



45th Annual Report
2017-18



MAJESTIC AUTO LIMITED

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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