



**MAJESTIC**  
**AUTO LIMITED**

**42<sup>nd</sup>**

**Annual Report**

**2014 - 15**

## **BOARD OF DIRECTORS**

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

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

## **DGM - COMPANY SECRETARY**

Rajesh Saini

## **CHIEF FINANCIAL OFFICER**

Prakash Chandra Patro

## **STATUTORY AUDITORS**

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

## **BANKERS**

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

## **REGISTERED OFFICE**

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

## **WORKS**

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

## **REGISTRAR & TRANSFER AGENT**

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

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## **42<sup>nd</sup> ANNUAL GENERAL MEETING**

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

# MAJESTIC AUTO LIMITED

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## NOTICE

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

### ORDINARY BUSINESS:

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

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

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

### SPECIAL BUSINESS

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

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

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

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

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

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

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

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

## MAJESTIC AUTO LIMITED

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

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

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

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

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

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

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

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

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

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

Place : Ludhiana  
Date : 14.08.2015

By Order of the Board of Directors  
For Majestic Auto Limited

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

(Rajesh Saini)  
DGM- Co. Secretary

## **MAJESTIC AUTO LIMITED**

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### **NOTES**

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

### **VOTING THROUGH ELECTRONIC MEANS**

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

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

### Instructions for Voting through electronic mode

- (i) The voting period begins on 9.00 a.m. on 27.09.2015, and ends on 5.30 p.m. on 29.09.2015. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 22.09.2015, may cast their vote electronically. The voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently. Any person, who acquires shares of the Company and becomes a shareholder of the Company after dispatch of the Notice of AGM and holds shares as of the cut-off date i.e. 22.09.2015, may obtain the login ID and password by sending a request at [grievance@majesticauto.in](mailto:grievance@majesticauto.in).
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period
- (iii) Click on "Shareholders" tab.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,.
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) if you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ol style="list-style-type: none"> <li>1. Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence no. in the PAN field. Sequence no. is printed on back side page of Annual Report or send to Share Holders separately.</li> <li>2. In case the sequence no. is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar and sequence no. is 1 then enter RA00000001 in the PAN field.</li> </ol>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details or Date of Birth	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <p>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).</p>

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- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for evoting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Majestic Auto Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non - Individual Shareholders and Custodians**
- o Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - o A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - o After receiving the login details they have to create compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - o The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - o A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - o Any person, who acquires shares of the Company and become Member of the Company after dispatch of the Notice and holding shares as on the cut-off date i.e. 22.09.2015 may follow the same instructions as mentioned above for e-Voting.
  - o In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

### ELECTRONIC VOTING PARTICULARS

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

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

#### Item Nos. 4 & 5

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

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

## MAJESTIC AUTO LIMITED

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1. **Basic Salary :**  
Basic Salary in the scale of Rs. 130000-10000-150000 per month.
2. **Bonus :**  
As per Company Rules.
3. **Commission :**  
Commission shall be decided by the Board of Directors based on net profit of the Company each year and the same shall not exceed 1% of net profits of the Company subject to the condition that the aggregate remuneration to the Whole Time Director, shall not exceed the limits laid down under Section 196, 197, 203 and Schedule V of the Companies Act, 2013.
4. **Perquisites and allowances**  
In addition to the above Basic Salary, Bonus and Commission, he shall be entitled to the following perquisites and allowances:-
  - I) **Residential Accommodation/House Rent Allowance:** The appointee shall be provided rent free furnished residential accommodation with free use of all the facilities and amenities provided by the Company or house rent allowance equal to 55% of the basic salary. The said facility shall, however, be subject to the policy framed by the company in this respect. The expenditure incurred by the company on the gas, electricity, water and furnishing shall be valued as per the Income Tax Rules, 1962.
  - II) **Washing Allowance: Rs.800/- per month**
  - III) **Magzine Allowance: Rs.2000/- per month**
  - IV) **Medical Allowance/Reimbursement :** Medical Allowance equal to 8% of basic salary or Reimbursement of actual Medical Expenses incurred by the appointee and his family whichever is higher;
  - V) **Car :** Facility of Car with driver to be used for the business of the Company;
  - VI) **Telephone :** Free telephone facility including Mobile Phone and Landline at residence to be used for the business of the Company; Reimbursement of entertainment, travelling, hotel and other expenses actually and properly incurred for the business of the Company;
  - VII) **Contribution to Provident Fund, Superannuation fund or Annuity Fund:** Company's contribution to Provident, Superannuation Fund or Annuity Fund..
  - VIII) Encashment of leave at the end of the financial year.
5. **Leave Travel Concession:**  
For the appointee and his family once in a year incurred in accordance with the rules specified by the Company.
6. **Minimum Remuneration:** If in any financial year during the tenure of the appointee, the Company has no profits or its profits are inadequate, the appointee shall be entitled to remuneration by way of salary, perquisites, allowances, specified above as minimum remuneration subject to the ceilings as prescribed under Section II of Part II of Schedule V to the Companies Act, 2013 as minimum remuneration or such other limits as may be prescribed by the Government from time to time as minimum remuneration. For the purpose of computation of minimum remuneration, the following shall not be included:-
  - i) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent of these either singly or put together are not taxable under the Income Tax Act, 1961.
  - ii) Gratuity at the rate not exceeding half a month's salary for each completed year of service, and
  - iii) Encashment of leave at the end of financial year.
7. **Sitting Fees:** The Whole Time Director shall not be paid any sitting fees for attending the meetings of the Board or Committee thereof.

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

### Memorandum of Interest:

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

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

#### I. General Information:

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

#### II. Information about the appointee :

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

## MAJESTIC AUTO LIMITED

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### III. Other Information

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

### IV. Disclosures:

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

#### Item No.6

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

#### 1. Basic Salary :

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

#### 2. Bonus :

As per Company Rules.

#### 3. Commission :

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

#### 4. Perquisites and allowances

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

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