

'FutureProof The Enterprise'

India's **1st** & only Listed
Market Research Company



MRSSIndia.com

A Majestic MRSS Company

7th ANNUAL
REPORT

2018-19

Majestic Research Services and Solutions Limited

CORPORATE OVERVIEW**PAGE NO**

Corporate Information.....	2
About Company and Business Overview.....	3
Chairman's Speech.....	5

REPORTS

Notice.....	6
Board's Report and Annexures.....	11

FINANCIAL STATEMENTS**Standalone**

Independent Auditor's Report.....	35
Balance Sheet.....	40
Statement of Profit and Loss.....	41
Cash Flow Statement.....	42
Notes to Accounts.....	43

Consolidated

Independent Auditor's Report.....	58
Balance Sheet.....	62
Statement of Profit and Loss.....	63
Cash Flow Statement.....	64
Notes to Accounts.....	65

SHAREHOLDERS INFORMATION

Attendance Slip / Proxy Form



CORPORATE INFORMATION

BOARD OF DIRECTORS

CHAIRMAN AND WHOLE TIME DIRECTOR

Mr. Rajendra Kumar Sharma

MANAGING DIRECTOR

Mr. Sarang Jayant Panchal

INDEPENDENT DIRECTOR

Mr. Rupesh Pandurang Bhujbal

Mr. Rajesh Dharambir Oberoi

Ms. Ritu Gupta

CHIEF FINANCIAL OFFICER

Mr. Rajendra Kumar Sharma

COMPANY SECRETARY

Mr. Manish Baid

INVESTOR RELATIONS

Mr. Manish Baid

Tel. No. 022-26527276

Email Id: cs@mrssindia.com

REGISTERED OFFICE

Majestic Research Services and
Solutions Limited

CIN: U72200KA2012PLC063818

2nd Floor, Kalpak Arcade,

No. 46/17, Church Street

Bangalore – 560001

CORPORATE OFFICE

C-509, 5th Floor,

Kanakia Zillion,

LBS Marg, Kurla West,

Mumbai - 400070.

BANKERS

ICICI Bank Limited

Axis Bank Limited

HDFC Bank Limited

REGISTRAR & TRANSFER AGENT

Bigshare Services Private Limited

1st Floor, Bharat Tin Works Building,

Opp. Vasant Oasis, Makwana Road, Marol,

Andheri East, Mumbai- 400059 (M.H.)

AUDITORS

M/s. S.D Mehta & Co,

Ahmedabad.

INDUSTRY OVERVIEW

The global annual revenue of the market research industry is estimated around 75 billion dollars which is as big as the global gaming industry. The MR industry is seeing a gradual and consistent growth. Meanwhile in India, the revenue grew from 602 Million USD (2008) to 1218 million USD (2019). India is ranked 16th amongst all the countries in terms of Market Research spend.

The industry overview services study revealed 2017 has seen a lot of technological advances in the field of MR work and the impact has been for good. These technological advances continue through 2018-2019 as well.

Since India is a country with a vast demography, market research is essential for start-ups or existing conglomerates. In-depth MR in India takes care of all the queries of the marketers - giving them the required information for a smooth marketing success.

Company Overview

Your company, member of MRSI and DIN (Digital Insight Network - Global) is a growing digital market research agency, headquarter in Mumbai. We trust that, we have created strong footprints pan India by working with top most corporate's. The company provides to clients a comprehensive understanding of what consumers observe and what they buy and how those choices intersect. We deliver critical media and marketing information, analytics and what consumers read, watch and listen to (consumer interaction across different mediums) Pan India. Our information, insights and solutions help our clients maintain and strengthen their market positions and identify opportunities for profitable growth. We help our clients enhance their interactions with consumers and make critical business decisions that we believe positively affect their sales and profitability. We exhaustively rely on usage of technology for data acquisition offering reliability, validity and faster turnaround times to its clients.. The company has wide range of offerings such as Eye Tracking, Mobile Analytics, Video Analysis, Facial Recognition, Digital Tracking, Online Communities, Neuroscience, Emotional Analysis, Automated Audience Measurement, Sensory Sciences, etc. The information thus brought together, can deliver powerful insights into the effectiveness of branding, advertising and consumer choices.

Opportunities and Threats:

The country has retained its position as the third largest start-up base in the world as per a report by NASSCOM. Real GDP growth slowed to 7.1 % in FY16/17 from 8 % in FY15/16, and to 5.7 % in Q1 FY17/18. However, it is expected to bounce back to an annual rate of 7.0%.

Despite the domestic economic sluggishness, India so far has had a good international financial situation. The country's export growth rate has been on an increase in FY 16/17. India's Foreign Direct Investment (FDI) inflows reached US\$ 208.99 billion till December 2017.

Lots of forecasts and expectations are on the cards for the future of the economy of India.

Segment wise performance:

We continue to draw from the strength of Majestic MRSS, having two decades of experience with presence in major countries of APAC and MENA region, to scale up our operations and depth of solutions in our quest to be become home-grown leader – preferred choice for domestic market insights.

The current financial year has been challenging for the company. We continued to win prestigious projects from across various industry verticals. Apart from FMCG which is the leading market research spender the new age companies like Uber, Google, Amazon, Facebook etc.

We also partnered with the big consulting companies to provide solutions for clients.

Internal Control Systems and their Adequacy:

For Internal Financial Control Systems efficient policies and procedures are adopted by the Company for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, 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.



Financial Performance with respect to Operational Performance:

During financial year 2018-2019, your company has earned Profit After Tax (PAT) of Rs. 107.97 million as compared to Rs. 136.13 in previous Year.

Particulars	FY 2018-19	FY 2017-18
Revenue (In Millions)	640.33	653.75
EBITDA Margin (%)	26.29	30.91
Profit After Tax (%)	16.86	20.82
EPS (Rs)	10.77	13.61
Book Value Per Share (Rs)	51.06	39.92

Industrial Relations front:

During the Financial year 2018-19, your company maintained cordial and harmonious relations at all levels of the organization.

Material developments in Human Resources:

The company has always recognized its Human assets as a critical and therefore, considers high importance to human resource development for the growth of the company. It selectively handpicks candidates of positive qualities and flair aptitude. Apart from recruitments, the company also takes various initiatives to enhance and train the current assets to amplify their potential.

The key criterion that we have looked at adding people was sector specialists or vertical leaders. Adding these verticals via these personnel is what results in additional revenue stream. This is a key part of the organic strategy for MRSS. We have also expanded our pool of consultants whom we work with on specific projects.

Outlook of the Company

Your company, member of MRSI and DIN (Digital Insight Network - Global) is a growing digital market research agency, headquartered in Mumbai. We trust that, we have created strong footprints pan India by working with top most corporates.

We continue to enhance our core competency in Market Research industry by improving insight approaches and investing in new technologies. We have also invested significantly in our data bank to enable the integration of distinct large-scale data sets including those owned by third parties. We believe that our expertise, established standards and comprehensive database provide us with a distinct advantage as we deliver more precise insights to our clients. We continue to focus on innovation to deepen our capabilities and enhance our analytics edge to pitalize on industry trends.

Risks and Concerns:

Technology Risk: Technology is continuously changing and we need to ensure that we constantly incorporating same new and existing service offerings to compete effectively in market place. If we are not able to successfully complete the development and introduction of new services, including new managed services, in a timely manner, the business could be adversely affected. We rely on a combination of in-house development and third-party technology licensing and/or acquisition to bring the new services to market. In either case, it is important that we are able to obtain any necessary third party intellectual property rights on a cost effective basis. If another person holds the technology that is necessary for us to provide our services, under a patent or other intellectual property right, a license for the use of that technology may have to be negotiated. The negotiations may not arrive at a price that is acceptable. The existence of such patents or other intellectual property rights, or the inability to negotiate a license at an acceptable cost, for any such technology, could effectively hinder our ability to provide services using that particular technology.

Operating Risks: We have making significant investments and will continue to need investments for newer technologies & solutions and working capital for high value projects, which may stretch liquidity and create execution risks. Operations and profitability may be adversely affected if the funding required for the plans is relatively more expensive or delayed.

CHAIRMAN'S SPEECH

Dear MRSS Stakeholders,

It is that time of the year when we take stock of the year that has passed by. In our journey, 2018 was indeed a very interesting year. The Standalone financial highlights are as follows:

Particulars	Amount (Rs in Lakhs)
Revenue	5636.64
Expenses	4169.91
PBT	1466.72
PAT	1039.84

This was a very challenging period for us considering that the entire business eco-system in India was still grappling with functioning under the new GST regime. There was confusion amongst all the stakeholders and our systems also had to get aligned accordingly.

The Banking/NBFC system had a difficult time as well therefore stressing further pressure on high growth SME's and we encountered this challenge as well.

Given that it was an election year a lot of the government projects also took much longer to materialize than normal. The previous years had seen rapid growth and so this year we had to further streamline the delivery structure.

This reorganization has been challenging for the stakeholders. As the anchor shareholders, we have the important responsibility to construe and execute forward-looking decisions.

Clients as always have been the backbone of our business and we would like to dedicate this year once again to them as being the strongest pillar of support. From industries as diverse as Aviation to Agriculture, MRSS is proving to be a strong Insights partner for all of them and it is because the opportunities that they are providing MRSS with.

In the past we have been criticized of being overly communicative and exposing ourselves in the media and that as we all know can be a double edged sword. We have taken firm steps in repositioning our stance on the same. Our e-newsletter which was very much appreciated by one and all has been discontinued in order to ensure that all communication is made through formal official channels only.

The market research industry globally saw further consolidation as couple of the bigger players merged. This benefits MRSS. Further, as we all know Blockchain technology is touching all industries outside of crypto currency and promises to revolutionise the market research industry as well. The key driving factors being:-

- Maximization of Data Authenticity
- Ease of co-relating Data Sets
- Smart Contracts enabling consumers to be rewarded for the data provided by them.

As the rupee is depreciating, the global market research buyers are seeing offshoring opportunities of the research and insights divisions and are looking to work with our firm right from the inception stages giving us strategic in-roads into these accounts.

On the other hand, the local market research spenders are keen evaluating global expansion into foreign markets given the slowdown in local consumption – again which puts us in a very beneficial situation to partner with them.

On the Inorganic growth front, we continued to review opportunities but we are still away from actualizing any particular one. We are being judicious about it and our shareholders also believe in the same.

We are excited about our future and will continue to work hard to deliver excellence in our work – from the research designs that we come up for our clients, to the skill development we provide to our employees, to the value we deliver to our stockholders.

We thank all of you for your support and patience!!!



NOTICE

NOTICE is hereby given that the 7th Annual General Meeting of the Members of Majestic Research Services and Solutions Limited will be held on Monday, 30th September, 2019 at 10:30 a.m. at Arna Hotel, #37 Prestige Enclaves Kempegowda International Airport road, Near Vidya Nagar Cross, Central Telecom Society, Bengaluru, Karnataka 562157 to transact the following Business:

ORDINARY BUSINESS:

1. To receive, consider and adopt:
 - a) the Audited Financial Statements of the Company for the financial year ended March 31, 2019 together with the Report of the Board of Directors and Auditors thereon; and
 - b) the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2019 together with the report of the Auditors thereon.
2. To appoint a Director in place of Mr. Sarang Jayant Panchal – Managing Director (DIN: 00046744), who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for re-appointment.
3. To appoint and fix the remuneration of the Statutory Auditors and in this connection, 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 and 141 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, (including any statutory modification(s) or any amendment(s) thereto, or any

substitution(s) or re-enactment(s) made thereof, for the time being in force), M/s S. D. Mehta & Co. Chartered Accountants, (Firm Reg. no. 137193W) Ahmedabad be and are hereby appointed as Statutory Auditors of the Company for a term of 5 years and their appointment has been approved by the Audit Committee and the Board of Directors of the Company and also to fix the remuneration of M/s S. D. Mehta & Co. Chartered Accountants, as Statutory Auditors of the Company for the financial year 2019-20 be such as recommended by the Audit Committee and approved by the Board of Directors of the Company, apart from reimbursement of out of pocket expenses as may be incurred by them for the purpose of audit.”

By Order of the Board of Directors
For **Majestic Research Services and Solutions Limited**

Rajendra Kumar Sharma
Whole-time Director
DIN.: 06879460

Add.: Plot No.
139/B, Sindhi Soc.
Opp. Bhakti Bhavan,
Chembur Mumbai 400071

Place: Mumbai,
Date: August 30, 2019

Registered office:

2nd Floor, Kalpak Arcade,
No. 46/17, Church Street,
Bangalore – 560001

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT PROXY(S) TO ATTEND AND VOTE INSTEAD OF HIMSELF AND PROXY(S) NEED NOT TO BE A MEMBER OF THE COMPANY. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The Instrument of Proxy, in order to be effective, should be deposited at the registered office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A proxy Form is annexed to this notice. Proxies submitted on behalf of Limited Companies, Societies, etc., must be supported by an appropriate resolution/ authority, as applicable. Applicable revenue stamp to be affixed on the proxy form.
2. The Explanatory Statement pursuant to sub - section (1) of section 102 of the Companies Act, 2013 in respect of Special Business is annexed hereto and forms part of this Notice.
3. A Statement giving the relevant details of the Directors seeking re-appointment under Item No. 2, of the accompanying Notice is annexed herewith.
4. Members, Proxies and Authorized Representatives are requested to bring to the meeting, the Attendance Slip enclosed herewith, duly completed and signed, mentioning therein details their DP ID and Client ID/ Folio No.
5. For the convenience of Members and for the proper conduct of the meeting, entry to the place of meeting will be regulated by an Attendance Slip, which is annexed to the proxy form, Members/ Proxies attending the meeting are kindly requested to complete the enclosed Attendance Slip, affix their signature at the place provided thereon and hand it over at the entrance.
6. Shareholders are requested to tender their Attendance Slips at the registration counters at the venue of the AGM and seek registration before entering the Meeting Hall. In order to enable us to register your attendance at the venue of the Annual General Meeting, we request you to bring your folio number/demat account number/DP ID-Client ID to enable us to give you a duly filled attendance slip for your signature and participation at the meeting.
7. Members are requested to bring Annual Report 2018-19 along with them to the Annual General Meeting, since extra copies will not be supplied at the Meeting.
8. In case of Joint holder attending the Meeting, only such Joint holder who is higher in the order of names will entitled to vote.
9. A member is entitled to inspect proxies lodged at any time before 24 hours of the time fixed for commencement of the meeting ending with the conclusion of the meeting, provided that not less than three days' notice in writing is given to the company.
10. The Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of the Companies Act, 2013 and the Registers of Contracts or Arrangements in which the directors are interested maintained under section 189 of the Companies, 2013 will be available for inspection by the members at the AGM.
11. Corporate Members intending to send their authorized representative to attend the Annual General Meeting, pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of relevant Board resolution together with the respective specimen signatures of those representative(s) authorized under the said resolution to attend and vote on their behalf at the meeting.
12. The Notice of the Annual General Meeting along with the Annual Report 2018-19 is being sent to those who are members of the Company as on August 30, 2019 (Cut -Off Date) by post. A copy of the Notice of Annual General Meeting along with the Annual Report is also available for download on website of the Company www.mrssindia.com. To support the 'Green initiative' Members who have not registered their email addresses are requested to register the same with Company's Registrar and Transfer Agents, M/s Bigshare Services Private Limited/ Depositories.



13. All the Members are requested to
 - i. Intimate immediately any changes in their address to Company' Registrar and Share Transfer Agent, details of whom are provided below -
M/s Bigshare Services Private Limited
1st Floor, Bharat Tin Works Building,
Opp. Vasant Oasis, Makwana Road, Marol,
Andheri East, Mumbai- 400059 (M.H.)
Tel: 91-022-62638200
E-mail: investor@bigShareonline.com,
Website: www.bigShareonline.in
 - ii. Send all correspondence relating to transfer and transmission of Shares to Registrar and Transfer Agent and not to the Company.
 - iii. Quote their Folio No./ Client ID No. in their correspondence with the Registrar and Share Transfer Agent.
 - iv. Send their queries related to accounts and operations of the Company at least 10 days in advance so the required information can be made available at the meeting.
 - v. Intimate Registrar and Share Transfer Agent, M/s Bigshare Services Private Limited for consolidation of folios, in case having more than one folio.
14. All documents referred to in the accompanying notice are open for inspection at the Registered Office (in electronic mode) and Corporate Office of the Company on all working days, except Saturday and Sunday during working hours.
15. Members holding Shares in dematerialization form are requested to intimate all changes pertaining to their registered email addresses, bank details, NECS, mandates, nominations, power of attorney etc. to their Depository Participants. Changes intimated to the Depository Participants will then be automatically reflected in the Company's records which will help the Company and its Registrar and Transfer Agent, Bigshare Services Private Limited, to provide efficient and better services to the Members. Members holding Shares in physical form are requested to advice such changes to the Company's Registrar and Transfer Agents, Bigshare Services Private Limited.
16. 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 PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar & Transfer Agent.
17. Members holding Shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical Shares and for ease of portfolio management. Members can contact the Company's Registrar and Transfer Agents, Bigshare Services Private Limited for assistance in this regard.
18. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 10th October, 2019 to Friday, 11th October, 2019 (both days inclusive) for purpose of Annual General Meeting.
19. Pursuant to the prohibition imposed vide Secretarial Standard on General Meetings (SS-2) issued by the ICSI and the MCA circular, no gifts/coupons shall be distributed at the Meeting.
20. Company is exempted from conducting E – Voting vide Rule 20(2) of Companies (Management and Administration) Rule, 2014, as amended from time to time. So voting will be conducted by means of ballot paper at the Annual General Meeting.
21. Only bonafide members of the Company whose names appear on the Register of Members/Proxy holders, in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the meeting.