tax assets (net)		13.67	-	13.67
Other non-current assets		9.05	-	9.05
Total non-current assets		27,346.12	27,374.52	54,720.64
Current assets				
Inventories		1,841.41	-	1,841.41
Financial assets				
Trade receivables		2,339.89	-	2,339.89
Cash and cash equivalents		67.67	-	67.67
Other bank balances		7.73	-	7.73
Loans		1,000.25	-	1,000.25
Other financial assets	6	13.42	2.16	15.58
Current tax asset (net)		176.79	-	176.79
Other current assets		781.78	-	781.78
Total current assets		6,228.94	2.16	6,231.10
Total assets		33,575.06	27,376.68	60,951.74
Equity				
Equity share capital		1,039.82	-	1,039.82
Other equity	1 to 7	15,902.58	21,516.24	37,418.82
Total equity		16,942.40	21,516.24	38,458.64
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	1	15,379.95	(7.62)	15,372.33
Other financial liabilities	6	15.07	(5.02)	10.05
Provisions		46.69	-	46.69
Deferred tax liabilities (net)	7 & 9	(4,544.93)	5,871.44	1,326.51
Total non-current liabilities		10,896.78	5,858.80	16,755.58
Current liabilities				
Financial liabilities				
Borrowings		1,876.43	-	1,876.43
Trade payables		2,199.63	-	2,199.65
Other financial liabilities		1,256.89	1.64	1,258.51
Other current liabilities		116.76	-	116.76
Provisions		286.17	-	286.17
Total current liabilities		5,735.88	1.64	5,737.52
Total equity and liabilities		33,575.06	27,376.68	60,951.74

* The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

Majestic Auto Limited

Notes to the standalone financial statements for the year ended 31 March 2018

(Rs. in lakhs)

2 Reconciliation of total equity as at 31 March 2017

Particulars	Note	31 March 2017		
		Previous GAAP*	Ind AS adjustments	Ind AS
Non-current assets				
Property, plant and equipment	6	14,698.44	(6.75)	14,691.69
Other intangible assets		22.69	-	22.69
Financial assets				
Investments	3	11,032.75	29,587.82	40,620.57
Loans		185.03	-	185.03
Other financial assets	6	-	0.55	0.55
Non - current tax assets (net)		46.68	-	46.68
Other non-current assets		5.64	-	5.64
Total non-current assets		25,991.22	29,581.62	55,572.85
Current assets				
Inventories		1,778.38	-	1,778.38
Financial assets				
Trade receivables	2	3,227.12	(125.18)	3,101.94
Cash and cash equivalents		12.62	-	12.62
Other bank balances		9.54	-	9.54
Other financial assets	6	16.09	2.52	18.61
Other current assets		498.47	-	498.47
Total current assets		5,542.22	(122.66)	5,419.56
Total assets		31,533.44	29,458.90	60,992.41
Equity				
Equity share capital		1,039.82	-	1,039.82
Other equity	1 to 7	14,922.44	23,168.94	38,091.38
Total equity		15,962.26	23,168.94	39,131.20
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	1	14,634.35	(0.18)	14,634.17
Other financial liabilities	6	18.87	(7.18)	11.69
Provisions		69.77	-	69.77
Deferred tax liabilities (net)	7 & 9	(5,313.55)	6,297.32	983.77
Total non-current liabilities		9,409.44	6,289.96	15,699.40
Current liabilities				
Financial liabilities				
Borrowings		1,686.38	-	1,686.38
Trade payables		3,187.38	-	3,187.45
Other financial liabilities		1,076.77	-	1,076.77
Other current liabilities		153.25	-	153.25
Provisions		57.96	-	57.96
Total current liabilities		6,161.74	-	6,161.81
Total equity and liabilities		31,533.44	29,458.90	60,992.41

* The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

Majestic Auto Limited

Notes to the standalone financial statements for the year ended 31 March 2018

(Rs. in lakhs)

3 Reconciliation of total comprehensive income for the year ended 31 March 2017

Particulars	Note	Previous GAAP*	Discontinued operation	Ind AS adjustments	Ind AS
Revenue					
Revenue from operations		19,741.94	(19,136.44)	-	605.50
Other income	6	1,026.91	(122.57)	0.43	904.77
Total revenue		20,768.85	(19,259.01)	0.43	1,510.27
Expenses					
Cost of materials consumed		12,405.69	(12,405.69)	-	-
Changes in inventories of finished goods, stock in trade and work in progress		457.84	(457.84)	-	-
Excise duty on sale of goods		2,050.82	(2,050.82)	-	-
Employee benefits expense	4	2,336.34	(2,209.08)	218.92	346.18
Finance costs	1	1,605.78	(923.92)	7.44	689.30
Depreciation and amortisation expense	6	1,702.50	(1,459.33)	(1.21)	241.96
Other expenses	2 & 5	2,408.85	(2,351.43)	123.55	180.97
Total expenses		22,967.83	(21,858.12)	348.70	1,458.41
Profit /Loss before exceptional items and tax		(2,198.98)	2,599.11	(348.27)	51.86
Exceptional items					
Profit on sale of long term investments	3	523.46	-	(523.46)	-
Profit before tax from continuing operations		(1,675.52)	2,599.11	(871.73)	51.86
Tax expense:					
Current tax		-	-	-	-
Deferred tax	7	(768.62)	606.42	(121.09)	(283.29)
Income tax for earlier years		73.24	(73.24)	-	-
Profit from continuing operations		(980.14)	2,065.93	(750.64)	335.15
Discontinued operations					
Loss from discontinued operation before tax		-	(2,599.11)	-	(2,599.11)
Tax expense/(credit) of discontinued operations		-	(533.18)	-	(533.18)
Loss from discontinued operation		-	(2,065.93)	-	(2,065.93)
Loss for the year		(980.14)	-	(750.64)	(1,730.78)
Other comprehensive income					
Items that will not be reclassified to profit and loss					
Re-measurement gains (losses) on defined benefit plans		-	218.91	218.91	
Income tax relating to items that will not be reclassified to profit and loss		-	-	(75.76)	(75.76)
Changes in fair value of FVOCI equity instruments		-	-	2,731.40	2,731.40
Income tax relating to items that will be reclassified to profit and loss		-	-	(471.21)	(471.21)
Total other comprehensive income for the year		(980.14)	-	1,652.70	672.56

Majestic Auto Limited

Notes to the standalone financial statements for the year ended 31 March 2018

B First time adoption of Ind AS

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies have been applied in preparing the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and in the preparation of an opening Ind AS balance sheet at 1 April 2016 (the Company's date of transition). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

C Ind AS optional exemptions

1 Deemed cost for property, plant and equipment and intangible assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets. Accordingly, the Company has elected to measure all of its property, plant and equipment, intangible assets at their previous GAAP carrying value.

2 Designation of previously recognised financial instruments

Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to Ind AS. The Company has elected to apply this exemption for its investment in equity investments.

D Ind AS mandatory exemptions

1 Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- a) Investment in equity instruments carried at FVTPL or FVOCI
- b) Impairment of financial assets based on expected credit loss model.

2 Classification and measurement of financial assets and liabilities

The classification and measurement of financial assets will be made considering whether the conditions as per Ind AS 109 are met based on facts and circumstances existing at the date of transition.

Financial assets can be measured using effective interest method by assessing its contractual cash flow characteristics only on the basis of facts and circumstances existing at the date of transition and if it is impracticable to assess elements of modified time value of money i.e. the use of effective interest method, fair value of financial asset at the date of transition shall be the new carrying amount of that asset. The measurement exemption applies for financial liabilities as well.

Applying a requirement is impracticable when the entity cannot apply it after making every reasonable effort to do so. It is impracticable to apply the changes retrospectively if:

- a) The effects of the retrospective application or retrospective restatement are not determinable;
- b) The retrospective application or restatement requires assumptions about what management's intent would have been in that period;

The retrospective application or retrospective restatement requires significant estimates of amounts and it is impossible to distinguish objectively information about those estimates that existed at that time.

3 De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing,

Majestic Auto Limited

Notes to the standalone financial statements for the year ended 31 March 2018

provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

The Company has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

E Other reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

1 Reconciliation of total equity as at 31 March 2017 and 1 April 2016:

(Rs. in lakhs)

Particulars	Notes to first time adoption	31 March 2017	1 April 2016
Total equity (shareholder's funds) as per previous GAAP		15,962.26	16,942.40
Adjustments:			
Impact of processing fees netted from borrowings	Note - 1	0.18	7.62
Impact of expected credit loss	Note - 2	(125.18)	-
Impact of investment designated at FVOCI	Note - 3	29,587.81	27,379.87
Impact of prior period expenses	Note - 5	-	(1.64)
Impact of finance lease	Note - 6	3.47	1.83
Tax impact on above adjustment	Note - 7	(6,297.34)	(5,871.44)
Total adjustments		23,168.94	21,516.24
Total equity as per Ind AS		39,131.20	38,458.64

Majestic Auto Limited

Notes to the standalone financial statements for the year ended 31 March 2018

(Rs. in lakhs)

2 Reconciliation of total comprehensive income for the year ended 31 March 2017:

Particulars	Notes to first time adoption	31 March 2017
Loss after tax as per previous GAAP		(980.14)
Adjustments:		
Impact of processing fees netted from borrowings	Note - 1	(7.44)
Impact of expected credit loss	Note - 2	(125.18)
Impact of investment designated at FVOCI	Note - 3	(523.46)
Re-measurement gains on defined benefit plans	Note - 4	(218.91)
Impact of prior period expenses	Note - 5	1.63
Impact of finance lease	Note - 6	1.65
Tax impact on above adjustments	Note - 7	121.07
Total adjustments		(750.64)
Loss for the year ended 31 March 2017		(1,730.78)
Re-measurement gains on defined benefit plans	Note - 4	143.15
Impact of investment designated at FVOCI	Note - 3	2,260.19
Total comprehensive income for the year ended 31 March 2017		672.56

3 Impact of Ind AS adoption on Statement of Cash Flows for the year ended on 31 March 2017:

Particulars	Previous GAAP*	Adjustments	Ind AS
Net cash flow from operating activity	1,248.58	(869.12)	379.46
Net cash flow from investing activity	1,237.81	978.88	2,216.69
Net cash used in financing activity	(2,541.44)	(109.00)	(2,651.20)
Net decrease in cash and cash equivalent	(55.05)	-	(55.05)
Cash and cash equivalent as at 1 April 2016	67.67	-	67.67
Cash and cash equivalent as at 31 March 2017	12.62	-	12.62

* The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

Majestic Auto Limited

Notes to the standalone financial statements for the year ended 31 March 2018

Note - 1

Borrowings Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method. Under previous GAAP, these transaction costs were shown as prepaid expense under non-current/current assets as and when incurred. Accordingly, borrowings as at 31 March 2017 have been reduced with a corresponding adjustment to prepaid expense head in non-current/current asset respectively.

Note - 2.

Provision for trade receivables using provision matrix approach.

Under previous GAAP, provision for trade receivables is recognised on specific identification method based on management assessment of recoverability of trade receivables. As per Ind AS 109, the Company is required to apply expected credit loss model (provision matrix approach) for recognising the allowance for doubtful receivables.

Note - 3

Investments designated at fair value through other comprehensive income

Under previous GAAP, investments are shown at cost. Under Ind AS, such instruments are required to be evaluated under Ind AS 109 which requires the Company to account for such instruments either at amortised cost or fair value. Ind AS requires the Company to record the fair value gains or (losses) on FVOCI equity instruments in case

of fair value instrument. Accordingly 'Investments' has been increased with a corresponding adjustment to other comprehensive income

Note - 4

Remeasurement of post-employment benefit obligations Under Ind AS, actuarial gains and losses on defined benefit plan liabilities and plan assets are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, such measurements were charged to profit or loss for the respective year.

Note - 5.

Prior period errors Under Ind AS, prior period errors need to be restated retrospectively and such restatement is made in the earliest comparative period presented and the amount of the adjustment is made in the opening balance of retained earnings of earliest year presented.

Note - 6

Leases

The Company has applied the transition provision of Ind AS 17, "Leases", and has assessed all arrangement as at the date of transition. Basis the assessment the Company has done the accounting for vehicle given on finance lease. The accounting has been done retrospectively and the impact on transition date has been recognised in retained earnings. For lease accounting on transition, Property, Plant and Equipment is derecognised and current/non-current other financial assets recognised. Difference towards reversal of retrospective depreciation and finance lease recognised as revenue instead of recovery of lease receivable adjusted against retained earnings.

Majestic Auto Limited

Notes to the standalone financial statements for the year ended 31 March 2018

Note - 7

Tax impact on adjustments Under previous GAAP, deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required Under previous GAAP.

Note - 8

Minimum alternate tax Ind AS 12 requires classification of MAT credit as deferred tax asset. Accordingly, the Company has reclassified MAT credit from loans and advances to deferred tax asset on each reporting date. There is no impact on the total equity or profit as a result of this

adjustment.

Note - 9

Retained earnings Retained earnings as at 1 April 2016 has been adjusted consequent to the above Ind AS transition adjustments.

Note - 10

Other comprehensive income Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes re-measurements of defined benefit plans and fair value gains or (losses) on FVOCI equity instruments and their corresponding income tax effects. The concept of other comprehensive income did not exist under previous GAAP.

For **SAR & Associates**
Chartered Accountants
Firm Registration No. 122400W

CA Anubhav Goyal
Partner
Membership No. 123328

Place: Noida
Date: 14th May, 2018

For and on behalf of **Majestic Auto Limited**

(Rajpal Singh Negi)
Chief Financial Officer

(Juhi Garg)
Company Secretary
M.No. 35389

(Mahesh Munjal)
Managing Director
DIN 00002990
(S.S. Khosla)
Director
DIN 02942033

INDEPENDENT AUDITOR'S REPORT

To The Members of **MAJESTIC AUTO LIMITED**

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of MAJESTIC AUTO LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2018, and Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS 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 including other comprehensive income, consolidated cash flows and consolidated changes in equity of the Group in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

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; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS 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 Ind AS financial statements by the Directors of the Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. In conducting 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 consolidated Ind AS 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 Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the Ind AS and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2018, and its consolidated profit, consolidated total comprehensive income, consolidated statement of changes in equity and its consolidated cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit we report that:

a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements.

INDEPENDENT AUDITOR'S REPORTTo The Members of **MAJESTIC AUTO LIMITED**

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of MAJESTIC AUTO LIMITED (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding and its subsidiaries together referred to as "the Group") which comprise the Consolidated Balance Sheet as at March 31, 2018, and Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and Consolidated Statement of Cash Flows for the year then ended and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS 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 including other comprehensive income, consolidated cash flows and

consolidated changes in equity of the Group in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

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; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS 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 Ind AS financial statements by the Directors of the Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing

For SAR & Associates
Chartered Accountants
Firm Registration no. 122400W

CA Anubhav Goyal
 Partner
 Membership No. 123328

Place: Noida
Date: 14th May, 2018

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Majestic Auto Limited of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of MAJESTIC AUTO LIMITED (hereinafter referred to as "the Holding Company") and its subsidiary companies, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Company and its subsidiary companies, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing, prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal

financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls,

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company and its subsidiary companies, have in all material respects, an

adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Noida
Date: 14th May, 2018

For SAR & Associates

Chartered Accountants
Firm Registration no. 122400W

Sd/-
CA Anubhav Goyal
Partner
Membership No. 123328

Majestic Auto Limited

Consolidated balance sheet as at 31 March 2018

				(Rs. in lakhs)
	Note	31 March 2018	31 March 2017	1 April 2016
Non-current assets				
Property, plant and equipment	2	7,233.58	14,736.27	16,051.80
Capital work-in-progress	2	-	-	8.61
Investment property	3	24,311.47	24,605.10	25,062.87
Goodwill	4	4,087.37	4,087.37	4,087.37
Other intangible assets	4	351.80	431.56	504.92
Financial assets				
Investments	5	32,629.19	31,602.92	29,434.00
Loans	6	332.99	292.49	247.15
Other financial assets	7A	95.91	127.89	208.75
Deferred tax assets (net)	8	156.05	198.64	200.46
Non-current tax assets (net)	9A	586.79	587.30	564.20
Other non-current assets	10A	4.50	11.72	16.72
Total non-current assets		69,789.65	76,681.26	76,386.85
Current assets				
Inventories	11	384.51	1,838.99	1,876.55
Financial assets				
Trade receivables	12	979.18	3,219.56	2,531.23
Cash and cash equivalents	13	38.71	45.98	105.41
Other bank balances	14	54.59	9.54	7.73
Other financial assets	7B	526.37	98.33	84.30
Current tax assets (net)	9B	-	-	176.79
Other current assets	10B	273.21	538.56	1,312.81
Total current assets		2,256.57	5,750.96	6,094.82
Assets held for sale	15	3,609.71	-	-
Total assets		75,655.93	82,432.22	82,481.67
Equity and liabilities				
Equity				
Equity share capital	16	1,039.82	1,039.82	1,039.82
Other equity	17	40,520.68	37,792.89	36,507.99
Equity attributable to the owners of the parent Company		41,560.50	38,832.71	37,547.81
Non-controlling interests		1,034.78	939.75	852.20
Total equity		42,595.28	39,772.46	38,400.01
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	18A	27,065.17	32,583.94	33,960.37
Other financial liabilities	19A	844.61	770.84	750.75
Provisions	20A	12.99	79.88	54.35
Deferred tax liabilities (net)	21	641.36	983.77	1,326.51
Other non-current liabilities	22A	146.65	137.18	226.83
Total non-current liabilities		28,710.78	34,555.61	36,318.81
Current liabilities				
Financial liabilities				
Borrowings	18B	535.33	1,996.53	2,986.08
Trade payables	23	309.11	3,363.72	2,358.28
Other financial liabilities	19B	2,046.95	2,441.85	1,920.56
Other current liabilities	22B	536.62	240.51	208.59
Provisions	20B	23.26	61.54	289.34
Total current liabilities		3,451.27	8,104.15	7,762.85
Liabilities directly associated with assets classified as held for sale	15	898.60	-	-
Total equity and liabilities		75,655.93	82,432.22	82,481.67

For **SAR & Associates**
Chartered Accountants
Firm Registration No. 122400W

Sd/-
CA Anubhav Goyal
Partner
Membership No. 123328

Place: Noida
Date: 14th May, 2018

For and on behalf of **Majestic Auto Limited**

Sd/-
(Rajpal Singh Negi)
Chief Financial Officer

Sd/-
(Juhi Garg)
Company Secretary
M.No. 35389

Sd/-
(Mahesh Munjal)
Managing Director
DIN 00002990

Sd/-
(S.S. Khosla)
Director
DIN 02942033

Majestic Auto Limited

Consolidated statement of profit and loss for the year ended 31 March 2018

	Note	31 March 2018	31 March 2017
(Rs. in lakhs)			
Income			
Revenue from operations	24	5,577.24	5,660.26
Other income	25	877.68	933.59
Total income		6,454.92	6,593.85
Expenses			
Cost of revenue	26	1,062.78	1,062.86
Employee benefits expense	27	455.60	480.10
Finance costs	28	2,297.12	2,692.58
Depreciation and amortisation expense	29	819.34	832.15
Other expenses	30	733.59	631.94
Total expenses		5,368.43	5,699.63
Profit before tax from continuing operations		1,086.49	894.22
Tax expense	31		
Current tax		177.68	145.02
MAT credit entitlement		-	(7.12)
Deferred tax credit		(137.18)	(278.60)
Earlier years tax adjustments (net)		8.63	-
Profit from continuing operations		1,037.36	1,034.92
Discontinued operations	32		
Loss from discontinued operation before tax		(1,761.81)	(2,599.11)
Tax expense/(credit) of discontinued operations		(459.75)	(533.18)
Loss from discontinued operation		(1,302.06)	(2,065.93)
Loss for the year		(264.70)	(1,031.01)
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement gain on defined benefit plans		93.74	219.03
Less: Income tax expense relating to items that will not be reclassified to profit and loss		(24.12)	(75.76)
Gain on fair value of FVOCI equity instruments		3,263.23	2,731.40
Less: Income tax expense relating to items that will not be reclassified to profit and loss		(245.33)	(471.21)
Total other comprehensive income for the year		3,087.52	2,403.46
Total comprehensive income for the year		2,822.82	1,372.45
Profit attributable to:			
Owners		(359.73)	(1,118.56)
Non-controlling interests		95.03	87.55
Other comprehensive income attributable to:			
Owners		3,087.52	2,403.46
Non-controlling interests		-	-
Total comprehensive income attributable to:			
Owners		2,727.79	1,284.90
Non-controlling interests		95.03	87.55
Earnings per equity share (for continuing operations):	33		
Basic (Rs.)		9.98	9.95
Diluted (Rs.)		9.98	9.95
Earnings per equity share (for discontinued operations):			
Basic (Rs.)		(12.52)	(19.87)
Diluted (Rs.)		(12.52)	(19.87)
Earnings per equity share (for discontinued and continuing operations):			
Basic (Rs.)		(2.54)	(9.92)
Diluted (Rs.)		(2.54)	(9.92)

Summary of significant accounting policies and accompanying notes form an integral part of these financial statements.
This is the statement of profit or loss referred to in our report of even date.

For **SAR & Associates**
Chartered Accountants
Firm Registration No. 122400W

Sd/-
CA Anubhav Goyal
Partner
Membership No. 123328

Place: Noida
Date: 14th May, 2018

For and on behalf of **Majestic Auto Limited**

Sd/-
(Rajpal Singh Negi)
Chief Financial Officer

Sd/-
(Juhi Garg)
Company Secretary
M.No. 35389

Sd/-
(Mahesh Munjal)
Managing Director
DIN 00002990

Sd/-
(S.S. Khosla)
Director
DIN 02942033

Majestic Auto Limited

Consolidated statement of changes in equity as at 31 March 2018

(Rs.in lakhs)

A Equity share capital*

Particulars	Opening balance as at 1 April 2016	Changes in equity share capital during the year	Balance as at 31 March 2017	Changes in equity share capital during the year	Balance as at 31 March 2018
Equity share capital	1,039.82	-	1,039.82	-	1,039.82

(Rs. in lakhs)

B Other equity**

Particulars	Reserves and surplus			Other comprehensive income	Total other equity	Non-controlling interest	Total
	General reserve	Securities premium reserve	Retained earnings	Equity instruments through other comprehensive income			
Balance as at 1 April 2016	500.00	129.52	14,341.90	21,536.57	36,507.99	852.20	37,360.19
Loss for the period	-	-	(1,118.56)	-	(1,118.56)	87.55	(1,031.01)
Other comprehensive income (net of tax)	-	-	143.27	2,260.19	2,403.46	-	2,403.46
Transfer on disposal of equity investment	-	-	523.46	(523.46)	-	-	-
Balance as at 31 March 2017	500.00	129.52	13,890.07	23,273.30	37,792.89	939.75	38,732.64
Loss for the period	-	-	(359.73)	-	(359.73)	95.03	(264.70)
Other comprehensive income (net of tax)	-	-	69.62	3,017.90	3,087.52	-	3,087.52
Transfer on disposal of equity investment	-	-	2,113.71	(2,113.71)	-	-	-
Balance as at 31 March 2018	500.00	129.52	15,713.67	24,177.49	40,520.68	1,034.78	41,555.46

For **SAR & Associates**
Chartered Accountants
Firm Registration No. 122400W

Sd/-
CA Anubhav Goyal
Partner
Membership No. 123328

Place: Noida
Date: 14th May, 2018

For and on behalf of **Majestic Auto Limited**

Sd/-
(Rajpal Singh Negi)
Chief Financial Officer

Sd/-
(Juhi Garg)
Company Secretary
M.No. 35389

Sd/-
(Mahesh Munjal)
Managing Director
DIN 00002990

Sd/-
(S.S. Khosla)
Director
DIN 02942033

Majestic Auto Limited

Consolidated cash flow statement for the year ended 31 March 2018

(Rs.in lakhs)

A CASH FLOW FROM OPERATING ACTIVITIES	31 March 2018	31 March 2017
Profit/(loss) before tax from		
Profit/(loss) before tax from	1,086.49	894.22
Discontinued operations	(1,761.81)	(2,599.11)
Loss before tax including discontinued operations	(675.32)	(1,704.89)
Adjustments for:		
Depreciation on property, plant and equipment	1,338.32	2,291.48
Loss/(gain) on disposal of fixed assets (net)	113.73	(117.42)
Interest income	(13.55)	(32.32)
Dividend income	(782.85)	(853.47)
Balances written off	21.54	-
Allowance for doubtful debts/liability write back	(141.01)	121.32
Finance costs	2,915.52	3,616.51
Operating profit before working capital changes	2,776.38	3,321.21
Movement in working capital		
Decrease in inventories	1,454.48	37.56
(Increase)/decrease in other financial assets	(396.06)	66.83
Decrease/(increase) in trade receivables	2,368.34	(809.65)
(Increase)/decrease other non-current assets	(21.83)	5.00
Decrease in other current assets	272.82	774.23
Decrease in other financial liabilities	(74.48)	(1,876.37)
Increase/(decrease) in other non-current liability	43.74	(89.64)
Increase in other current liability	1,160.44	31.92
(Decrease)/increase in provisions	(11.42)	16.76
(Decrease)/increase in trade and other payables	(3,041.55)	1,005.44
Cash flow from operating activities post working capital changes	4,530.86	2,483.29
Income tax paid (net)	(158.13)	(60.30)
Net cash flow from operating activities (A)	4,372.73	2,422.99
B CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangible assets	(130.48)	(405.08)
Payments for investment properties	(195.85)	(56.11)
Proceeds from disposal of property, plant and equipment, capital work-in-progress and intangible assets (net of advance)	3,140.63	1,006.71
Proceeds from sale of investments	2,236.96	562.49
Redemption in margin money	(45.04)	(1.82)
Cash loans and advances	(39.13)	868.46
Dividend received	782.85	853.47
Interest received	12.18	31.08
Net cash flow from investing activities (B)	5,762.12	2,859.20
C CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	7,849.61	21,364.76
Repayment of borrowings	(15,179.15)	(23,183.96)
Repayment of finance lease	(28.86)	(29.28)
Interest paid	(2,785.59)	(3,493.14)
Net cash used in financing activities (C)	(10,143.99)	(5,341.62)
Decrease in cash and cash equivalents (A+B+C)	(9.14)	(59.43)
Cash and cash equivalents at the beginning of the year	45.98	105.41
Cash and cash equivalents at the end of the year*	36.84	45.98

*Net of bank overdraft Rs.1.87 lakhs (31 March 2017: nil).
This is the cash flow statement referred to in our report of even date.

For **SAR & Associates**
Chartered Accountants
Firm Registration No. 122400W

Sd/-
CA Anubhav Goyal
Partner
Membership No. 123328

Place: Noida
Date: 14th May, 2018

For and on behalf of **Majestic Auto Limited**

Sd/-
(Rajpal Singh Negi)
Chief Financial Officer

Sd/-
(Juhi Garg)
Company Secretary
M.No. 35389

Sd/-
(Mahesh Munjal)
Managing Director
DIN 00002990

Sd/-
(S.S. Khosla)
Director
DIN 02942033

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

Note - 2

Property, plant and equipment

(in lakhs)

Particulars	Freehold land	Leasehold land	Buildings	Plant and equipment	Computers	Furniture and fixtures	IT equipment	Office equipment	Vehicles	Total	Capital work in progress
Gross block											
At 1 April 2016*	442.98	3,245.75	6,613.67	17,685.48	14.96	150.97	-	300.46	301.49	28,755.76	8.61
Additions	-	-	38.06	305.79	2.24	12.43	-	11.45	35.07	405.04	-
Disposals	-	-	(5.84)	(0.53)	-	-	-	-	(27.46)	(33.83)	(8.61)
Balance as at 31 March 2017	442.98	3,245.75	6,645.89	17,990.74	17.20	163.40	-	311.92	309.10	29,126.97	-
Additions											
Transferred to assets held for sale	(442.98)	-	15.12	28.97	4.71	0.62	9.88	34.62	36.57	130.48	-
Disposals/adjustments	-	-	(2,115.18)	(4,712.84)	-	-	-	-	-	(7,271.00)	-
Balance as at 31 March 2018	-	3,245.75	4,539.10	1.54	21.91	152.35	9.88	272.87	341.68	8,585.06	-
Accumulated depreciation											
At 1 April 2016*	-	198.90	1,122.07	10,920.40	14.05	96.27	-	254.82	97.46	12,703.96	-
Charge for the year	-	36.16	168.26	1,443.55	0.37	4.61	-	12.38	38.87	1,704.20	-
Disposals	-	-	(2.00)	(0.17)	-	-	-	-	(15.29)	(17.46)	-
Balance as at 31 March 2017	-	235.06	1,288.33	12,363.78	14.42	100.87	-	267.20	121.04	14,390.70	-
Charge for the year	-	36.16	169.54	514.97	1.50	6.31	0.56	9.39	38.24	776.66	-
Transferred to assets held for sale	-	-	(859.65)	(2,801.64)	-	-	-	-	-	(3,661.29)	-
Disposals/adjustments	-	-	(6.73)	(10,077.07)	-	(11.67)	-	(55.42)	(3.70)	(10,154.59)	-
Balance as at 31 March 2018	-	271.22	591.49	0.04	15.92	95.51	0.56	221.17	155.58	1,351.48	-
Net block as at 1 April 2016*	442.98	3,046.85	5,491.60	6,765.08	0.91	54.70	-	45.64	204.03	16,051.80	8.61
Net block as at 31 March 2017	442.98	3,010.69	5,357.56	5,626.96	2.78	62.53	-	44.72	188.06	14,736.27	-
Net block as at 31 March 2018	-	2,974.53	3,947.61	1.50	5.99	56.84	9.32	51.70	186.10	7,233.58	-

* Represents deemed cost on the date of transition to Ind AS. Gross block and accumulated depreciation from the previous GAAP have been disclosed for the purpose of better understanding of the original cost of assets.

(i) Discontinued operations

Depreciation for the current year includes depreciation for discontinued operations Rs. 518.98 lakhs (31 March 2017: Rs. 1460.33 lakhs).

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Note - 3

Investment property

Particulars	Plant and equipment	Furniture and fixtures	Leasehold land	Building	Total
Gross block					
At 1 April 2016 *	10.91	528.56	1,977.62	24,015.07	26,532.16
Additions	2.00	51.17	-	2.94	56.11
Balance as at 31 March 2017	12.91	579.73	1,977.62	24,018.01	26,588.27
Additions	130.01	53.09	-	12.75	195.85
Balance as at 31 March 2018	142.92	632.82	1,977.62	24,030.76	26,784.12
Accumulated depreciation					
At 1 April 2016 *	4.41	203.97	-	1,260.91	1,469.29
Charge for the year	1.92	86.43	25.03	400.49	513.88
Balance as at 31 March 2017	6.33	290.40	25.03	1,661.40	1,983.17
Charge for the year	2.27	69.08	25.03	393.10	489.48
Balance as at 31 March 2018	8.60	359.48	50.07	2,054.51	2,472.65
Net block as at 1 April 2016 *	6.50	324.59	1,977.62	22,754.16	25,062.87
Net block as at 31 March 2017	6.58	289.33	1,952.58	22,356.61	24,605.10
Net block as at 31 March 2018	134.32	273.34	1,927.55	21,976.26	24,311.47

* Represents deemed cost on the date of transition to Ind AS. Gross block and accumulated depreciation from the previous GAAP have been disclosed for the purpose of better understanding of the original cost of assets.

(a) Contractual obligations

Refer note 37 for disclosure of contractual commitments for the acquisition of leasehold land and 38 for finance leases disclosure.

(b) Amounts recognised in statement of profit and loss for investment properties:

Particulars	31 March 2018	31 March 2017
Rental income	3,305.26	3,304.08
Direct operating expenses generating rental income (including repair and maintenance)	2,154.93	2,261.00
Direct operating expenses that did not generate rental income (including repair and maintenance)	-	-
Profit from investment properties before depreciation	1,150.33	1,043.08
Depreciation	489.48	513.88
Profit from investment properties	660.85	529.20

(c) Leasing arrangements

The investment property is leased to tenants under long-term operating leases with rentals payable monthly. Future minimum lease payments receivable under long-term operating leases of investment property in the aggregate is Rs. 8,903.24 lakhs (31 March 2017: Rs. 9,486.83 lakhs and 1 April 2016: Rs.13,604.00 lakhs) and for each of the following period:

Particulars	31 March 2018	31 March 2017	01 April 2016
Within one year	3,103.68	2,996.47	3,247.33
Later than one year but not later than 5 years	4,476.60	5,607.99	8,904.47
Later than 5 years	1,322.96	882.37	1,452.19

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

(d) Fair value

Particulars	31 March 2018	31 March 2017	01 April 2016
Fair value	38,279.87	38,381.70	38,597.07

(e) Fair value hierarchy and valuation technique:

The fair value of investment property has been determined by external, independent property valuer, having appropriate recognised professional qualification and recent experience in the location and category of the property being valued. The Group obtains independent valuations for its investment property annually and fair value measurement has been categorised as Level 3. The fair valuation has been carried out using the land and building method.

Note - 4

Intangible assets

(Rs. in lakhs)

Particular	Intangible assets	Softwares	Trade mark and licenses	Total	Goodwill
Gross block					
At 1 April 2016*	762.29	57.45	0.38	820.11	4,087.37
Additions	-	0.04	-	0.04	-
Disposals	-	-	-	-	-
Balance as at 31 March 2017	762.29	57.49	0.38	820.15	4,087.37
Additions	-	-	-	-	-
Disposals	-	(9.66)	-	(9.66)	-
Balance as at 31 March 2018	762.29	47.83	0.38	810.49	4,087.37
Accumulated amortisation					
At 1 April 2016*	283.52	31.46	0.22	315.20	-
Charge for the year	70.02	3.34	0.04	73.40	-
Disposals	-	-	-	-	-
Balance as at 31 March 2017	353.54	34.80	0.25	388.59	-
Charge for the year	70.04	2.11	0.04	72.18	-
Disposals	-	(2.09)	-	(2.09)	-
Balance as at 31 March 2018	423.58	34.82	0.29	458.69	-
Net block as at 1 April 2016*	478.77	25.99	0.16	504.92	4,087.37
Net block as at 31 March 2017	408.75	22.69	0.12	431.56	4,087.37
Net block as at 31 March 2018	338.71	13.01	0.09	351.80	4,087.37

* Represents deemed cost on the date of transition to Ind AS. Gross block and accumulated amortisation from the previous GAAP have been disclosed for the purpose of better understanding of the original cost of assets.

Note - 5

31 March 2018 31 March 2017 1 April 2016

Investments

Investment in equity instruments

Equity investment in others (quoted, at market value)*

Fair value through other comprehensive income			
921,000 (31 March 2017: 981,000 and 1 April 2016 1,000,000) equity shares of Hero Moto Corp Limited	32,629.19	31,602.92	29,434.00
	32,629.19	31,602.92	29,434.00
Aggregate amount of quoted investments	1,891.85	2,015.10	2,054.13
Aggregate market value of quoted investments	32,629.19	31,602.92	29,434.00
Aggregate amount of impairment in the value of investments			-

* Equity investment in others valued at fair value through other comprehensive income have been pledged as security for liabilities, for details refer note 40.

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Note - 6

	31 March 2018	31 March 2017	1 April 2016
Loans			
(Unsecured, considered good)			
Security deposits	332.99	292.49	247.15
	332.99	292.49	247.1

Note - 7

A Other financial assets - non-current			
(Unsecured, considered good)			
Unbilled receivables	95.91	127.34	205.56
Finance lease recoverable	-	0.55	3.18
	95.91	127.89	208.75
B Other financial assets - current			
(Unsecured, considered good)			
Unbilled receivables	512.96	78.23	65.08
Finance lease recoverable	-	3.17	3.06
Advances recoverable in cash	13.41	16.94	16.16
	526.37	98.33	84.30

Note - 8

Deferred tax assets (net)			
Deferred tax asset arising on account of :			
Minimum alternative tax credit *	264.32	291.99	289.12
Expected credit loss on financial assets	0.67	0.59	0.83
Financial instruments measured at amortised cost	0.17	0.11	-
Deferred tax liabilities arising on account of :			
Financial instruments measured at amortised cost	49.59	26.09	-
Straightlining of rental income	59.53	67.97	89.48
	156.05	198.64	200.46

Movement in deferred tax assets (net)

Particulars	31 March 2017	Recognised in statement of profit and loss	Minimum alternative tax credit utilised	31 March 2018
Assets				
Minimum alternative tax credit *	291.99	-	(27.66)	264.32
Expected credit loss on financial assets	0.59	0.07	-	0.67
Financial instruments measured at amortised cost	0.11	0.06	-	0.17
Liabilities				
Financial instruments measured at amortised cost	26.09	23.50	-	49.59
Straightlining of rental income	67.97	(8.44)	-	59.53
Total	198.64	(14.93)	(27.66)	156.05

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

* Expiry date of minimum alternative tax credit

Expiry year	31 March 2018	31 March 2017	1 April 2016
1 April 2022 - 31 March 2023	-	27.30	31.56
1 April 2023 - 31 March 2024	-	257.56	257.56
1 April 2027 - 31 March 2028	-	7.12	-
1 April 2028 - 31 March 2029	257.37	-	-
1 April 2032 - 31 March 2033*	6.95	-	-
Total	264.32	291.99	289.12

* From financial year ended 31 March 2018, section 115JAA has been amended to provide tax credit determined under this section can be carried forward up to the 15th assessment year, immediately succeeding the assessment years in which such tax credit becomes allowable.

* Expiry date of unused tax losses and depreciation for which no deferred tax asset has been recognised:

Expiry year	31 March 2018	31 March 2017	1 April 2016
Unused tax losses			
1 April 2019 - 31 March 2020	-	-	72.67
1 April 2020 - 31 March 2021	-	-	186.23
1 April 2021 - 31 March 2022	-	92.06	94.76
1 April 2022 - 31 March 2023	110.12	252.78	252.78
1 April 2023 - 31 March 2024	192.78	192.78	192.78
Unabsorbed depreciation for indefinite period	126.36	126.36	126.36
Total	429.26	663.98	925.58

Note - 9

	31 March 2018	31 March 2017	1 April 2016
A Non - current tax assets (net)			
Advance income tax	877.74	797.17	633.31
Less: Provision for taxation	(290.95)	(209.87)	(69.11)
	586.79	587.30	564.20
B Current tax assets (net)			
Advance income tax	-	-	971.79
Less: Provision for taxation	-	-	(795.00)
	-	-	176.79

Note - 10

A Other non-current assets (Unsecured, considered good)			
Prepaid expenses	4.50	11.72	16.72
	4.50	11.72	16.72
B Other current assets (Unsecured, considered good)			
Advances to suppliers	169.31	101.23	421.07
Prepaid expenses	19.89	23.27	34.94
Balance with government authorities	83.41	413.46	856.21
Others	0.60	0.60	0.60
	273.21	538.56	1,312.81

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Note - 11

Inventories

(Lower of cost or net realizable value)

Finished goods	33.34	111.34	292.72
Raw materials and components	117.89	818.98	570.20
Stores and spares	154.11	329.06	155.26
Loose tools	22.42	117.10	17.02
Scrap	4.75	20.02	41.41
Goods-in-transit	-	0.05	102.42
Work-in-progress	52.00	442.44	697.52
	384.51	1,838.99	1,876.55

Amounts recognised in profit or loss

Write-downs of inventories to net realisable value amounted to Rs. 35.94 lakhs (31 March 2017 - Rs. nil). These were recognised as an expense during the year and included in 'changes in value of inventories of work-in-progress and finished goods' in statement of profit and loss.

Note - 12

	31 March 2018	31 March 2017	1 April 2016
Trade receivables			
Considered good	981.23	3,346.54	2,533.73
Considered doubtful	274.68	274.78	277.94
Less: Impairment allowance (allowance for expected credit loss)			
Considered good	(2.05)	(126.97)	(2.50)
Considered doubtful	(274.68)	(274.78)	(277.94)
	979.18	3,219.56	2,531.23

*for related party balances (refer note 36)

Note - 13

	31 March 2018	31 March 2017	1 April 2016
Cash and cash equivalents			
Cash on hand	6.81	9.66	10.54
Cheques/ drafts on hand	5.35	4.39	0.06
Balances with banks			
In current accounts	26.55	31.93	94.80
	38.71	45.98	105.41

Note - 14

	31 March 2018	31 March 2017	1 April 2016
Other bank balances			
Margin money *	54.59	9.54	7.73
	54.59	9.54	7.73

* Pledged as security for letters of credit/bank guarantees, for details refer note 40.

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Note - 15

Assets and liabilities classified as held for sale

During the year, management decided to discontinue 'Fine Blanking Components' and 'Electricals' divisions due to lack of viable orders, profitability and capital investment requirements for new technology. Consequently, certain assets and liabilities were classified as a disposal group.

	31 March 2018	31 March 2017	1 April 2016
Assets classified as held for sale			
Freehold land	442.98	-	-
Buildings	1,255.53	-	-
Plant and equipment	1,911.20	-	-
Total assets held for sale	3,609.71	-	-
Liabilities directly associated with assets classified as held for sale			
Advance received against sale of assets	(898.60)	-	-
Total liabilities held for sale	(898.60)	-	-

The Group has sold certain Property plant and equipment which were part of the discontinued manufacturing operations. Further, the Group has identified certain Property, plant and equipment which were part of the discontinued manufacturing operations whose carrying amounts will be recovered principally through a sale transaction rather than through continuing use. The proposal has been approved by the Board of Directors and shareholders of the Group. The Group is in the process of closing the sale transaction and expects to realize the sale proceeds within next 12 months. Accordingly, the said Property plant and equipment have been classified as "Non-current asset held for sale".

Segment information

Plant and equipment is disclosed as part of the 'Electrical' segment which has now been discontinued. Freehold land and buildings are disclosed as part of the 'Facility Management Services' segment under Segment reporting disclosures.

Non-recurring fair value measurements

Asset classified as held for sale during the reporting period was measured at the lower of its carrying amount and fair value less costs to sell at the time of re-classification.

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Note - 16

Equity share capital	31 March 2018		31 March 2017		1 April 2016	
i Authorised	Number	Amount	Number	Amount	Number	Amount
15,000,000 Equity shares of Rs.10/- each with voting rights	15,000,000	1,500.00	15,000,000	1,500.00	15,000,000	1,500.00
25,000,000 Preference shares of Rs.10/- each	25,000,000	2,500.00	25,000,000	2,500.00	25,000,000	2,500.00
		4,000.00		4,000.00		4,000.00
ii Issued share capital						
Equity share capital of face value of Rs.10 each	10,398,978	1,039.90	10,398,978	1,039.90	10,398,978	1,039.90
		1,039.90		1,039.90		1,039.90
iii Subscribed and fully paid up						
Equity share capital of face value of Rs.10/- each	10,397,478	1,039.82	10,397,478	1,039.82	10,397,478	1,039.75
Add: Shares forfeited (amount paid up)	-	-	-	-	-	0.08
		1,039.82		1,039.82		1,039.82

v Reconciliation of number of equity shares outstanding at the beginning and at the end of the year

Equity shares	Number	Amount	Number	Amount	Number	Amount
Balance at the beginning of the year	10,397,478	1,039.82	10,397,478	1,039.82	10,397,478	1,039.75
Add : Shares forfeited during the year	-	-	-	-	-	0.08
Balance at the end of the year	10,397,478	1,039.82	10,397,478	1,039.82	10,397,478	1,039.82

v Rights, preferences and restrictions attached to equity shares

The Group has one class of equity shares with paid up value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share on all resolutions submitted to shareholders. They have right to participate in the profits of the Group, if declared by the board as interim dividend and recommended by the board & declared by the members as final dividend. They are also entitled to bonus/right issue, as declared by group from time to time.

In the event of liquidation of the Group, the holders of equity shares will be entitled to receive remaining assets of the group, beside other rights available under the Companies Act.

The distribution will be in proportion to the number of equity shares held by the shareholders.

vi Details of shareholder holding more than 5% share capital

Name of the equity shareholders	Number	%	Number	%	Number	%
M/s Anandi Investments Private Limited	7,757,687	74.61%	7,757,687	74.61%	7,757,687	74.61%

vii Aggregate number and class of shares allotted as fully paid up pursuant to contract(s) without payment being received in cash, by way of bonus shares and shares bought back for the period of 5 years immediately preceding the balance sheet date

The Group has not issued any shares pursuant to contract(s) without payment being received in cash.

No bonus shares have been issued in preceding 5 years.

1500 equity shares of Rs. 10 per share were forfeited by Group against unpaid call money of Rs. 5 per equity share.

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Note - 17

Other equity

(i) Nature and purpose of other reserves

General reserve

General reserve is created out of the accumulated profits of the Group as per the provisions of Companies Act.

Retained earnings

All the profits made by the Group are transferred to retained earnings from statement of profit and loss.

Securities premium reserve

Securities premium reserve represents the amount received in excess of par value of securities (equity shares). Premium on redemption of securities is accounted in security premium available. Where security premium is not available, premium on redemption of securities is accounted in statement of profit and loss. Section 52 of Companies Act, 2013 specify restriction and utilisation of security premium.

Other comprehensive income

Other comprehensive income represents balance arising on account of changes in fair value of FVOCI equity instruments and gain/(loss) booked on re-measurement of defined benefit plans.

Note - 18

	31 March 2018	31 March 2017	1 April 2016
A Borrowings non-current			
Secured loans			
Term loans			
From banks	25,297.41	31,118.00	27,575.39
From others	-	-	4,398.82
Vehicle loan from banks	50.06	36.79	58.28
Long-term maturities of finance lease obligation	474.06	457.20	441.87
Drop line overdraft limit	90.36	489.45	-
Unsecured loans			
Loan from Directors	1,153.28	482.50	1,486.00
	27,065.17	32,583.94	33,960.37

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Particulars	Nature of Security	Terms of repayment	Interest Rate	31 March 2018	31 March 2017	1 April 2016
Secured - term loan						
IDBI bank	Term loans are secured by mortgage over the immovable properties on charge on entire fixed pari-passu basis and first assets of the Company both present & future on pari-passu basis and also	'28 quarterly instalments commencing from 30 June 2011 with first 12 instalments of Rs. 38 lakhs each, next 12 instalments of Rs. 111 lakhs each and remaining 4 instalments of Rs. 103 lakhs each.	The rate of interest ranges from 11.40% to 12%.	-	229.00	457.00
Catholic Syrian Bank	secured by second charge 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 Group	26 quarterly instalments commencing from 31 May 2011 with first 12 instalments of Rs. 43.50 lakhs each, next 12 instalments of Rs. 125.75 lakhs each and last 2 instalments of Rs. 234.50 lakhs each.	The rate of interest ranges from 12.10% to 11.10%.	-	446.85	949.85
HDFC Bank	Assignment of lease rental receivables from lessee, equitable mortgage on land and building, personal guarantee of Mahesh Munjal and Aashima Munjal	Equal monthly instalment for 12 years	The rate of interest ranges from 8.65% to 10.65%.	17,401.30	446.85	949.85
HDFC Bank	Primary hypothecate by way of subservient charges on all movable plant and machinery, fixed assets both present and future of the Group and secondary by pledge of equity shares of Hero Motocorp Limited.	Repayable after one year or rollover for further period.	The rate of interest ranges from 7.85% to 10%.	3,991.84	8,506.86	7,906.43
Deutsche Bank	Company and secondary by pledge of equity shares of Hero Motocorp Limited. Housing loan		The rate of interest ranges from 8% to 9.30%.	4,638.23	4,755.78	-
Drop line overdraft limit	Primary hypothecation on entire current assets including receivables. Collateral pledge of Hero Motocorp shares of Rs. 12.50 crores owned by Majestic Auto Limited. Personal guarantee of Directors Mahesh Munjal and Aashima Munjal.	Monthly reduction of limit by Rs. 10.40 lakhs in 96 months	he rate of interest ranges from 8.40% to 9.25%	90.36	614.25	-
Housing loan						
Punjab National Bank	Mortgage of flat no. C-100 (Block C), first floor, southern avenue, Maharani Bagh, New Delhi	180 equated monthly instalments of Rs. 11.05 lakhs each.	The rate of interest ranges from 8.65% to 10.50%.	854.56	909.44	953.86

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Particulars	Nature of Security	Terms of repayment	Interest Rate	31 March 2018	31 March 2017	1 April 2016
Secured - term loan						
Vehicle loan						
ICICI Bank	Vehicle loan is secured by mortgage of vehicle of the Company	36 EMI of Rs. 3.14 lakhs each.	10.09% per annum.	5.77	40.94	72.75
Canara Bank		60 EMI of Rs. 0.54 lakhs each	9.80% per annum.	15.07	19.89	21.91
Canara Bank		84 EMI of Rs. 0.47	8.90% per annum.	26.68	-	-
Canara Bank		EMI of 84 months	9.85% per annum	20.00	22.84	-
Finance lease obligation	Lease liabilities are effectively secured as the rights to the leased assets recognised in the financial statements revert to the lessor in the event of default.	Monthly instalments	10.00% per annum	502.92	486.06	470.73
Others - secured						
Bajaj Finance Limited	Pledge of equity shares of Hero Moto Corp Limited.	Repayable within two year.	Ranges from 10% to 11%.	-	-	4,398.82
Unsecured Loan from Directors	Unsecured	Ranging from 24 months to 36 months from the date of acceptance of deposits.	10% per annum	1,153.28	482.50	1,486.00
Unamortised upfront fees on borrowing				-	(0.18)	(7.62)
Total				28,700.01	34,551.49	35,365.80

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

	31 March 2018	31 March 2017	1 April 2016
B Borrowings - current			
Secured loans			
Working capital loans repayable on demand			
From banks	-	1,686.38	1,876.43
	-	1,686.38	1,876.43
Overdraft facility			
From banks	467.87	310.15	1,097.26
Unsecured			
From related parties			
Loan from director	67.46	-	12.39
	535.33	1,996.53	2,986.08

*** Nature of security**

- 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 and future) of the Company. These loans are further secured by personal guarantee of Managing Director of the Group.
- 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 Group.

Particulars	Nature of repayment	Terms of Security	31 March 2018	31 March 2017	1 April 2016
Secured					
Bank overdraft	Primary hypothecation on entire current assets including receivables of the subsidiary Company. Collateral - Personal guarantee of Directors Mahesh Munjal and Aashima Munjal.	On demand	467.87	310.15	1,097.26
Interest Rate		8.90%	9.75%		10.65%
Unsecured					
Loan from director		Unsecured	On demand	67.46	12.39
Interest Rate			10.00%	-	12.00%
			535.33	310.15	1,109.65

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Reconciliation of liabilities arising from financing activities

The changes in the Company's liabilities arising from financing activities can be classified as follows:

Particulars	Long - term borrowings	Short - term borrowings	Lease liabilities	Total
1 April 2016	34,895.07	2,986.08	470.73	38,351.88
Cash flows:				
- Repayment	(16,775.79)	(6,408.17)	(29.28)	(23,213.23)
- Proceeds	15,946.15	5,418.62	-	21,364.76
Non-cash:				
- Interest expense	-	-	44.60	44.60
31 March 2017	34,065.43	1,996.53	486.06	36,548.01
Cash flows:				
- Repayment	(8,221.77)	(6,957.38)	(28.86)	(15,208.01)
- Proceeds	2,353.43	5,496.18	-	7,849.61
Non-cash:				
- Interest expense	-	-	45.72	45.72
31 March 2018	28,197.08	535.33	502.92	29,235.33

Note - 19

	31 March 20180	31 March 2017	1 April 2016
A Other financial liabilities - non-current			
Security deposits	844.61	770.84	750.75
	844.61	770.84	750.75
B Other financial liabilities - current			
Current maturities of long term borrowings	1,605.97	1,938.69 -	1,376.58
Current maturities of finance lease obligations	28.86	28.86	28.86
Interest accrued but not due	62.87	68.99 -	78.45
Security deposits	87.40	3.57	-
Book overdraft with banks	1.87	-	-
Salary payable	12.70	14.59	19.61
Others*	247.28	387.14 -	417.07
	2,046.95	2,441.85	1,920.56

* Represents provision for expenses at the end of the period.

Note - 20

	31 March 20180	31 March 2017	1 April 2016
A Provisions - non-current			
Employee's post retirement/long-term benefits			
Gratuity	12.99	79.88	54.35
	12.99	79.88	54.35
B Provisions - current			
Employees' post retirement/long-term benefits			
Gratuity	19.73	58.20	286.40
Compensated absences	3.53	3.34	2.94
	23.26	61.54	289.34

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Note - 21

Deferred tax liabilities (net)	31 March 2018	31 March 2017	1 April 2016
Deferred tax liabilities arising on account of :			
Expected credit loss on financial assets	593.22	704.55	786.90
Financial liabilities measured at amortised cost	-	1.26	3.27
Investment in fair value instruments measured at FVOCI	6,559.85	6,314.51	5,843.30
Deferred tax asset arising on account of :			
Minimum alternative tax credit *	978.13	978.13	978.13
Employee benefits	10.55	59.97	130.69
Allowances for doubtful debts	80.02	128.23	85.88
Unabsorbed business losses and depreciation	5,443.01	4,870.22	4,112.26
	641.36	983.77	1,326.51

(i) Movement in deferred tax liabilities (net) Particulars	31 March 2017	Recognised in statement of profit and loss	Recognised in other comprehensive income	31 March 2018
Liabilities				
Expected Credit loans on Financial Assets	704.55	(111.33)	-	593.22
Financial liabilities measured at amortised cost	1.26	(1.26)	-	-
Investment in fair value instruments measured at FVOCI	6,314.51	-	245.34	6,559.85
Assets				
Minimum alternative tax credit *	978.13	-	-	978.13
Employee benefits	59.97	(25.30)	(24.12)	10.55
Allowances for doubtful debts	128.23	(48.21)	-	80.02
Unabsorbed business losses and depreciation	4,870.22	572.79	-	5,443.01
Total	983.77	(611.87)	269.46	641.36

Particulars	31 March 2016	Recognised in statement of profit and loss	Recognised in other comprehensive income	31 March 2017
Liabilities				
Expected Credit loans on Financial Assets	786.90	(82.35)	-	704.55
Financial liabilities measured at amortised cost	3.27	(2.01)	-	1.26
Investment in fair value instruments measured at FVOCI	5,843.30	-	471.21	6,314.51
Assets				
Minimum alternative tax credit *	978.13	-	-	978.13
Employee benefits	130.69	5.04	(75.76)	59.97
Allowances for doubtful debts	85.88	42.35	-	128.23
Unabsorbed business losses and depreciation	4,112.26	757.96	-	4,870.22
Total	1,326.51	(889.71)	546.97	983.77

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

*** Expiry date of minimum alternative tax credit:**

Expiry year	31 March 2018	31 March 2017	1 April 2016
1 April 2019 - 31 March 2020	-	23.68	23.68
1 April 2020 - 31 March 2021	-	115.83	115.83
1 April 2021 - 31 March 2022	-	64.79	64.79
1 April 2024 - 31 March 2025	23.68	773.83	773.83
1 April 2025 - 31 March 2026	115.83	-	-
- 1 April 2026 - 31 March 2027	64.79	-	-
- 1 April 2029 - 31 March 2030	773.83	-	-
- Total	978.13	978.13	978.13

* From financial year ended 31 March 2018, section 115JAA has been amended to provide tax credit determined under this section can be carried forward up to the 15th assessment year, immediately succeeding the assessment years in which such tax credit becomes allowable.

Expiry date of unused tax losses and depreciation for which no deferred tax asset has been recognised:

Expiry year	31 March 2018	31 March 2017	1 April 2016
Unused tax losses			
1 April 2021 - 31 March 2022	304.84	304.84	304.84
1 April 2022 - 31 March 2023	1,924.89	1,924.89	1,801.68
1 April 2023 - 31 March 2024	2,550.81	2,550.81	2,550.81
1 April 2024 - 31 March 2025	903.84	903.84	903.84
1 April 2025 - 31 March 2026	1,541.39	1,541.39	-
- 1 April 2026 - 31 March 2027	1,842.92	-	-
Unabsorbed depreciation for indefinite period	9,622.96	9,016.42	7,748.89
Total	18,691.65	16,242.20	13,310.07

Note - 22

	31 March 2018	031 March 2017	1 April 2016
A Other non - current liabilities			
Deferred income	146.65	137.18	226.83
	146.65	137.18	226.83
B Other current liabilities			
Payable to statutory authorities	398.86	52.18 -	67.33
Advance from customers	48.62	109.32	57.10
Deferred income	89.13	79.02	84.16
	536.62	240.51	208.59

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Note - 23

	31 March 2018	031 March 2017	1 April 2016
Trade payables			
Due to micro and small enterprises*	-	-	-
Due to others	309.11	3,363.72	2,358.28
	309.11	3,363.72	2,358.28

*Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006") as at 31 March 2018, 31 March 2017 and 1 April 2016:

Particulars	31 March 2018	31 March 2017	1 April 2016
i the principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year;	-	-	-
ii the amount of interest paid by the buyer in terms of section 16, along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year; -	-	-	-
iii the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act;	-	-	-
iv the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-	-
v 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 enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-	-

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company.

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Note - 24

	31 March 2018	31 March 2017
Revenue from operations		
Rental income	3,305.26	3,304.08
Service charges	2,271.96	2,341.50
IT enabled services	0.03	14.68
	5,577.24	5,660.26

Note - 25

Other income

Interest income		
- Bank deposits	1.00	0.89
- Income tax refund	13.56	30.42
- Others	12.55	31.00
Dividend received	782.85	853.47
Rent	6.73	1.28
Allowances for doubtful debts written back	-	0.70
Liabilities written back	23.59	-
Miscellaneous receipts	37.40	15.82
	877.68	933.59

Note - 26

Cost of revenue

Opening stock of raw material	60.63	35.13
Add: Purchase during the year	1,002.15	1,088.36
	1,062.78	1,123.49
Less: Closing stock of raw material	-	60.63
	1,062.78	1,062.86

Note - 27

Employee benefits expense

Salaries and incentives	430.34	440.76
Contributions to provident and other fund	16.31	29.10
Staff welfare expenses	8.94	10.24
	455.60	480.10

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Note - 28

	31 March 2018	31 March 2017
Finance costs		
Interest on		
- Term loan from banks	2,159.91	2,576.79
- Financial instruments carried at amortised cost	45.72	44.60
- Finance lease	78.16	69.06
- Others	11.42	1.61
Bank commission and charges	1.92	0.52
	2,297.12	2,692.58

Note - 29

Depreciation and amortisation expense		
Depreciation on:		
Property, plant and equipment	257.68	244.87
Investment property	489.48	513.88
Amortisation on:		
Intangible assets	72.18	73.40
	819.34	832.15

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Note - 30

	31 March 2018	31 March 2017
Other expenses		
Water, electricity and fuel	34.15	66.31
Repairs and maintenance		
- Buildings	215.30	154.64
- Others	40.42	15.87
Legal and professional	107.33	120.21
Rent	63.82	114.47
Commission	51.68	-
House keeping and security	33.93	27.77
Annual maintenance charge	23.92	13.13
Balances written off	21.54	-
Sale promotion	11.97	23.12
Travelling and conveyance	10.03	7.45
Electrical and mechanical	2.89	11.97
Insurance	9.40	9.43
Corporate social responsibility *	5.50	-
Auditor's remuneration		
- Statutory audit fee	3.70	3.70
Rates and taxes	3.46	3.25
Director's sitting fee	1.94	1.96
Bad debts	1.85	-
Allowances for doubtful debts	0.26	-
Miscellaneous expenses	90.50	58.66
	733.59	631.94

* Corporate social responsibility expenses

In accordance with Section 135 of the Companies Act, 2013, a company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on Corporate Social Responsibility(CSR) activities. The CSR committee has been formed by the company as per Companies Act, 2013.

a) Gross amount required to be spent by the company during the year is Rs.3.99 lakhs (previous year Rs. 7.83 lakhs).

b) Amount spent during the financial year ended 31 March 2018 and 31 March 2017 on:

Particulars		In cash	Yet to be paid in cash	Total
Construction/acquisition of any asset	31 March 2018	-	-	-
	31 March 2017	-	-	-
On purpose other than above	31 March 2018	5.50	-	5.50
	31 March 2017	-	-	-

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Note - 31

Income tax

Tax expense comprises of:

Current tax	177.68	145.02
MAT credit entitlement	-	(7.12)
Deferred tax charge/(credit)	(137.18)	(278.60)
Earlier years tax adjustments (net)	8.63	-
Income tax expense reported in the statement of profit and loss	49.13	(140.71)

The major components of income tax expense and the reconciliation of expected tax expense based on the domestic effective tax rate of the Group at 30.90% and the reported tax expense in profit or loss are as follows:

	31 March 2018	31 March 2017
Profit from continuing operations before income tax expense	1,086.49	894.22
Profit from discontinued operations before income tax expense	(1,761.81)	(2,599.11)
	(675.32)	(1,704.89)
At India's statutory income tax rate of 30.90% (31 March 2017: 30.90%)	(208.67)	(526.81)
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Tax impact of exempted income	(504.69)	(555.98)
Tax impact of expenses which will never be allowed	279.56	279.09
Earlier years tax adjustments (net)	(139.99)	169.13
Allowable expenses	71.67	25.47
Effect of changes in tax rate	258.62	18.22
Utilisation of previously unrecognised tax losses	(64.67)	(86.49)
Tax impact of discontinued operations	459.75	533.18
Others	(102.45)	3.50
Income tax expense*	49.13	(140.70)

* This includes tax expense/ (credit) on discontinued operations

Changes in tax rate

The reduction of the Indian corporate tax rate from 30% to 25% is effective from 1 April 2018. As a result, the relevant deferred tax balances have been remeasured. Deferred tax expected to reverse in the year to 31 March 2019 has been measured using the effective rate that will apply in India for the period (25%).

The impact of the change in tax rate has been recognised in tax expense of statement of profit or loss, except to the extent that it relates to items previously recognised outside the statement of profit or loss.

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Note - 32

Discontinued operations

(i) Description

Pursuant to official notification issued on Bombay Stock Exchange ("BSE") dated 2 August 2017 and 7 September 2017 for electrical motor business of its "Electricals" division and official notification issued on Bombay Stock Exchange ("BSE") dated 5 October 2017 for fine blanking components business of its "Fine blanking components" division, the Group has discontinued both the divisions due to lack of viable orders, profitability and capital investment requirements for new technology. Consequently, revenue and expenses, gains and losses relating to the discontinuation of these divisions have been eliminated from profit or loss from the Group's continuing operations and are shown as a single line item in the statement of profit or loss.

(ii) Financial performance	31 March 2018	31 March 2017
Total income	8,516.64	19,141.59
Total expenses	10,164.72	21,858.12
Loss before tax	(1,648.08)	(2,716.53)
(Loss)/profit on disposal of non-current assets of discontinued operation	(113.73)	117.42
Loss before tax from discontinued operations	(1,761.81)	(2,599.11)
Tax expense		
Deferred tax credit	(459.75)	(606.42)
Earlier years tax adjustments (net)	-	73.24
Loss for the year from discontinued operations	(1,302.06)	(2,065.93)
Net cash outflow from operating activities	(510.70)	(333.70)
Net cash outflow from investing activities	(632.71)	(1,341.48)
Net cash outflow from financing activities	(618.40)	(923.92)
Net cash outflow from discontinued operation	(1,761.81)	(2,599.11)

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Note - 33

	31 March 2018	31 March 2017
Earnings per share		
Net profit attributable to equity shareholders	(264.70)	(1,031.01)
Profit from continuing operations (A)	1,037.36	1,034.92
Weighted average number of equity shares for basic EPS (B)	10,397,478	10,397,478
Effect of dilution	-	-
Weighted average number of equity shares adjusted for the effect of dilution (C)	10,397,478	10,397,478
Basic EPS (Rs.) (A/B)	9.98	9.95
Diluted EPS (Rs.) (A/C)	9.98	9.95
Loss from discontinued operations (A)	(1,302.06)	(2,065.93)
Weighted average number of equity shares for basic EPS (B)	10,397,478	10,397,478
Effect of dilution	-	-
Weighted average number of equity shares adjusted for the effect of dilution (C)	10,397,478	10,397,478
Basic EPS (Rs.) (A/B)	(12.52)	(19.87)
Diluted EPS (Rs.) (A/C)	(12.52)	(19.87)
Profit from continuing operations and discontinued operations (A)	(264.70)	(1,031.01)
Weighted average number of equity shares for basic EPS (B)	10,397,478	10,397,478
Effect of dilution	-	-
Weighted average number of equity shares adjusted for the effect of dilution (C)	10,397,478	10,397,478
Basic EPS (Rs.) (A/B)	(2.54)	(9.92)
Diluted EPS (Rs.) (A/C)	(2.54)	(9.92)

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Note - 34

Financial instruments by category

(i) Fair values hierarchy

Financial assets and financial liabilities measured at fair value in the statement of financial position are companyed into three Levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

Level 1: Quoted prices (unadjusted) in active markets for financial instruments.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data rely as little as possible on entity specific estimates.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(ii) Financial instruments by category

Particulars	31 March 2018		31 March 2017		1 April 2016	
	FVOCI*	Amortised cost	FVOCI*	Amortised cost	FVOCI*	Amortised cost
Financial assets						
Investments						
Equity instruments	32,629.19	-	31,602.92	-	29,434.00	-
Trade receivables	-	979.18	-	3,219.56	-	2,531.23
Cash and cash equivalents	-	38.71	-	45.98	-	105.41
Other bank balances	-	54.59	-	9.54	-	7.73
Other financial assets	-	622.28	-	226.22	-	293.05
Security deposits	-	332.99	-	292.49	-	247.15
Total financial assets	32,629.19	2,027.76	31,602.92	3,793.80	29,434.00	3,184.57
Financial liabilities						
Borrowings	-	29,235.33	-	36,548.02	-	38,351.89
Trade payables	-	309.11	-	3,363.72	-	2,358.28
Other financial liabilities	-	1,256.73	-	1,245.14	-	1,265.87
Total financial liabilities	-	30,801.17	-	41,156.88	-	41,976.04

* These financial assets represents investment in equity instruments designated as such upon initial recognition.

(iii) Financial assets measured at fair value - recurring fair value measurements

The following table shows the Levels within the hierarchy of financial assets measured at fair value on a recurring basis at 31 March 2018, 31 March 2017 and 1 April 2016:

Particulars	Period	Level 1	Level 2	Level 3	Total
Financial assets					
Investments at fair value through other comprehensive income (quoted)					
Equity investments	31 March 2018	32,629.19	-	-	32,629.19
	31 March 2017	31,602.92	-	-	31,602.92
	01 April 2016	29,434.00	-	-	29,434.00

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

(iv) Fair value of instruments measured at amortised cost

Fair value of instruments measured at amortised cost for which fair value is disclosed is as follows:

		31 March 2018		31 March 2017		1 April 2016	
Particulars	Level	Carrying value	Fair value	Carrying value	Fair value	Carrying value	Fair value
Financial assets							
Security deposits	Level 3	332.99	332.99	292.49	292.49	247.15	247.15
Other financial assets	Level 3	95.91	95.91	127.89	130.42	208.75	208.75
Total financial assets		332.99	332.99	292.49	292.49	247.15	247.15
Financial liabilities							
Borrowings	Level 3	28,732.41	28,732.41	36,061.96	36,061.96	37,881.15	37,881.15
Finance lease obligations	Level 3	502.92	467.44	486.06	505.11	470.73	470.73
Other financial liabilities	Level 3	932.01	922.32	774.41	777.07	750.75	750.75
Total financial liabilities		30,167.34	30,122.17	37,322.43	37,344.14	39,102.63	39,102.63

The management assessed that cash and cash equivalents, trade receivables, other receivables, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments. The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values:

- (i) Long-term fixed-rate and variable-rate receivables are evaluated by the Group based on parameters such as interest rates, individual creditworthiness of the customer and other market risk factors. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.
- (ii) The fair values of the Group interest-bearing borrowings, loans and receivables are determined by applying discounted cash flows ('DCF') method, using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own nonperformance risk as at 31 March 2018 was assessed to be insignificant.

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Note - 35

Financial risk management

The Group activities expose it to credit risk, liquidity risk and market risk. The Group's board of directors has overall responsibility for the establishment and oversight of the Group risk management framework. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the related impact in the financial statements.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, other financial assets	Aging analysis	Bank deposits, diversification diversification of asset base, credit limits and collateral.
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities.
Market risk - foreign exchange	Recognised financial assets and liabilities not denominated in Indian rupee (INR)	Cash flow forecasting	Forward contract/hedging, if required.
Market risk - interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Negotiation of terms that reflect the market factors.
Market risk - security price	Investments in equity securities	Sensitivity analysis	Portfolio diversification.

(A) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Group. The Group exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Group continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a) Credit risk management

i) Credit risk rating

The Group assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets. The Group assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

A: Low

B: Medium

C: High

The Group provides for expected credit loss based on the following:

Asset group	Basis of categorisation	Provision for expected credit loss
Low	Cash and cash equivalents, other bank balances, loans, trade receivables and other financial assets	12 month expected credit loss
Medium	Trade receivables	Life time expected credit loss or 12 month expected credit loss
High	Trade receivables	"Life time expected credit lossfully provided for"

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Life time expected credit loss is provided for trade receivables.

Based on business environment in which the Group operates, a default on a financial asset is considered when the counter party fails to make payments within the agreed time period as per contract. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Group. The Group continues to engage with parties whose balances are written off and attempts to enforce repayment. Recoveries made are recognised in statement of profit and loss.

Credit rating	Particulars	31 March 2018	31 March 2017	1 April 2016
A: Low	Cash and cash equivalents, other bank balances, loans and other financial assets	1,048.58	574.23	653.34
B: Medium	Trade receivables	1,255.91	3,621.32	2,811.67

ii) Concentration of trade receivables

The Group exposure to credit risk for trade receivables is presented as below. Loans and other financial assets majorly represents loans to employees and deposits given for business purposes.

Particulars	31 March 2018	31 March 2017	1 April 2016
Auto components	786.74	1,080.69	831.67
Consumer electronics	110.87	2,251.66	1,648.10
IT Industry	271.92	79.61	227.10
Telecom industry	6.41	23.03	17.15
Others	79.97	186.33	87.66
Total	1,255.91	3,621.32	2,811.67

b) Credit risk exposure

(i) Provision for expected credit losses

The Group provides for expected credit loss based on 12 month and lifetime expected credit loss basis for following financial assets –

As at 31 March 2018

Particulars	"Estimated gross carrying amount at default"	"Expected credit losses"	Carrying amount net of impairment provision
Cash and cash equivalents	38.71	-	38.71
Trade receivables	1,255.91	(276.73)	979.18
Other bank balances	54.59	-	54.59
Loans	332.99	-	332.99
Other financial assets	622.28	-	622.28

As at 31 March 2017

Particulars	"Estimated gross carrying amount at default"	"Expected credit losses"	Carrying amount net of impairment provision
Cash and cash equivalents	45.98	-	45.98
Trade receivables	3,621.32	(401.75)	3,219.56
Other bank balances	9.54	-	9.54
Loans	292.49	-	292.49
Other financial assets	226.22	-	226.22

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

As at 1 April 2016

Particulars	"Estimated gross carrying amount at default"	"Expected credit losses"	Carrying amount net of impairment provision
Cash and cash equivalents	105.41	-	105.41
Trade receivables	2,811.67	(280.44)	2,531.23
Other bank balances	7.73	-	7.73
Loans	247.16	-	247.16
Other financial assets	293.05	-	293.05

(ii) Expected credit loss for trade receivables under simplified approach

The Group trade receivables pertaining to income from sale of products and services has higher credit risk and accordingly allowance for expected credit loss is created using provision matrix approach.

Particulars	31 March 2018	31 March 2017	1 April 2016
Gross amount of trade receivables	1,255.91	3,621.32	2,811.67
Expected loss rate	22.03%	11.09%	9.97%
Expected credit loss (loss allowance provision)	276.73	401.75	280.44

Due to discontinuation of two business the loss rates have increased in the current year.

Reconciliation of loss provision – lifetime expected credit losses

Reconciliation of loss allowance	Trade receivables
Loss allowance as on 1 April 2016	280.44
Impairment loss recognised/reversed during the year	124.48
Amounts written off	(3.16)
Loss allowance on 31 March 2017	401.76
Impairment loss recognised/reversed during the year	(124.92)
Amounts written off	(0.10)
Loss allowance on 31 March 2018	276.74

(B) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the Group liquidity position and cash and cash equivalents on the basis of expected cash flows. The Group takes into account the liquidity of the market in which the entity operates.

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Maturities of financial liabilities

The tables below analyse the Group financial liabilities into relevant maturity groupings based on their contractual maturities.

31 March 2018	Less than 1 year	1 - 2 years	2 - 5 years	More than 5 years	Total
Non-derivative					
Borrowings	4,586.87	5,286.56	9,098.16	17,742.45	36,714.04
Obligations under finance lease	28.86	28.86	86.58	13,984.92	14,129.22
Trade payable	309.11	-	-	-	309.11
Security deposits	91.79	641.48	254.13	196.56	1,183.96
Other financial liabilities	261.86	-	-	-	261.86
Total	5,278.48	5,956.90	9,438.88	31,923.94	52,598.19

31 March 2017	Less than 1 year	1 - 2 years	2 - 5 years	More than 5 years	Total
Non-derivative					
Borrowings	11,006.20	3,473.75	10,540.28	20,965.19	45,985.42
Obligations under finance lease	28.86	28.86	86.58	14,013.78	14,158.08
Trade payable	3,363.72	-	-	-	3,363.72
Security deposits	3.92	137.54	742.81	114.28	998.56
Other financial liabilities	401.73	1.90	-	-	403.63
Total	14,804.43	3,642.06	11,369.67	35,093.26	64,909.41

1 April 2016	Less than 1 year	1 - 2 years	2 - 5 years	More than 5 years	Total
Non-derivative					
Borrowings	14,590.31	8,990.21	7,867.06	18,337.59	49,785.16
Obligations under finance lease	28.86	28.86	86.58	14,042.64	14,186.94
Trade payable	2,358.30	-	-	-	2,358.30
Security deposits	-	13.98	915.30	129.75	1,059.03
Other financial liabilities	436.68	2.70	-	-	439.38
Total	17,414.15	9,035.74	8,868.94	32,509.99	67,828.82

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

The Group had access to following funding facilities :

As at 31 March 2018

Particulars	Total Facility	Drawn	Undrawn
Less than 1 year	7,092.74	4,897.76	2,194.98
1-2 years	4,926.30	4,926.30	-
Above 2 years	18,006.27	18,006.27	-
Total	30,025.32	27,830.33	2,194.98

As at 31 March 2017

Particulars	Total Facility	Drawn	Undrawn
Less than 1 year	11,379.32	9,401.40	1,977.92
1-2 years	2,916.38	2,916.38	-
Above 2 years	21,087.70	21,087.70	-
Total	35,383.40	33,405.48	1,977.92

As at 1 April 2016

Particulars	Total Facility	Drawn	Undrawn
Less than 1 year	12,481.67	12,188.09	293.57
1-2 years	8,146.28	8,146.28	-
Above 2 years	14,265.80	14,265.80	-
Total	34,893.75	34,600.17	293.57

(C) Market risk

(i) Foreign exchange risk

The Group has international transactions and is exposed to foreign exchange risk arising from foreign currency transactions (imports and exports). Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Group functional currency. The Group does not hedge its foreign exchange receivables/payables.

Particulars	31 March 2018		31 March 2017	
	USD "INR(Rs. in lakhs)"		USD"INR(Rs. in lakhs)"	
Receivables				
Trade receivable	-	-	3,715.50	2.41
Payables				
Trade payables	-	-	51,374.12	33.31
Net exposure	-	-	(47,658.62)	(30.90)

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	31 March 2018	31 March 2017
INR/USD increase by 5%	-	(1.55)
INR/USD decrease by 5%	-	1.55

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

(ii) Interest rate risk

a. Liabilities

The Group fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Group variable rate borrowing is subject to interest rate. Below is the overall exposure of the borrowing:

Particulars	31 March 2018	31 March 2017	1 April 2016
Variable rate borrowing	28,726.64	36,021.01	37,808.40
Fixed rate borrowing	508.69	527.00	543.48
Total borrowings	29,235.33	36,548.01	38,351.88

Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	31 March 2018	31 March 2017
Interest rates – increase by 25 basis points	71.82	90.05
Interest rates – decrease by 25 basis points	(71.82)	(90.05)

(iii) Price risk

The Group exposure to price risk arises from investments held and classified as FVTPL or FVOCI. To manage the price risk arising from investments, the Group diversifies its portfolio of assets.

Sensitivity

Profit or loss and equity is sensitive to higher/lower prices of instruments on the Group profit for the year -

Particulars	31 March 2018	31 March 2017
Price sensitivity		
Price increase by (5%) - FVOCI	1,631.46	1,580.15
Price decrease by (5%) - FVOCI	(1,631.46)	(1,580.15)

Note - 36

Capital management

Risk management

The Group objectives when managing capital are to

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

The Group monitors capital on the basis of the carrying amount of equity less cash and cash equivalents as presented on the face of balance sheet.

The Group manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

Particulars	31 March 2018	31 March 2017	1 April 2016
Net debts*	29,261.36	36,571.03	38,324.93
Total equity	42,595.28	39,772.46	38,400.01
Net debt to equity ratio	0.69	0.92	1.00

*Net debt = long-term borrowings + short-term borrowings + current maturities of long-term borrowings + bank overdraft + interest accrued - cash and cash equivalents

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Note - 37

Related party transactions

In accordance with the requirements of Ind AS 24 the names of the related party where control exists/ able to exercise significant influence along with the aggregate transactions and year end balances with them as identified and certified by the management are given below:

i) Parties where control exists:

(a) Holding Company:

- M/s Anadi Investments Private Limited

(b) Key Management Personnel (KMP) and their Relatives:

- Mr. Mahesh Munjal (Managing Director)
- Ms. Aashima Munjal (Joint Managing Director)
- Mr. Aayush Munjal (Whole Time Director)
- Ms. Juhi Garg (Company Secretary) with effect from 3rd October 2017
- Mr. Rahul Tiwari (Company Secretary) till 30th August 2017

- Mr. Rajpal Singh Negi (Chief Financial Officer) with effect from 14th November 2017
- Mr. Prakash Chander Patro (Chief Financial Officer) till 30th August 2017
- Mr. Vikas Nanda (Independent Director) with effect from 14th February 2017
- Mr. Mohamad Abdul Zahir (Independent Director)
- Mr. Shavinder Singh Khosla (Independent Director)
- Mr. G.P. Sood (Independent Director) till 14th February 2017
- Mr. Pradeep Shankar (Independent Director) with effect from 8th November 2016
- Mr. Deepak Loomba (Independent Director) till 3rd January 2017

(c) Enterprises over which Key Management Personnel is able to exercise significant influence with whom transactions has been undertaken:-

- M/s Munjal Showa Limited
- M/s OK Hosiery Mills Private Limited

ii) Transactions with related parties carried out in the ordinary course of business:

S.No	Particulars	Year	Key Management Personnel and their relatives	Enterprise over which KMP exercise significant influence	Total
1	Sale of goods	31 March 2018	-	55.45	55.45
		31 March 2017	-	66.30	66.30
2	Interest paid	31 March 2018	101.25	-	101.25
		31 March 2017	153.18	-	153.18
3	Electricity expenses	31 March 2018	-	6.82	6.82
		31 March 2017	-	6.24	6.24
4	Loan received	31 March 2018	1,706.43	-	1,706.43
		31 March 2017	1,743.92	-	1,743.92
5	Maintenance and management expenses	31 March 2018	-	1.73	1.73
		31 March 2017	-	1.24	1.24
6	Remuneration paid*	31 March 2018	208.64	-	208.64
		31 March 2017	186.87	-	186.87
7	Rent paid	31 March 2018	-	40.19	40.19
		31 March 2017	-	37.25	37.25
8	Sitting Fees	31 March 2018	3.34	-	3.34
		31 March 2017	2.96	-	2.96

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

iii) Closing balance with related parties in the ordinary course of business :

S.No	Particulars	Year	Key Management Personnel and their relatives	Enterprise over which KMP exercise significant influence	Total
1	Loan taken	31 March 2018	1,220.75	-	1,220.75
		31 March 2017	482.50	-	482.50
		01 April 2016	1,498.39	-	1,498.39
2	Security deposit	31 March 2018	-	19.24	19.24
		31 March 2017	-	19.24	19.24
		01 April 2016	-	19.24	19.24
3	Trade Payable	31 March 2018	-	4.31	4.31
		31 March 2017	-	-	-
		01 April 2016	-	51.23	51.23
4	Trade Receivable	31 March 2018	-	2.85	2.85
		31 March 2017	-	8.40	8.40
		01 April 2016	-	8.06	8.06
5	Remuneration payable	31 March 2018	4.90	-	4.90
		31 March 2017	15.46	-	15.46
		01 April 2016	14.88	-	14.88

* The remuneration of Key Managerial Personnel included in various schedules to statement of profit

Particulars	31 March 2018	31 March 2017
Salaries and incentives	206.51	183.98
Leave encashment	0.08	0.03
Gratuity	2.04	2.87
	208.64	186.87

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Note - 38

Contingent liabilities and commitments (to the extent not provided for)

Contingent liabilities shall be classified as under:-

Particulars	31 March 2018	31 March 2017	1 April 2016
(a) Claims against the company not acknowledged as debts			
Sales tax matters under U.P. Trade Tax Act	-	9.11	1.98
(b) Guarantees excluding financial guarantees; and			
Bank Guarantees	44.20	44.20	109.57
(c) Letter of credit	-	444.64	230.69
Total	44.20	497.94	342.24

Excise duty/sales tax paid under protest amounting to Rs. 4.02 lakhs (previous years 31 March 2017 and 1 April 2016: Rs. 3.51 lakhs and Rs. 3.51 lakhs respectively) is appearing under the head balance with government authorities.

(a) It is not practicable for the Group to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

(b) The Group 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.

B Capital commitments:

Capital expenditure contracted for investment property at the end of the reporting period but not recognised as liabilities is Rs. 14,129.22 lakhs (31 March 2017:Rs. 14,158.08 lakhs and 1 April 2016: Rs. 14,186.94 lakhs)

Note - 39

Leases disclosure as lessee

Operating leases

The Group has taken on lease certain assets with lease term of 3 years, which are subject to renewal at mutual consent thereafter. These arrangements can be terminated by either party after giving due notice. The other information pursuant to Ind AS - 17 is given hereunder:

The Company has taken commercial premises on operating lease as per the terms of lease and license agreement. Rentals are expensed with reference to lease terms and other considerations. The future lease payments in respect of these leases are as at under:

The Group has paid Rs. 37.25 lakhs (31 March 2017: Rs. 37.25 lakhs) during the year towards minimum lease payment. Future minimum rentals payable under non-cancellable operating leases as at 31 March are, as follows:

Particulars	31 March 2018	31 March 2017	1 April 2016
Within one year	54.30	37.25	37.25
Later than one year but not later than five years	37.38	34.14	71.39
Later than five years	-	-	-

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Finance leases

The Group has taken land on finance lease of investment property. The Group's obligations under finance leases are secured by the lessor's title to the leased assets. Future minimum lease payments under finance lease are, as follows:

Particulars	31 March 2018	31 March 2017	1 April 2016
Within one year	28.86	28.86	28.86
Later than one year but not later than 5 years	115.44	115.44	115.44
Later than 5 years	13,984.92	14,013.78	14,042.64

Present value of the minimum lease payments are, as follows:

Particulars	31 March 2018	31 March 2017	1 April 2016
Within one year	23.85	26.24	28.86
Later than one year but not later than 5 years	75.61	83.17	91.48
Later than 5 years	316.18	332.47	350.39
Amounts representing finance charges	13,713.59	13,716.21	13,716.21

Note - 40

Employee benefits

A Gratuity

Risk

Salary increases Actual salary increases will increase the plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.

Investment risk If plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.

Discount rate Reduction in discount rate in subsequent valuations can increase the plan's liability.

Mortality and disability Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.

Withdrawals Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

I) Amounts recognized in the balance sheet

Particulars	31 March 2018	31 March 2017	1 April 2016
Present value of the obligation	36.30	146.10	341.41
Fair value of plan assets	3.57	8.02	0.67
Net obligation recognised in balance sheet as provision	32.73	138.08	340.74
Current liability (amount due within one year)	19.73	58.21	286.40
Non-current liability (amount due over one year)	12.99	79.88	54.34

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

ii) Expenses recognized in other comprehensive income

Particulars	31 March 2018	31 March 2017
Actuarial gain/(loss) on asset	(0.37)	0.33
Actuarial gain/(loss) on present benefit obligation	94.11	218.70
Unrecognised actuarial gain at the end of the year	93.74	219.03

iii) Actuarial (gain)/loss on obligation

Particulars	31 March 2018	31 March 2017
Actuarial (gain)/loss net on account of:		
- Changes in demographic assumptions	-	-
- Changes in financial assumptions	(6.71)	(4.80)
- Changes in experience adjustment	(87.40)	(213.90)

iv) Expenses recognised in statement of profit and loss

Particulars	31 March 2018	31 March 2017
Current service cost	5.12	28.53
Interest cost	10.41	27.26
Cost recognised during the year	15.53	55.79

v) Movement in the liability recognised in the balance sheet is as under:

Particulars	31 March 2018	31 March 2017
Present value of defined benefit obligation at the beginning of the year	146.10	341.41
Current service cost	5.12	28.53
Interest cost	11.02	27.31
Actuarial gain on obligation	(94.11)	(218.70)
Benefits paid	(31.83)	(32.45)
Present value of defined benefit obligation at the end of the year	36.30	146.10

vi) Change in plan assets is as under:

Particulars	31 March 2018	31 March 2017
Fair value of plan assets at the beginning of the period	8.02	0.67
Actual return on plan assets	0.23	0.39
Employer contribution	4.00	39.24
Benefits paid	(8.68)	(32.28)
Fair value of plan assets at the end of the period	3.57	8.02

vii) Major categories of plan assets (as percentage of total plan assets)

Particulars	31 March 2018	31 March 2017
Funds managed by insurer	100%	100%
Total	100%	100%

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

viii) (a) For determination of the liability of the Company the following actuarial assumptions were used:

Particulars	31 March 2018	31 March 2017	1 April 2016
Discount rate	7.71% - 8.00%	7.54% - 8.00%	8.00%
Salary escalation rate	5.50% - 9.00%	5.50% - 9.00%	5.50% - 9.00%
Retirement Age (years)	58.00	58.00	58.00
Withdrawal rate			
Up to 30 years	3.00%	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%	2.00%
Above 44 years	1.00%	1.00%	1.00%
Mortality rates inclusive of provision for disability -100% of IALM (2006 – 08)			

viii) (b) Maturity profile of defined benefit obligation

Particulars	31 March 2018	31 March 2017
0 to 1 year	4.54	11.59
1 to 2 year	0.53	5.51
2 to 3 year	0.79	6.58
3 to 4 year	0.57	9.66
4 to 5 year	0.58	5.91
5 to 6 year	0.81	2.24
6 year onwards	28.47	104.60

ix) Sensitivity analysis for gratuity liability

Particulars	31 March 2018	31 March 2017
a) Impact of the change in discount rate		
Present value of obligation at the end of the year	36.30	146.10
Impact due to increase of 0.50 %	(1.41)	(5.75)
Impact due to decrease of 0.50 %	2.76	10.19
b) Impact of the change in salary increase		
Present value of obligation at the end of the year	36.30	146.10
Impact due to increase of 0.50 %	2.76	8.89
Impact due to decrease of 0.50 %	(1.43)	(4.63)

Sensitivities due to mortality and withdrawals are not material. Hence impact of change due to these is not calculated.

Sensitivities as rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable.

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Note - 41

Assets pledged as security

The carrying amounts of assets pledged as security are:

Particulars	31 March 2018	31 March 2017	1 April 2016
Non-current			
Second charge			
Investment in equity instruments valued through OCI	25,565.91	28,079.56	28,874.75
Total non-current assets pledged as security	25,565.91	28,079.56	28,874.75
Current			
First charge			
Margin money	54.59	9.54	7.73
Total current assets pledged as security	54.59	9.54	7.73
Total assets pledged as security	25,620.49	28,089.10	28,882.48

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Note - 42

Disclosures as per Indian Accounting Standard (Ind AS) 108 "Operating Segments"**a) Operating segments**

Management currently identifies the Group's three service lines as its operating segments as follows:

- Fine blanking components
- Electricals
- Facility management services
- Rental

During the year ended 31 March 2018, Group has discontinued the 'Fine Blanking Components' and 'Electrical' operations and have included in Discontinued Operations.

b) Segment revenue and expenses

Revenue and expenses directly attributable to the segment is considered as 'Segment Revenue and Segment Expenses'.

c) Segment assets and liabilities

Segment assets and liabilities include the respective directly identifiable to each of the segments.

These operating segments are monitored by the Group's chief operating decision maker and strategic decisions are made on the basis of segment operating results. Segment performance is evaluated based on the profit of each segment.

The following tables present revenue and profit information and certain asset and liability information regarding the Group's reportable segments for the years ended 31 March 2018 and 31 March 2017.

(i) Geographical segment analysis

Particulars	Revenue	
	31 March 2018	31 March 2017
India	13,961.42	24,789.99
Singapore	-	6.71
Total	13,961.42	24,796.70

(ii) Information about major customer

During the year ended 31 March 2018 revenue of approximately 38.12% (previous year 31 March 2017: 58.02%) are derived from two external customer under 'Electrical Segment', 'Rental' & 'Facility Management Segment'.

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

Particulars	(Rs. in lakhs)									
	Facility management services			Rental		Discontinued operations			Unallocated	
	31 March 2018	31 March 2017	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2017	31 March 2018	31 March 2017
Revenue										
Sales to external customers	2,841.95	2,956.18	3,305.29	3,305.29	3,305.29	8,384.18	19,136.44	-	14,531.42	25,397.91
Inter-segment sale	(570.00)	(600.00)	-	-	-	-	-	-	(570.00)	(600.00)
Segment revenue	2,271.95	2,356.18	3,305.29	3,305.29	3,305.29	8,384.18	19,136.44	-	13,961.42	24,797.91
Interest revenue	14.40	15.59	12.71	12.71	46.73	-	0.43	-	27.11	62.74
Interest expense	658.62	842.55	1,638.51	1,638.51	1,850.03	618.40	923.92	-	2,915.53	3,616.50
Depreciation and amortisation	326.58	316.54	492.76	492.76	515.60	518.98	1,459.33	-	1,338.32	2,291.48
Write-down of inventories	-	-	-	-	-	35.94	-	-	35.94	-
Reversal of provisions	-	-	-	-	0.70	130.06	3.16	-	130.06	3.86
Dividend revenue	782.85	853.47	-	-	-	-	-	-	782.85	853.47
Disposals of of property, plant and equipment	-	-	-	-	-	(113.73)	117.42	-	(113.73)	117.42
Segment result (profit/ (loss) before tax)	280.85	110.31	805.63	805.63	783.91	(1,761.82)	(2,599.11)	-	(675.33)	(1,704.89)
Income tax expense	(152.07)	(283.17)	201.20	201.20	142.46	(459.75)	(533.18)	-	(410.62)	(673.89)
Material non-cash items other than depreciation and amortisation.	-	-	-	-	-	-	125.18	-	-	125.18
Segment assets	39,403.82	39,071.19	25,400.61	25,400.61	25,605.36	6,764.13	13,668.31	4,087.37	75,655.93	82,432.23
Segment liabilities	12,150.41	13,554.46	19,250.39	19,250.39	19,635.36	1,659.84	9,469.93	-	33,060.64	42,659.75
Additions to non-current Assets other than financial instruments, deferred tax assets, net defined benefit assets	67.64	99.29	231.26	231.26	56.11	27.43	305.79	-	326.33	461.19

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Note - 43

Interest in other entities

Subsidiaries

The Group's subsidiaries at 31 March 2018 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group.

Name of entities	Country of incorporation	Functional currency	Ownership interest held by the Group			Principal activities
			31 March 2018	31 March 2017	1 April 2016	
Majestic IT Services Limited	India	INR	100%	100%	100%	Facility management services
Emirates Technologies Private Limited	India	INR	80%	80%	80%	Rental services

Subsidiary with material non-controlling interests (NCI)

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the group. The amounts disclosed for each subsidiary are before inter-company eliminations.

Name of entity	Proportion of ownership interests and voting rights held by NCI			Total comprehensive income allocated to NCI	
	31 March 2018	31 March 2017	1 April 2016	31 March 2018	31 March 2017
Emirates Technologies	20%	20%	20%	95.03	87.55

Summarised financial information for Emirates Technologies Private Limited is set out below:

Particulars	31 March 2018	31 March 2017	1 April 2016
Non-current assets	25,116.98	25,449.07	26,072.61
Current assets	283.63	156.28	615.61
Total assets	25,400.61	25,605.36	26,688.22
Non-current liabilities	17,705.42	19,606.02	21,712.54
Current liabilities	2,521.31	1,300.60	714.67
Total liabilities	20,226.73	20,906.61	22,427.22
Equity attributable to the owners of the parent Company	5,173.89	4,698.74	4,261.01
Non-controlling interests	1,034.78	939.75	852.20

Particulars	31 March 2018	31 March 2017
Revenue	3,305.26	3,304.08
Profit for the year attributable to the owners of the Parent	380.13	350.18
Profit for the year attributable to non-controlling interest	95.03	87.55
Profit for the year	475.16	437.73
Other comprehensive income	-	-
Total comprehensive income attributable to the owners of the Parent	380.13	350.18
Total comprehensive income attributable to non-controlling interest	95.03	87.55
Total comprehensive income	475.16	437.73

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Note - 44

Additional information in pursuant to Schedule III of the Companies Act, 2013

Name of the entity in the group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount in lakhs	As % of consolidated profit or loss	Amount in lakhs	As % of consolidated other comprehensive income	Amount in lakhs	As % of consolidated total comprehensive income	Amount in lakhs
Parent								
Majestic Auto Limited	85.55%	36,438.35	567.21%	(1,501.44)	99.97%	3,086.57	56.15%	1,585.13
Indian subsidiaries								
Majestic IT Services Limited	0.02%	6.71	-238.87%	632.30	0.03%	0.95	22.43%	633.25
Emirates Technologies Private Limited	11.55%	4,920.17	-182.67%	483.55	0.00%	-	17.13%	483.55
Non-controlling interest in subsidiary	2.89%	1,230.04	-45.67%	120.89	0.00%	-	4.28%	120.89
Total	100.00%	42,595.28	100.00%	(264.71)	100.00%	3,087.52	100.00%	2,822.81

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Note - 45

A Explanation of transition to Ind AS

1 Reconciliation of total equity as at 1 April 2016

Particulars	Note	1 April 2016		
		Previous GAAP*	Ind AS adjustments	Ind AS
Non-current assets				
Property, plant and equipment	6A	16,062.07	(10.27)	16,051.80
Capital work-in-progress		8.61	-	8.61
Investment property	6 B	24,592.34	470.53	25,062.87
Goodwill	11	5,720.00	(1,632.63)	4,087.37
Other intangible assets		504.92	-	504.92
Financial assets				
Investments	3	2,054.13	27,379.87	29,434.00
Loans	9	256.40	(9.25)	247.15
Other financial assets	6A & 7	-	208.75	208.75
Deferred tax assets (net)	10	289.12	(88.66)	200.46
Non - current tax assets (net)		564.20	-	564.20
Other non-current assets	9	9.05	7.67	16.72
Total non-current assets		50,060.84	26,326.01	76,386.85
Current assets				
Inventories		1,876.55	-	1,876.55
Financial assets				
Trade receivables	2	2,533.73	(2.50)	2,531.23
Cash and cash equivalents		105.41	-	105.41
Other bank balances		7.73	-	7.73
Other financial assets	6A & 7	16.16	68.14	84.30
Current tax asset (net)		176.79	-	176.79
Other current assets	9	1,311.23	1.58	1,312.81
Total current assets		6,027.60	67.22	6,094.82
Total assets		56,088.44	26,393.23	82,481.67
Equity				
Equity share capital		1,039.82	-	1,039.82
Other equity	1 to 10	16,462.56	20,045.43	36,507.99
Equity attributable to the owners of the parent Company		17,502.38	20,045.43	37,547.81
Non-controlling interests		835.14	17.06	852.20
Total equity		18,337.52	20,062.49	38,400.01
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	1	33,526.12	434.25	33,960.37
Other financial liabilities	6B & 8	1,067.18	(316.43)	750.75
Provisions		54.35	-	54.35
Deferred tax liabilities (net)	10	(4,544.93)	5,871.44	1,326.51
Other non-current liabilities	9	-	226.83	226.83
Total non-current liabilities		30,102.72	6,216.09	36,318.81
Current liabilities				
Financial liabilities				
Borrowings		2,986.08	-	2,986.08
Trade payables		2,358.28	-	2,358.28
Other financial liabilities	6B & 8	1,890.07	30.49	1,920.56
Other current liabilities	9	124.43	84.16	208.59
Provisions		289.34	-	289.34
Total current liabilities		7,648.20	114.65	7,762.85
Total equity and liabilities		56,088.44	26,393.23	82,481.67

* The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

2 Reconciliation of total equity as at 31 March 2017

Particulars	Note	31 March 2017		
		Previous GAAP*	Ind AS adjustments	Ind AS
Non-current assets				
Property, plant and equipment	6A	14,744.91	(8.64)	14,736.27
Capital work-in-progress	-	-	-	-
Investment property	6 B	24,139.77	465.33	24,605.10
Goodwill	11	5,720.00	(1,632.63)	4,087.37
Other intangible assets		431.56	-	431.56
Financial assets				
Investments	3	2,015.11	29,587.81	31,602.92
Loans	9	301.74	(9.25)	292.49
Other financial assets	6A & 7	-	127.89	127.89
Deferred tax assets (net)	10	291.87	(93.23)	198.64
Non - current tax assets (net)		587.30	-	587.30
Other non-current assets	9	4.04	7.68	11.72
Total non-current assets		48,236.30	28,444.96	76,681.26
Current assets				
Inventories		1,838.99	-	1,838.99
Financial assets				
Trade receivables	2	3,347.24	(127.68)	3,219.56
Cash and cash equivalents		45.98	-	45.98
Other bank balances		9.54	-	9.54
Other financial assets	6A & 7	16.70	81.63	98.33
Other current assets	9	536.98	1.58	538.56
Total current assets		5,795.43	(44.47)	5,750.96
Total assets		54,031.73	28,400.49	82,432.22
Equity				
Equity share capital		1,039.82	-	1,039.82
Other equity	1 to 10	16,177.40	21,615.49	37,792.89
Equity attributable to the owners of the parent Company		17,217.22	21,615.49	38,832.71
Non-controlling interests		919.60	20.15	939.75
Total equity		18,136.82	21,635.64	39,772.46
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	1	32,126.92	457.02	32,583.94
Other financial liabilities	6B & 8	1,005.39	(234.55)	770.84
Provisions		79.88	-	79.88
Deferred tax liabilities (net)	10	(5,313.55)	6,297.32	983.77
Other non-current liabilities	9	-	137.18	137.18
Total non-current liabilities		27,898.64	6,656.97	34,555.61
Current liabilities				
Financial liabilities				
Borrowings		1,996.53	-	1,996.53
Trade payables		3,363.72	-	3,363.72
Other financial liabilities	6B & 8	2,412.99	28.86	2,441.85
Other current liabilities	9	161.49	79.02	240.51
Provisions		61.54	-	61.54
Total current liabilities		7,996.27	107.88	8,104.15
Total equity and liabilities		54,031.73	28,400.49	82,432.22

* The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

3 Reconciliation of total comprehensive income for the year ended 31 March 2017

Particulars	Note	Previous GAAP*	Discontinued operation	Ind AS adjustments	Ind AS
Revenue from operations	7 & 8	24,782.88	(19,136.44)	13.82	5,660.26
Other income	6A	1,053.68	(122.57)	2.48	933.59
Total revenue		25,836.56	(19,259.01)	16.30	6,593.85
Expenses					
Cost of revenue		13,468.55	(12,405.69)		1,062.86
Employee benefits expense	4	2,470.14	(2,209.08)	219.03	480.10
Finance costs	6 B & 8	3,495.41	(923.92)	121.10	2,692.58
Depreciation and amortisation expense	6A	2,287.92	(1,459.33)	3.56	832.15
Other expenses	2	2,887.52	(2,351.43)	95.86	631.94
Total expenses		27,118.20	(21,858.12)	439.55	5,699.63
Profit /Loss before exceptional items and tax		(1,281.64)	2,599.11	(423.25)	894.22
Exceptional items					
Profit on sale of long term investments	3	523.46	-	(523.46)	-
Profit before tax from continuing operations		(758.18)	2,599.11	(946.71)	894.22
Tax expense:					
Current tax		145.02	-		145.02
Less : MAT credit entitlement		(7.12)	-		(7.12)
Deferred tax	9	(768.62)	606.42	(116.40)	(278.60)
Income tax for earlier years		73.24	(73.24)		-
Profit from continuing operations		(200.70)	2,065.93	(830.31)	1,034.92
Discontinued operations					
Loss from discontinued operation before tax		-	(2,599.11)		(2,599.11)
Tax expense/(credit) of discontinued operations		-	(533.18)		(533.18)
Loss from discontinued operation		-	(2,065.93)	-	(2,065.93)
Loss for the year		(200.70)	(0.00)	(830.31)	(1,031.01)
Other comprehensive income					
Items that will not be reclassified to profit and loss					
Re-measurement gains (losses) on defined benefit plans	4	-		219.03	219.03
Income tax relating to items that will not be reclassified to profit and loss	9	-		(75.76)	(75.76)
Changes in fair value of FVOCI equity instruments	3	-		2,731.40	2,731.40
Income tax relating to items that will be reclassified to profit and loss	9	-		(471.21)	(471.21)
Total other comprehensive income for the year		(200.70)	(0.00)	1,573.16	1,372.45

* The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

B First time adoption of Ind AS

These are the Group's first financial statements prepared in accordance with Ind AS.

The accounting policies have been applied in preparing the financial statements for the year ended 31 March 2018, the comparative information presented in these financial statements for the year ended 31 March 2017 and in the preparation of an opening Ind AS balance sheet at 1 April 2016 (the Company's date of transition). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes.

C Ind AS optional exemptions

1 Deemed cost for property, plant and equipment and intangible assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment property covered by Ind AS 40 Investment Properties. Accordingly, the Company has elected to measure all of its property, plant and equipment, intangible assets at their previous GAAP carrying value.

2 Designation of previously recognised financial instruments

Ind AS 101 allows an entity to designate investments in equity instruments at FVOCI on the basis of the facts and circumstances at the date of transition to Ind AS. The Group has elected to apply this exemption for its investment in equity investments.

D Ind AS mandatory exemptions

1 Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at 1 April 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- a) Investment in equity instruments carried at FVTPL or FVOCI
- b) Impairment of financial assets based on expected credit loss model.

2 Classification and measurement of financial assets and liabilities

The classification and measurement of financial assets will be made considering whether the conditions as per Ind AS 109 are met based on facts and circumstances existing at the date of transition.

Financial assets can be measured using effective interest method by assessing its contractual cash flow characteristics only on the basis of facts and circumstances existing at the date of transition and if it is impracticable to assess elements of modified time value of money i.e. the use of effective interest method, fair value of financial asset at the date of transition shall be the new carrying amount of that asset. The measurement exemption applies for financial liabilities as well.

Applying a requirement is impracticable when the entity cannot apply it after making every reasonable effort to do so. It is impracticable to apply the changes retrospectively if:

- a) The effects of the retrospective application or retrospective restatement are not determinable;
- b) The retrospective application or restatement requires assumptions about what management's intent would have been in that period;

The retrospective application or retrospective restatement requires significant estimates of amounts and it is impossible to distinguish objectively information about those estimates that existed at that time.

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

3 De-recognition of financial assets and liabilities

Ind AS 101 requires a first-time adopter to apply the de-recognition provisions of Ind AS 109 prospectively for transactions occurring on or after the date of transition to Ind AS. However, Ind AS 101 allows a first-time adopter to apply the de-recognition requirements in Ind AS 109 retrospectively from a date of the entity's choosing, provided that the information needed to apply Ind AS 109 to financial assets and financial liabilities derecognised as a result of past transactions was obtained at the time of initially accounting for those transactions.

(Rs. in lakhs)

The Group has elected to apply the de-recognition provisions of Ind AS 109 prospectively from the date of transition to Ind AS.

E Other reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

1 Reconciliation of total equity as at 31 March 2017 and 1 April 2016:

(Rs. in lakhs)

Particulars	Notes to first time adoption	31 March 2017	1 April 2016
Total equity (shareholder's funds) as per previous GAAP		18,136.83	18,337.52
Adjustments:			
Impact of processing fees netted from borrowings	Note - 1	0.18	7.62
Impact of expected credit loss	Note - 2	(126.97)	(2.50)
Impact of investment designated at FVOCI	Note - 3	29,587.81	27,379.87
Impact of prior period expenses	Note - 5	-	(1.63)
Impact of finance lease	Note - 6A	3.57	1.21
Impact of straightlining of rental income	Note - 7	205.56	270.65
Impact of financial instruments measured at amortised cost	Note - 6B & 8	(11.21)	-
Impact of impairment of goodwill on consolidation	Note - 11	(1,632.63)	(1,632.63)
Tax impact on above adjustment	Note - 10	(6,390.67)	(5,960.10)
Total adjustments		21,635.64	20,062.49
Total equity as per Ind AS		39,772.47	38,400.01

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

2 Reconciliation of total comprehensive income for the year ended 31 March 2017:

Particulars	Notes to first time adoption	31 March 2017
Loss after tax as per previous GAAP		200.17
Adjustments:		
Impact of processing fees netted from borrowings	Note - 1	(7.44)
Impact of expected credit loss	Note - 2	(124.48)
Impact of investment designated at FVOCI	Note - 3	(523.46)
Re-measurement gains on defined benefit plans	Note - 4	(219.03)
Impact of prior period expenses	Note - 5	1.63
Impact of finance lease	Note - 6A	2.36
Impact of straightlining of rental income	Note - 7	(65.08)
Impact of financial instruments measured at amortised cost	Note - 6B & 8	(11.21)
Tax impact on above adjustments	Note - 10	116.40
Total adjustments		(830.31)
Loss for the year ended 31 March 2017		(1,031.01)
Re-measurement gains on defined benefit plans	Note - 4	2,260.19
Impact of investment designated at FVOCI	Note - 10	143.27
Total comprehensive income for the year ended 31 March 2017		1,372.46

3 Impact of Ind AS adoption on Statement of Cash Flows for the year ended on 31 March 2017:

Particulars	Previous GAAP*	Adjustments	Ind AS
Net cash flow from operating activity	2,422.98	0.01	2,422.99
Net cash flow from Investing activity	2,859.21	(0.01)	2,859.20
Net cash used in financing activity	(5,341.61)	(0.01)	(5,341.62)
Net decrease in cash and cash equivalent	(59.42)	(0.01)	(59.43)
Cash and cash equivalent as at 1 April 2016	105.41	0.00	105.41
Cash and cash equivalent as at 31 March 2017	45.99	(0.01)	45.98

* The previous GAAP figures have been reclassified to confirm to Ind AS presentation requirements for the purpose of this note.

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Note - 1

Borrowing

Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method. Under previous GAAP, these transaction costs were shown as prepaid expense under non-current/current assets as and when incurred. Accordingly, borrowings as at 31 March 2017 have been reduced with a corresponding adjustment to prepaid expense head in non-current/current asset respectively.

Note - 2

Provision for trade receivables using provision matrix approach.

Under previous GAAP, provision for trade receivables is recognised on specific identification method based on management assessment of recoverability of trade receivables. As per Ind AS 109, the Company is required to apply expected credit loss model (provision matrix approach) for recognising the allowance for doubtful receivables.

Note - 3

Investments designated at fair value through other comprehensive income

Under previous GAAP, investments are shown at cost. Under Ind AS, such instruments are required to be evaluated under Ind AS 109 which requires the Company to account for such instruments either at amortised cost or fair value. Ind AS requires the Company to record the fair value gains or (losses) on FVOCI equity instruments in case of fair value instrument. Accordingly 'Investments' has been increased with a corresponding adjustment to other comprehensive income

Note - 4

Remeasurement of post-employment benefit obligations

Under Ind AS, actuarial gains and losses on defined benefit plan liabilities and plan assets are recognised in other comprehensive income instead of profit or loss. Under the previous GAAP, such measurements were charged to profit or loss for the respective year.

Note - 5

Prior period errors

Under Ind AS, prior period errors need to be restated retrospectively and such restatement is made in the earliest comparative period presented and the amount of the adjustment is made in the opening balance of retained earnings of earliest year presented.

Note - 6

Leases

The Group has applied the transition provision of Ind AS 17, "Leases", and has assessed all arrangement as at the date of transition. Basis the assessment the Group has done the accounting for vehicle given on finance lease. The accounting has been done retrospectively and the impact on transition date has been recognised in retained earnings. For lease accounting on transition, property, plant and equipment is derecognised and current/non-current other financial assets recognised. Difference towards reversal of retrospective depreciation and finance lease recognised as revenue instead of recovery of lease receivable adjusted against retained earnings.

The Group has applied the transition provision of Ind AS 17, "Leases", and has assessed all arrangement as at the date of transition. Basis the assessment the Group has done the accounting for land taken on finance lease. For lease accounting on transition, property, plant and equipment is recognised and non-current/ current other financial liabilities is recognised. Basis this transaction, amortisation expense and interest expense are adjusted against retained earnings.

Note - 7

Unbilled revenue

The Group has rental income from customers and Group allow to customers rent free period during the operating lease agreement. Under previous GAAP the Group recorded the lease rental income on actual basis in respective periods but as per Ind AS 17 "Leases" the Group needs to do the straightlining of rental income over the lease period taking into consideration incentives such as rent free periods. Basis that the accounting has been done retrospectively and unbilled receivables have increased with corresponding impact on retained earnings at transition date. For straightlining of rental income on transition, non-current/ current unbilled receivables are recognised. Difference towards recognition of retrospective revenue is adjusted against retained earnings.

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2018

(Rs. in lakhs)

Note - 8

Financial liabilities at amortised cost

Under the previous GAAP, interest free lease security deposits (that are refundable in payable on completion of the lease term) are recorded at their transaction value. Under Ind AS, all financial liabilities are required to be recognised at fair value. Accordingly, the Group has fair valued these security deposits under Ind AS. Difference between the fair value and transaction value of the security deposit has been recognised as deferred income.

Note - 9

Financial assets at amortised cost

Under the previous GAAP, interest free lease security deposits (that are refundable in cash on completion of the lease term) are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value. Accordingly, the Group has fair valued these security deposits under Ind AS. Difference between the fair value and transaction value of the security deposit has been recognised as prepaid expenses.

Note - 10

Tax impact on adjustments

Under previous GAAP, deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required Under previous GAAP.

For **SAR & Associates**
Chartered Accountants
Firm Registration No. 122400W

CA Anubhav Goyal
Partner
Membership No. 123328

Place: Noida
Date: 14th May, 2018

Note - 11

Impairment of goodwill on consolidation

The Group has assessed impairment of goodwill on consolidation on transition date and accordingly recognised impairment loss on 1 April 2016.

Note - 12

Minimum alternate tax

Ind AS 12 requires classification of MAT credit as deferred tax asset. Accordingly, the Group has reclassified MAT credit from loans and advances to deferred tax asset on each reporting date. There is no impact on the total equity or profit as a result of this adjustment.

Note - 13

Retained earnings

Retained earnings as at 1 April 2016 has been adjusted consequent to the above Ind AS transition adjustments.

Note - 14

Other comprehensive income

Under Ind AS, all items of income and expense recognised in a period should be included in profit or loss for the period, unless a standard requires or permits otherwise. Items of income and expense that are not recognised in profit or loss but are shown in the statement of profit and loss as 'other comprehensive income' includes re-measurements of defined benefit plans and fair value gains or (losses) on FVOCI equity instruments and their corresponding income tax effects. The concept of other comprehensive income did not exist under previous GAAP.

For and on behalf of **Majestic Auto Limited**

(Rajpal Singh Negi)
Chief Financial Officer

(Juhi Garg)
Company Secretary
M.No. 35389

(Mahesh Munjal)
Managing Director
DIN 00002990
(S.S. Khosla)
Director
DIN 02942033

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 Friday the 28th day of September, 2018 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 : _____

Email 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 45th Annual general meeting of the company, to be held on the 28th day of September, 2018 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 _____
2 _____	5 _____
3 _____	6 _____
7 _____	

Affix
Revenue
Stamp
here

Signed this _____ day of _____ 2018

Signature of share holder

Signature of Proxy holder(s)

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

Notes

[illegible]

Notes

This image shows a full page of blank handwriting practice paper. It features evenly spaced horizontal blue lines across the entire page, providing a guide for letter height and placement. There are no margins, text, or other markings present.

Notes

[illegible]

MAJESTIC AUTO LIMITED

Corporate Office -

A-110, Sector-4, Noida - 201301

Phone No: 0120-4348907

Email Id: grievance@majesticauto.in