



August 01, 2023

To

Department of Corporate Affairs,
BSE Limited,
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai-400001

Subject: Notice of the 50th Annual General Meeting (AGM) and Annual Report FY 2022-23

Security Code: 500267

Dear Sir/Madam,

In compliance with the Companies Act 2013, rules framed thereunder and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR Regulations), as amended from time to time, please find enclosed Notice convening the 50th AGM of shareholders along with the Annual Report FY 2022-23 which is being sent to the shareholders through electronic mode subject to Regulation 30 and 34(1) of the SEBI LODR Regulations.

The 50th AGM of the Company will be held through Video Conferencing / Other Audio-Visual Means ("VC/OAVM") on Friday, August 25, 2023, in compliance of applicable MCA & SEBI circulars.

The following information will be made available on the Company's website:

Particulars	Website Link
50 th AGM Notice and Annual Report for the FY 2022-23	https://www.majesticauto.in/investors.html

Information at glance:

Particulars	Details
Time and date of AGM	Friday, August 25, 2023 at 12.00 P.M
Mode	VC/OAVM
Helpline number for VC participation	022 - 4886 7000 and 022 - 2499 7000
Cut-off Date for reckoning voting rights	Friday, August 18, 2023
Commencement of Remote e-voting	Tuesday, August 22, 2023 at 9:00 A.M.
Conclusion of Remote e-voting	Thursday, August 24, 2023 at 05:00 P.M.

Kindly take the above information on your records.

Thanking You
Yours Faithfully,

For Majestic Auto Limited

Parul Chadha
Company Secretary & Compliance Officer

MAJESTIC AUTO LIMITED

CIN L35911DL1973PLC353132

Corporate Office: A-110, Ground Floor, Sector 4, Noida 201301 (U.P.)

Registered Office-10, Southern Avenue, First Floor, Maharani Bagh, New Delhi-110065

Tel.: 0120-4348907, Email: info@majesticauto.in, www.majesticauto.in



50th

ANNUAL REPORT
2022 – 2023



MAJESTIC

MAJESTIC AUTO LIMITED

MAJESTIC AUTO LIMITED

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INVESTOR INFORMATION

Market Capitalisation

INR 141.25 CR. (As on March 31, 2023)

BSE Code

500267

BSE Symbol

MAJESAUT

AGM DATE: AUGUST 25, 2023
(AGM TO BE HELD VIA VIDEO CONFERENCING)



CHAIRMAN & MANAGING DIRECTOR'S MESSAGE

Dear Shareholders,

Your company continues its focus on Commercial real estate leasing and facility management catering to IT companies. This sector has gone through tremendous change in the last few years due to COVID-19, and we're servicing the change on the ground level. Even though IT workers have started coming back to the office, the short and medium term risks are there in commercial real estate due to work from home trend. We are, therefore, constantly evaluating diversification into higher yield assets and opportunities.

We have been able to drastically reduce our debt by monetizing our manufacturing land assets. These are non-core assets that don't relate to the commercial leasing business. This has transformed our PnL, and allowed us to generate profits and cash to pay dividends to our shareholders. We endeavour to continue this path and monetize more such assets in manufacturing locations in both Ludhiana and Greater Noida, retire the legacy debt in the company. Our goal is to utilize borrowed funds only to enhance our return on equity in our rental yielding commercial real estate assets and to look for higher yield asset opportunities.

Looking toward growth and future investments we continue to track the legal progress of the resolution plan approved for the acquisition of Sharan Hospitality Pvt Ltd. (SHPL). This is taking sometime in the legal system and we'll keep the stakeholders posted on any change in status.

With your support we look for new investment opportunities. We are grateful to our bankers for their ever so stable support and partnership.

I would like to thank all shareholders, employees, customers, bankers and business associates for their valuable support and look forward to continued encouragement in our mission of Building India.

On behalf of fellow Directors and Majestic family, I sincerely appreciate the faith and trust that you have bestowed on us during the last year.

Stay safe & healthy

Best wishes,

Mahesh Munjal
Chairman & Managing Director

BOARD OF DIRECTORS



Mr. Mahesh Munjal,
Chairman & Managing Director



AAYUSH MUNJAL
(Joint Managing Director)



RAJESH KUMAR YADUVANSHI
(Independent Director)



ANIL KUMAR SHARMA
(Independent Director)



PRATEEK GARG
(Independent Director)



AYUSHI JAIN
(Non-Executive Director)

EXECUTIVE DIRECTORS OF THE COMPANY

MAHESH MUNJAL (CMD)

Mr. Mahesh Chander Munjal was appointed as a Director of the Company w.e.f. June 29, 1993 and was appointed as an Executive Director of the Company w.e.f. October 29, 1993 and re-designated as the Managing Director of the Company w.e.f. July 29, 1999. He carries with him enriched experience of 44+ years of running Industries. Before joining as a Director of the Company, Mr. Mahesh Chander Munjal was Executive Director of Munjal Auto Industries Limited formerly known as Gujarat Cycles Limited. He is a Graduate Engineer and an MBA. He is a member of various trade and management bodies. He is working as Executive Director / Managing Director of the Company since 1993.

AAYUSH MUNJAL (Whole Time Director and Joint Managing Director)

Mr. Aayush Munjal joined the Company in 2011 and was appointed as Executive Director in 2015. He is also Joint Managing Director of Emirates Technologies Private Limited, a subsidiary of the Company. He has a Bachelor's of Science in Computer Science from Washington University in St. Louis, USA. He started his career working at Microsoft Corporation in Redmond, Washington, USA. He is deeply involved with the Real Estate, Office Space Leasing and Facility business.

NON-EXECUTIVE DIRECTORS OF THE COMPANY

ANIL KUMAR SHARMA (Chairman of Audit, Nomination & Remuneration Committee & Stakeholder Relationship Committee)

Mr. Anil Kumar Sharma is a B. Tech & Masters in Business administration from Punjab Agriculture University, Ludhiana in 1976 & 1979 respectively. Thereafter, he served Vardhman group for 6 years in various positions, he joined Winsome Textile Industries in 1985 and since then he is working with the same group and currently working as Executive Director and CEO of the company. He is also the Director of Kailashpati Vinimay (P) Ltd, Trustee of Winsome Foundation, Trustee of Winsome textile Social Trust and Trustee of Winsome Textile Gratuity Trust.

RAJESH KUMAR YADUVANSHI

Dr. Rajesh Kumar Yaduvanshi has done Masters of Science from Hansraj College of Delhi University followed by Doctorate of Philosophy from IARI, New Delhi, He is also Certified Associate of Indian Institute of Bankers, Mumbai. He is a Career banker with over 36 years of experience in branches/administrative offices besides heading Jalandhar Circle & Delhi Zone of PNB and going on to serve as the Executive Director of Dena Bank & Punjab National Bank while handling important portfolios such as Credit, HR, Finance, Marketing, NPAs, etc.

PRATEEK GARG¹

Mr. Prateek Garg is an entrepreneur and a technology visionary. He is Managing Director of Progressive Infotech. He has a total of 38 years of experience. He was felicitated at the ET Inspiring Leaders 2022 Awards, received the award for his continued efforts and innovations in the field of 'IT, Internet and Telecommunication'. He has chaired the Western U.P. Zonal Council- Confederation of Indian Industry (CII) as Vice-Chairman (2013-14) and as Chairman (2014-15). He is the CII Co-Chairmen Northern Region for Artificial Intelligence (AI). He completed his BE (Electronics & Telecommunication) from National Institute of Technology from Kurukshetra University in the year 1985. He handled business from customers varying from large Government, Institutions like IOC, ONGC, NTPC, GAIL etc.

AYUSHI JAIN²

Ms. Ayushi Jain is a Practicing Company Secretary, Fellow member of Institute of Company Secretaries of India and a Law Graduate having 10+ years' of experience. Skilled in secretarial & legal consultancy involving Corporate Laws such as Companies Act, FEMA, NBFC, SEBI Regulations, Due Diligence, Corporate Restructuring, statutory approvals and advisory in other allied Laws of various statutory authorities like IRDAI, RBI.

1. *Mr. Prateek Garg was appointed as Additional Independent Director of the Company w.e.f. December 23, 2022 which got approved by the members through postal ballot on February 4, 2023.*
2. *Ms. Ayushi Jain was appointed as Additional Non-Executive Director of the Company w.e.f. November 7, 2022 which got approved by the members through postal ballot on February 4, 2023.*

CORPORATE INFORMATION

Board of Directors

- Mr. Mahesh Munjal – Executive Director (Chairman and Managing Director)
- Mr. Aayush Munjal – Whole time Director (Joint Managing Director)
- Mr. Anil Kumar Sharma – Independent Director
- Dr. Rajesh Kumar Yaduvanshi – Independent Director
- Mr. Prateek Garg – Independent Director
- Ms. Ayushi Jain – Non-Executive Director

Chief Financial Officer

Mr. Rajpal Singh Negi

Compliance Officer & Company Secretary

Ms. Parul Chadha

Statutory Auditors

MKRS & Associates LLP,
Chartered Accountants

Internal Auditors

M/s S.Tandon & Associates
Chartered Accountants

Secretarial Auditors

M/s VLA & Associates
Company Secretaries

Registered Office

10, Southern Avenue,
First Floor, Maharani Bagh,
New Delhi - 110 065

Audit Committee

- Mr. Anil Kumar Sharma
- Dr. Rajesh Kumar Yaduvanshi
- Mr. Mahesh Munjal

Nomination & Remuneration Committee

- Mr. Anil Kumar Sharma
- Dr. Rajesh Kumar Yaduvanshi
- Ms. Ayushi Jain

Stakeholders Relationship Committee

- Mr. Anil Kumar Sharma
- Mr. Mahesh Munjal
- Mr. Aayush Munjal

Corporate Social Responsibility Committee

- Mr. Mahesh Munjal
- Mr. Aayush Munjal
- Mr. Anil Kumar Sharma

Registrar & Transfer Agent

M/s Alankit Assignments Limited
Alankit Heights
3E/7, Jhandewalan Extension
New Delhi-110055

NOTICE OF 50th ANNUAL GENERAL MEETING

Notice is hereby given that the 50th (Fiftieth) Annual General Meeting (AGM) of the members of MAJESTIC AUTO LIMITED will be held on Friday, the 25th day of August, 2023 at 12:00 P.M. (IST), for the transaction of the following businesses, through Video Conferencing / Other Audio Visual Means in conformity with the regulatory provisions and the circulars issued by the Ministry of Corporate Affairs, Government of India:-

ORDINARY BUSINESS:

- To receive, consider and adopt the audited standalone and consolidated financial statements of the Company for the financial year ended March 31, 2023, together with the Reports of Board of Directors and the Auditors thereon.**

In this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT the audited standalone and consolidated financial statements of the Company for the financial year ended March 31, 2023 and the reports of the Board of Directors and Auditors thereon, as circulated to the members with the notice of the Annual General Meeting, be and are hereby received, considered and adopted.”

- To confirm the interim dividend on the equity shares for the financial year ended March 31, 2023**

In this regard, to confirm and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT an interim dividend of Rs. 7.50/- (Rupees Seven and Fifty Paise) per equity share of face value of 10/- each fully paid up for the financial year ended on March 31, 2023, approved by the Board of Directors of the Company and already paid, be and is hereby noted and confirmed as the Interim Dividend for the Financial Year 2022-23.”

- To re-appoint Mr. Aayush Munjal (DIN - 07276802) as director liable to retire by rotation**

In this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT in accordance with the provisions of Section 152(6) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 & other applicable provisions of the Companies Act, 2013, the Articles of Association and upon recommendation of the Nomination & Remuneration Committee & the Board of Directors, Mr. Aayush Munjal (DIN - 07276802), who retires by rotation at this meeting and being eligible offers himself for reappointment, be and is hereby appointed as a Director of the Company liable to retire by rotation.”

- To appoint statutory auditors of the Company for a consecutive term of five years**

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

“RESOLVED THAT pursuant to the provision of Section 139, 141 & 142 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force) read with the Companies (Audit and Auditors) Rules, 2014, and Regulation 18 & other applicable provisions of the SEBI (Listing

Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s Hari S & Associates, Chartered Accountants (FRN: 007709N), be and are hereby appointed as the Statutory Auditors of the Company, in place of the retiring auditors, M/s SAR & Associates (Firm Registration No. 122400W) (currently merged with M/s MKRS & Associates LLP, Chartered Accountants, Firm Registration No. 104857W/W100216) for a term of five consecutive years to hold office from the conclusion of this Annual General Meeting ('AGM') till the conclusion of 55th AGM of the Company, at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors, on the basis of the recommendation of the Audit Committee.”

SPECIAL BUSINESS:

- To approve the re-appointment of Dr. Rajesh Kumar Yaduvanshi (DIN: 07206654) as Non-Executive Independent Director of the Company for a 2nd term**

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

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and 178 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Regulation 17, 25 & other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR 2015') (as amended from time to time) and based on the recommendation of the Nomination & Remuneration Committee and approval of the Board of Directors of the Company ("Board"), Dr. Rajesh Kumar Yaduvanshi (DIN: 07206654), aged 62 years who was appointed as a Non-Executive Independent Director of the Company in the casual vacancy caused by the resignation of Mr. Naveen Jain, for a period till August 09, 2023, by the members of the Company at the 48th AGM held on Monday, November 29, 2021, and who has submitted a declaration confirming the criteria of Independence under Section 149(6) of the Companies Act, 2013 read with the Regulation 16(1)(b) of the SEBI LODR 2015, as amended from time to time, and in respect of whom the Company has received a notice of candidature in writing from a member under Section 160 of the Companies Act, 2013 and who is eligible for re-appointment, be and is hereby re-appointed for a 2nd (second) term, as a Non-Executive Independent Director of the Company, not liable to retire by rotation, for a period of 5 (five) consecutive years with effect from August 10, 2023 to August 9, 2028.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution.”/

- To approve the re-appointment of Mr. Anil Kumar Sharma (DIN: 01157106) as a Non-Executive Independent Director of the Company for a 2nd term**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and 178 read with Schedule IV and any other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Regulation 17, 25 & other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘SEBI LODR 2015’) (as amended from time to time) and based on the recommendation of the Nomination & Remuneration Committee and approval of the Board of Directors of the Company (“Board”), Mr. Anil Kumar Sharma (DIN: 01157106), aged 69 years who was appointed as a Non-Executive Independent Director of the Company for a term of 5 years up to August 11, 2024, by the members of the Company at the 46th AGM held on Saturday, September 28, 2019, and who has submitted a declaration confirming the criteria of Independence under Section 149(6) of the Companies Act, 2013 read with the Regulation 16(1)(b) of the SEBI LODR 2015, as amended from time to time, and in respect of whom the Company has received a notice of candidature in writing from a member under Section 160 of the Companies Act, 2013 and who is eligible for re-appointment, be and is hereby re-appointed for a 2nd (second) term, as a Non-Executive Independent Director of the Company, not liable to retire by rotation, with effect from August 12, 2024 to June 29, 2029.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do and perform all such acts, deeds, matters or things as may be considered necessary, appropriate, expedient or desirable to give effect to above resolution.”

7. **To approve sale of undertaking of the Company under Section 180(1)(a) of the Companies Act, 2013:**

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

“**RESOLVED THAT** pursuant to Section 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013 and applicable rules thereunder, Regulation 24(5), 37A and other applicable provisions, if any, of the SEBI (Listing Obligations & Disclosure Requirements), 2015 and other applicable law for the time being in force, the Memorandum of Association & Articles of Association of the Company and subject to such other approvals, consents, permissions and sanctions as may be deemed necessary and in terms of the recommendation of the Audit Committee and the approval of the Board of Directors of the Company, the consent of the members be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “Board” which term shall include any Committee constituted by the Board or any person(s) authorised by the Board of the Company to exercise the powers conferred on the Board of the Company by this resolution) to negotiate to sell or transfer or otherwise dispose-off its entire investment in Emirates Technologies Private Limited (subsidiary company), subject to a minimum valuation of Rs. 116 per share, the minimum value of 80% equity held by the Company being Rs. 185.60 crores, to the purchaser/third party investor, on such terms and conditions and with such modifications as the Board may deem fit and appropriate in the interest of the Company.

“**RESOLVED FURTHER THAT** the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of the Board or any Director(s) or Officer(s) of the Company and to generally do and perform all such acts,

deeds, matters and things as it may, in their absolute discretion, deem fit, necessary, proper or desirable, including finalizing, varying and settling the terms and conditions of such sale and to finalize, execute, deliver and perform the agreement, contracts, deeds, undertakings, and other documents in respect thereof and seek the requisite approvals, consents and permissions as may be applicable.”

By order of the Board of Directors
For **Majestic Auto Limited**

Parul Chadha
Company Secretary
ACS : 50171

Date: July 28, 2023

Place: Delhi

NOTES:

1. Pursuant to General Circular No. 10/2022 dated December 28, 2022, General Circular No. 20/2020 dated May 05, 2020 and General Circular No. 02/2022 dated May 05, 2022 issued by Ministry of Corporate Affairs (“MCA”) (“MCA Circulars”) and all other circulars issued by MCA on account of outbreak of Covid-19 pandemic and in compliance with the provisions of the Companies Act, 2013 (“the Act”), read with the rules made thereunder and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (“SEBI LODR 2015”), this Annual General Meeting of the Members of the Company is being convened through Video Conference / Other Audio Visual Means (VC/OAVM), without the physical presence of members at a common venue. In view of the same, the registered office of the Company shall be deemed to be the venue of the AGM.
2. In compliance with the above MCA Circulars and SEBI Circular, Notice of the AGM along with the Annual Report for FY 2022-23 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories, unless any member has requested for a physical copy of the same. Members may note that the Notice and Annual Report for FY 2022- 23 will also be available on website of the Company <https://www.majesticauto.in/> and website of the stock exchanges i.e. BSE Limited (www.bseindia.com) and the AGM Notice is also available on the website of NSDL (agency for providing the Remote e-Voting facility) i.e. www.evoting.nsdl.com
3. PURSUANT TO THE CIRCULAR NO. 14/2020 DATED APRIL 08, 2020, ISSUED BY THE MINISTRY OF CORPORATE AFFAIRS, THE FACILITY TO APPOINT PROXY TO ATTEND AND CAST VOTE FOR THE MEMBERS IS NOT AVAILABLE FOR THIS EGM/AGM. HOWEVER, THE BODY CORPORATES ARE ENTITLED TO APPOINT AUTHORIZED REPRESENTATIVES TO ATTEND THE EGM/AGM THROUGH VC/OAVM AND PARTICIPATE THERE AT AND CAST THEIR VOTES THROUGH E-VOTING.
4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

5. The attendance of the Members attending the AGM through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
6. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI LODR 2015 (as amended), and the Circulars issued by the MCA dated April 08, 2020, April 13, 2020 and May 05, 2020, the Company is providing facility of remote e-voting to its members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as voting on the date of the AGM will be provided by NSDL.
7. In terms of the provisions of Section 152 of the Act and rules made there under, Mr. Aayush Munjal (DIN: 07276802) Joint Managing Director (Executive Director), is liable to retire by rotation at this Meeting and offers himself for reappointment.
The above proposed reappointment by rotation shall not alter any terms and conditions with regard to tenure of appointment, remuneration and such other terms and conditions relating to appointment of Mr. Aayush Munjal (DIN: 07276802) as an Executive Director (Joint Managing Director) of the company for a period of five years (w.e.f. August 14, 2021 to August 13, 2026) as approved by the Members of the Company at the 48th Annual General Meeting (AGM) held on Monday, November 29, 2021.
8. Pursuant to Regulations 36(3) of SEBI LODR 2015, Section 160 of the Companies Act, 2013 and Secretarial Standards on General Meetings (SS-2), details in respect of Directors seeking appointment/reappointment of Directorship at 50th AGM of the Company to be held on August 25, 2023 are provided in Annexure-1, 2 and 3 of this Notice.
9. A Statement pursuant to Section 102 of the Act, in respect of special businesses being item Nos. 5, 6 & 7 as set-out above to be transacted at the meeting, is annexed hereto and forms part of this Notice.
10. As the AGM will be held through VC/ OAVM, the Route Map of the venue of the meeting is not annexed to this Notice.
11. Notice is being sent through e-mail to all the members who have registered their e-mail addresses with the Company/ RTA.
12. Members who have not received the notice due to change/ non-registration of their e-mail address with the Company/ RTA/ Depository Participants, they may request for the notice by sending an email at rta@alankit.com along with a scanned copy of Share Certificate/ Client Master. Post receipt of such request, the members would be provided soft copy of the notice and the procedure for e-voting along with the User ID and the Password.
13. M/s Neeta A & Associates (Proprietor – Ms. Neeta Aggarwal, Membership No.: F9893, COP: 13218), Practicing Company Secretaries, appointed as the scrutinizer to scrutinize the e-voting at AGM and remote e-voting process in a fair and transparent manner.
14. Corporate Members intending to send their authorized representative to attend Annual General Meeting are requested to send a duly certified copy of their Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
15. Members are requested to register their e-mail id with the company or its RTA or their depository participant to enable the company to send the notices and other reports through email.
16. Institutional shareholders (i.e. other than individuals, Hindu Undivided Family, Non-resident Indians etc.) are required to send a scanned copy (PDF/ JPG Format) of their board resolution/ authority letter/ power of attorney etc., authorizing their representatives to attend/ participate in the AGM through VC/ OAVM on their behalf and to vote through remote e-voting. The said resolution/ authority letter/ power of attorney, etc. shall be sent to the Scrutinizer by e-mail through their registered e-mail address to csneeta.1989@gmail.com with a copy to rta@alankit.com.
17. Members are requested to note that, dividends if not en-cashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on www.iepf.gov.in.
18. Pursuant to Section 91 of the Companies Act, 2013 and SEBI LODR 2015, the Register of Members and Share Transfer Books of the Company will be closed from Saturday, August 19, 2023, to Friday, August 25, 2023 (both days inclusive) for the purpose of AGM.
19. As per Regulation 40 of SEBI LODR 2015, as amended, securities of listed companies can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission and transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical forms are requested to consider converting their holdings to dematerialized form. Members can contact the company or RTA, Alankit Assignments Limited, in this regard.
20. To support the 'Green Initiative' members who have not yet registered email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with RTA in case the shares are held by them in physical form.
21. Members are requested to notify immediately any change pertaining to postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nomination, Power of Attorney, bank details such as name of the Bank and branch details, bank account number, MICR code, IFSC code to their Depositories Participants (DPs) in respect of their electronic share accounts and to RTA of the Company in respect of their physical share folios, if any.
22. 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.
23. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the company or RTA, the details of such folios together with the share

certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such members after making requisite changes.

24. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the company will be entitled to vote at the AGM.
25. 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.
26. The Company has designated an exclusive e-mail ID namely: grievance@majesticauto.in for receiving and addressing investors' grievances. Members seeking any information with regard to the accounts or any matter to be placed at the AGM, are requested to write to the company on or before August 18, 2023 through email on grievance@majesticauto.in. The same will be replied by the company suitably.
27. 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 RTA.
28. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, change of address, change of name, e-mail address, contact numbers etc. to their respective Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's record which will help the Company and the RTA, Alankit Assignments Limited, to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to RTA.
29. 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.
30. The remote e-voting period commences Tuesday, August 22, 2023 at 09:00 A.M. (IST) and ends on Thursday, August 24, 2023 at 05:00 P.M. (IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date August 18, 2023, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently. Those Members, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system during the AGM.
31. 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 on the cut-off date i.e. August 18, 2023, may obtain the login ID and password by sending a request at rta@alankit.com.
32. The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make not later than 48 hours 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.
33. 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 NSDL within two (2) days of passing of the resolutions at the Annual General Meeting of the Company and communicated to the BSE Limited.
34. Members are requested to follow the process detailed below and intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc.

Type of holder	Process to be followed	
Physical	For availing the following investor services, send a written request in the prescribed forms to the RTA of the Company, Alankit Assignments Limited at kycupdate@alankit.com	
	Form for availing investor services to register PAN, email address, bank details and other KYC details or changes / update thereof for securities held in physical mode	Form ISR-1
	Update of signature of securities holder	Form ISR-2
	Declaration to opt out	Form ISR-3
	For nomination as provided in the Rules 19 (1) of Companies (Share capital and debenture) Rules, 2014	Form SH-13
	Cancellation of nomination by the holder(s) (along with ISR-3) / Change of Nominee	Form SH-14
	The forms for updating the above details are available on the website of the company at https://www.majesticauto.in/investors.html	

THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-

The remote e-voting period begins on Tuesday, August 22, 2023 at 09:00 A.M. (IST) and ends on Thursday, August 24, 2023 at 05:00 P.M. (IST). The remote e-voting module shall be disabled by NSDL for voting thereafter. The Members, whose names appear in the Register of Members / Beneficial Owners as on the record date (cut-off date) i.e. August 18, 2023, may cast their vote electronically. The voting right of shareholders shall be in proportion to their share in

the paid-up equity share capital of the Company as on the cut-off date, being August 18, 2023.

How do I vote electronically using NSDL e-Voting system?





The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system

- A) Login method for e-Voting and joining virtual meeting for individual shareholders holding securities in demat mode

In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	<ol style="list-style-type: none"> Existing IDeAS user can visit the e-Services website of NSDL Viz. https://eservices.nsd.com either on a Personal Computer or on a mobile. On the e-Services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be re-directed to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. If you are not registered for IDeAS e-Services, option to register is available at https://eservices.nsd.com. Select “Register Online for IDeAS Portal” or click at https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsd.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Shareholders/Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; gap: 20px;">   </div> <div style="display: flex; justify-content: center; gap: 20px; margin-top: 10px;">   </div>
Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. After successful login of Easi/Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider i.e. NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at toll free no. 1800 22 55 33

B) Login Method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/ Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered.**
6. If you are unable to retrieve or have not received the " Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join Annual General Meeting on NSDL e-Voting system.

How to cast your vote electronically and join Annual General Meeting on NSDL e-Voting system?
1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to csneeta.1989@gmail.com with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on.: 022 - 4886 7000 and 022 - 2499 7000 or send a request to Mr. Amit Vishal, Senior Manager and /or Ms. Pallavi Mhatre, Manager at evoting@nsdl.co.in

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to grievance@majesticauto.in.
2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) to grievance@majesticauto.in. If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step (A)** i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.

4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.
2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number at grievance@majesticauto.in latest by 05:00 P.M. (IST) on August 18, 2023. The same will be replied by the company suitably.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

7. When a pre-registered speaker is invited to speak at the meeting but he / she does not respond, the next speaker will be invited to speak. Accordingly, all speakers are requested to get connected to a device with a video/ camera along with good internet speed.
8. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate, for smooth conduct of the AGM.
9. Members who need assistance before or during the AGM, can contact Mr. Amit Vishal, Senior Manager, NSDL and / or Ms. Pallavi Mhatre, Manager, NSDL at evoting@nsdl.co.in or call 022 - 4886 7000 and 022 - 2499 7000.
10. Additional information on Directors recommended for appointment/re-appointment as required under Regulation 36(3) of SEBI LODR 2015 and Secretarial Standard – II issued by the Institute of Company Secretaries of India.

Name of the Director	1							
	Mr. Aayush Munjal							
DIN	07276802							
Nationality	Indian							
Date of Birth	November 13, 1987							
AGE	35 years							
Date of First Appointment on the Board	August 14, 2015							
Qualification	Bachelor of Science in Computer Science from Washington University in St. Louis, USA							
Experience (Yrs)(including Expertise in specific functional Area)	14 years work experience managing business for MAL since 2012 real estate and facility management since 2014							
No. of Equity shares held in the Company	NIL							
List of directorships held in other Companies	<table border="1"> <tr> <td>Emirates Technologies Private Limited</td> <td>Wholetime Director</td> </tr> <tr> <td>Majestic IT Services Limited</td> <td>Director</td> </tr> <tr> <td>Glow Softech Private Limited</td> <td>Director</td> </tr> </table>		Emirates Technologies Private Limited	Wholetime Director	Majestic IT Services Limited	Director	Glow Softech Private Limited	Director
Emirates Technologies Private Limited	Wholetime Director							
Majestic IT Services Limited	Director							
Glow Softech Private Limited	Director							
No. of Board Meetings attended during the financial year 2022-23	6							
Remuneration details (Including Sitting Fees & Commission) for FY 2022-23	NIL							
Chairman/ Member in the Committees of the Boards of companies in which he/she is a Director*	Member of Stakeholder Relationship Committee of the Company							
Disclosure of relationships between directors inter-se	Son of Mr. Mahesh Munjal, Chairman & Managing Director of the Company							
Terms & Conditions of appointment	As already approved by shareholders in 48 th Annual General Meeting held on November 29, 2021							

*considered only Stakeholder Relationship Committee & Audit Committee

Name of the Director	2
	Dr. Rajesh Kumar Yaduvanshi
DIN	07206654
Nationality	Indian
Date of Birth	June 23, 1961
AGE	62 years
Date of First Appointment on the Board	October 12, 2021
Qualification	Masters of Science Doctorate of Philosophy from IARI, New Delhi Certified Associate of Indian Institute of Bankers, Mumbai
Experience (Yrs)(including Expertise in specific functional Area)	Dr. Rajesh Kumar Yaduvanshi has done Masters of Science from Hansraj College of Delhi University followed by Doctorate of Philosophy from IARI, New Delhi. He is also Certified Associate of Indian Institute of Bankers, Mumbai. He is a Career banker with over 35 years of experience in branches/administrative offices besides heading Jalandhar Circle & Delhi Zone of PNB and going on to serve as the Executive Director of Dena Bank & Punjab National Bank while handling important portfolios such as Credit, HR, Finance, Marketing, NPAs, etc.
No. of Equity shares held in the Company	Nil
List of directorships held in other Companies	PNB Investment Services Limited (Nominee Director)
No. of Board Meetings attended during the financial year 2022-23	6
Remuneration details (Including Sitting Fees & Commission) for FY 2022-23	As per the terms & conditions of the letter of appointment
Chairman/ Member in the Committees of the Boards of companies in which he/she is a Director*	Member of Audit Committee of the Company
Disclosure of relationships between directors inter-se	None
Terms & Conditions of appointment	As per the terms & conditions of the letter of appointment

*considered only Stakeholder Relationship Committee & Audit Committee

Name of the Director	3																								
	Mr. Anil Kumar Sharma																								
DIN	01157106																								
Nationality	Indian																								
Date of Birth	June 29, 1954																								
AGE	68 years																								
Date of First Appointment on the Board	August 12, 2019																								
Qualification	-B. Tech from Punjab Agriculture University, Ludhiana -MBA from department of Business, Punjab Agriculture University, Ludhiana																								
Experience (Yrs)(including Expertise in specific functional Area)	Mr. Anil Kumar Sharma is a B.Tech & Masters in Business administration from Punjab Agriculture University, Ludhiana in 1976 & 1979 respectively. Thereafter, he served Vardhman group for 6 years in various positions. Then he joined Winsome Textile Industries in 1985 and since then he is working with the same group and currently working as Executive Director and CEO of the company. He is also the Director of Kailashpati Vinimay (P) Ltd, Trustee of Winsome Foundation, Trustee of Winsome textile Social Trust and Trustee of Winsome Textile Gratuity Trust.																								
No. of Equity shares held in the Company	Nil																								
List of directorships held in other Companies	-Kailashpati Vinimay Private Limited Winsome Textile Industries Limited (CEO) Emirates Technologies Private Limited Majestic IT Services Private Limited																								
No. of Board Meetings attended during the financial year 2022-23	6																								
Remuneration details (Including Sitting Fees & Commission) for FY 2022-23	As per the terms & conditions of the letter of appointment																								
Chairman/ Member in the Committees of the Boards of companies in which he/she is a Director*	<table border="1"> <thead> <tr> <th>S. No.</th> <th>Name of the Company</th> <th>Name of the Committee</th> <th>Chairman/ Member</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Emirates Technologies Private Limited</td> <td>Audit Committee</td> <td>Member</td> </tr> <tr> <td>2</td> <td>Majestic Auto Limited</td> <td>Stakeholder Relationship Committee</td> <td>Chairman</td> </tr> <tr> <td>3</td> <td>Majestic Auto Limited</td> <td>Audit Committee</td> <td>Chairman</td> </tr> <tr> <td>4</td> <td>Majestic IT Services Limited</td> <td>Audit Committee</td> <td>Member</td> </tr> <tr> <td>5</td> <td>Winsome Textile Industries Limited</td> <td>Stakeholder Relationship Committee</td> <td>Member</td> </tr> </tbody> </table>	S. No.	Name of the Company	Name of the Committee	Chairman/ Member	1	Emirates Technologies Private Limited	Audit Committee	Member	2	Majestic Auto Limited	Stakeholder Relationship Committee	Chairman	3	Majestic Auto Limited	Audit Committee	Chairman	4	Majestic IT Services Limited	Audit Committee	Member	5	Winsome Textile Industries Limited	Stakeholder Relationship Committee	Member
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4	Majestic IT Services Limited	Audit Committee	Member																						
5	Winsome Textile Industries Limited	Stakeholder Relationship Committee	Member																						
Disclosure of relationships between directors inter-se	None																								
Terms & Conditions of appointment	As per the terms & conditions of the letter of appointment																								

*considered only Stakeholder Relationship Committee & Audit Committee

By order of the Board of Directors
For **Majestic Auto Limited**

Date: July 28, 2023
Place: Delhi

Parul Chadha
Company Secretary
ACS : 50171

ANNEXURE TO NOTICE**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESSES PURSUANT TO SECTIONS 102 OF THE COMPANIES ACT, 2013****Item No. 4****To appoint statutory auditors of the Company for a consecutive term of five years**

This Explanatory Statement, though not required as per section 102 of the Companies Act, 2013, is provided as per the Regulation 36(5) of the SEBI LODR 2015.

The Board, at its meeting held on July 28, 2023, recommended for the appointment of M/s Hari S & Associates, Chartered Accountants (FRN: 007709N), Address: 1904, Sector 34D Chandigarh, as the Statutory Auditors of the Company, in place of the retiring Statutory Auditors, M/s SAR & Associates (Firm Registration No. 122400W) (currently merged with M/s MKRS & Associates LLP, Chartered Accountants, Firm Registration No. 104857W/W100216), to hold office for a term of five consecutive years i.e from the conclusion of 50th AGM for FY 2022-2023 till the conclusion of the 55th AGM for FY 2027- 2028 at such remuneration, as recommended by the Audit Committee to the Board and as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors from time to time.

The Company would ensure that there would be no material change in the fee payable to M/s Hari S & Associates, Chartered Accountants (FRN: 007709N) for FY 2023-24, from that paid to M/s SAR & Associates (Firm Registration No. 122400W) (currently merged with M/s MKRS & Associates LLP, Chartered Accountants, Firm Registration No. 104857W/W100216) for FY 2022-23. The remuneration for the subsequent years of their term shall be determined based on the recommendation of the Audit Committee and as mutually agreed between the Board of Directors and the statutory auditors.

Pursuant to Section 139 of the Companies Act, 2013 and the rules framed thereunder, the Company has received written consent from M/s Hari S & Associates and a certificate that they satisfy the criteria provided under Section 141 of the Companies Act, 2013 and that the appointment, if made, shall be in accordance with the applicable provisions of the Companies Act, 2013 and rules framed thereunder. Further, M/s Hari S & Associates have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India (ICAI) as required under the SEBI LODR 2015.

The Audit Committee and the Board recommends the special resolution for their appointment as set out in item no.4 of this notice taking into account their credentials and also based on the evaluation of the quality of audit work done by them.

Credentials

M/s Hari S & Associates, Chartered Accountants established in the year 1987 is a partnership firm with its office at 1904, Sector 34D Chandigarh. The firm provides assurance, tax and advisory services through its two partners and 17 qualified employees, partners have rich experience of more than 2 decades. The firm is registered with the Institute of Chartered Accountants of India ("ICAI"). The terms and conditions of appointment of the statutory auditor and the proposed fees are as follows:

- a. Term of Appointment: term of 5 consecutive years from the conclusion of 50th AGM for FY 2022-2023 till the conclusion of the 55th AGM for FY 2027- 2028
- b. Proposed Fee: The proposed remuneration to be paid to the Statutory Auditors for the financial year ending March 31, 2024, is ₹ 2,50,000 (Rupees Two Lakh Fifty Thousand only) plus applicable taxes and out-of-pocket expenses.

The fees would be commensurate with the knowledge, expertise, industry experience, time and efforts required to be put in by them, which shall be in line with the industry benchmarks.

None of the directors and key managerial personnel or their relatives are interested financially or otherwise in the resolution as set out in item no. 4 of this notice.

The Board recommends the resolution set forth in the item no. 4 of this note for the approval of the members by way of special resolution.

Item No. 5**To approve the re-appointment of Dr. Rajesh Kumar Yaduvanshi (DIN: 07206654) as a Non-Executive Independent Director of the Company of the Company for a 2nd term**

The members are informed that Dr. Rajesh Kumar Yaduvanshi (DIN: 07206654) was appointed as an Independent Director of the Company pursuant to Section 149 of the Act, read with the Companies (Appointment and Qualification of Directors) Rules, 2014, in the casual vacancy caused by the resignation of Mr. Naveen Jain, for a period till August 09, 2023, by the members of the Company at the 48th AGM held on Monday, November 29, 2021. In terms of his appointment as an Independent Director of the company, he is due for retirement on August 09, 2023.

In terms of provisions of section 178 of the Companies Act, 2013, the Nomination and Remuneration Committee of the Company shall recommend to the Board of the Directors, the appointment/reappointment of a Director. The Nomination and Remuneration Committee, after evaluating his performance and considering his knowledge, experience, expertise and his contribution to the Board deliberations during his first term, had recommended to the Board his reappointment as a Non-Executive Independent Director of the Company for the second term of 5 years.

In terms of provisions of section 149(10) of the Companies Act, 2013, an independent director shall hold office for a term up to five consecutive years on the Board of a Company, but shall be eligible for re-appointment on passing of a special resolution by the members of the Company and disclosure of such appointment in the Board's report. The Board at its meeting held on July 28, 2023 has recommended the re-appointment of Dr. Rajesh Kumar Yaduvanshi (DIN: 07206654) as a Non –Executive Independent Director of the company for second term of 5 years, effective immediately after expiry of his current term on August 09, 2023, i.e. commencing from August 10, 2023 till August 09, 2028, who shall not be liable to retire by rotation. Further, the Company has received from Dr. Rajesh Kumar Yaduvanshi:

- (i) consent to act as a director in Form DIR-2, pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014;

- (ii) Intimation in Form DIR-8 in terms of the Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164 of the Act, and
- (iii) a declaration to the effect that he meets the criteria of independence as provided under Section 149(6) of the Act read with Regulation 16(1)(b) of the SEBI LODR 2015.

The Company has also received a notice in writing under Section 160 of the Act, proposing his candidature for the office of the Director of the Company. Hence, in the opinion of the Board, Dr. Rajesh Kumar Yaduvanshi fulfils all the conditions as specified in the Act, rules made thereunder and SEBI LODR 2015 for his re-appointment as an Independent Director of the Company. A copy of the draft letter for the re-appointment of Dr. Rajesh Kumar Yaduvanshi setting out the terms and conditions is available for electronic inspection.

The details seeking re-appointment of Dr. Rajesh Kumar Yaduvanshi as a Non-Executive Independent Director of the Company at the 50th Annual General Meeting is provided in Annexure 2 – Information about Director.

Accordingly, consent of the members is sought for item no. 5 of this notice by way of a Special Resolution for re-appointment of Dr. Rajesh Kumar Yaduvanshi as a Non-Executive Independent Director of the Company.

Except Dr. Rajesh Kumar Yaduvanshi, none of the other Directors or Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise, in the resolution as set out in item no. 5 of this notice.

Item No. 6

To approve the re-appointment of Mr. Anil Kumar Sharma (DIN: 01157106) as a Non-Executive Independent Director of the Company for a 2nd term

The members are informed that Mr. Anil Kumar Sharma (DIN: 01157106) was appointed as an Independent Director of the Company pursuant to Section 149 of the Act, read with the Companies (Appointment and Qualification of Directors) Rules, 2014, by the members of the Company at the 46th AGM held on Saturday, September 28, 2019. In terms of his appointment as an Independent Director of the company, he is due for retirement on August 11, 2024.

In terms of provisions of section 178 of the Companies Act, 2013, the Nomination and Remuneration Committee of the Company shall recommend to the Board of the Directors, the appointment/reappointment of a Director. The Nomination and Remuneration Committee, after evaluating his performance and considering his knowledge, experience, expertise and his contribution to the Board deliberations during his first term, had recommended to the Board his reappointment as a Non-Executive Independent Director of the Company for the second term.

In terms of provisions of section 149(10) of the Companies Act, 2013, an independent director shall hold office for a term up to five consecutive years on the Board of a Company, but shall be eligible for reappointment on passing of a special resolution by the members of the Company and disclosure of such appointment in the Board's

report. The Board at its meeting held on July 28, 2023 has recommended the re-appointment of Mr. Anil Kumar Sharma (DIN: 01157106) as a Non-Executive Independent Director of the company for second term, effective immediately after expiry of his current term on August 11, 2024, i.e. commencing from August 12, 2024 till June 29, 2029, who shall not be liable to retire by rotation. Further, the Company has received from Mr. Anil Kumar Sharma:

- (i) consent to act as a director in Form DIR-2, pursuant to Rule 8 of the Companies (Appointment and Qualification of Directors) Rules, 2014;
- (ii) Intimation in Form DIR-8 in terms of the Companies (Appointment and Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164 of the Act, and
- (iii) a declaration to the effect that he meets the criteria of independence as provided under Section 149(6) of the Act read with Regulation 16(1)(b) of the SEBI LODR 2015.

The Company has also received a notice in writing under Section 160 of the Act, proposing his candidature for the office of the Director of the Company. Hence, in the opinion of the Board, Mr. Anil Kumar Sharma fulfils all the conditions as specified in the Act, rules made thereunder and SEBI LODR 2015 for his re-appointment as an Independent Director of the Company. A copy of the draft letter for the re-appointment of Mr. Anil Kumar Sharma setting out the terms and conditions is available for electronic inspection.

The details seeking re-appointment of Mr. Anil Kumar Sharma as a Non-Executive Independent Director of the Company at the 50th Annual General Meeting is provided in Annexure 3 – Information about Director.

Accordingly, consent of the members is sought for item no. 6 of this notice by way of a Special Resolution for re-appointment of Mr. Anil Kumar Sharma as a Non-Executive Independent Director of the Company.

Except Mr. Anil Kumar Sharma, none of the other Directors or Key Managerial Personnel of the Company and/or their relatives are concerned or interested, financially or otherwise, in the resolution as set out in item no. 6 of this notice.

Item No. 7

To approve the sale of undertaking of the Company under Section 180(1)(a) of the Companies Act, 2013

The members of the Company are informed that as per the Section 180(1)(a) of the Companies Act, 2013 ("the Act"), the Board of Directors of a Company ("the Board") can exercise the power to sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the company, only with the prior approval of the members of the company by way of a special resolution.

As per Explanation (i) & (ii) Section 180(1)(a) Act:

- (i) "undertaking" shall mean an undertaking in which the investment of the company exceeds 20% of its net worth as per the audited balance sheet of the preceding financial year or an undertaking which generates 20% of the total income of the company during the previous financial year;

(ii) “substantially the whole of the undertaking” in any financial year shall mean 20% or more of the value of the undertaking as per the audited balance sheet of the preceding financial year;

The Company has identified its “entire investment, 80% of subsidiary paid up capital, in Emirates Technologies Private Limited (subsidiary company)” as substantial in terms of the Section 180(1)(a) of the Companies Act, 2013 and therefore requires members approval by way of “Special Resolution”.

In addition to the special resolution required under section 180(1)(a) and Regulation 24(5) of SEBI LODR 2015, Regulation 37A of SEBI LODR 2015, w.r.t disposal of undertaking, in case such undertaking is that of a listed company, additionally requires approval from majority of public shareholders who are not in any way interested in the transaction. Votes of only such public shareholders shall be counted for the second criteria above, who is not a party, directly or indirectly, to such sale, lease or otherwise disposal of the whole or substantially the whole of the undertaking of the listed entity (‘eligible public shareholder’). Thus, the voting strength of the promoters of the company is disregarded for the purpose of achieving the majority of minority vote.

The object and commercial rationale of the sale is to remove the exposure of the Company in the commercial real estate leasing segment in Noida as there is a potential and risk of shift in trend in office leasing demand in the Noida market in short and medium term. The investment in ETPL has reached the appropriate valuation to consider an exit. The Company believes that a more diversified approach of deployment of investments would benefit the Company and its shareholders. The proceeds will be used to create liquidity for the Company, reduce its debt exposure and make potential investments in diversified opportunities in distressed assets with short turn around and high return.

Accordingly, the Board of Directors recommends the resolution at Item No. 7 for approval of the Members by way of a Special Resolution.

None of the Directors and Key Managerial Personnel of the Company or their relatives are concerned or interested financially or otherwise, in the resolution set out at Item No. 7.

By order of the Board of Directors
For **Majestic Auto Limited**

Date: July 28, 2023
Place: Delhi

Parul Chadha
Company Secretary
ACS : 50171

BOARD'S REPORT

Dear Members,

Your Directors are pleased to present the 50th Annual Report of the Company along with the Company's Audited Financial Statements for the Financial Year ended March 31, 2023.

1. FINANCIAL RESULTS

A brief summary of the audited financials of the Company for the Financial Year ended March 31, 2023 is given below:

(Rs. in Lakhs)

Particulars	Standalone Performance		Consolidated Performance	
	Year ended		Year ended	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Revenue from operations	2088.67	1768.47	4957.88	4893.16
Profit before Finance Cost and Depreciation Expenses	1280.97	1263.59	3611.86	4287.58
Finance Costs	271.08	284.86	1371.45	1437.23
Depreciation and Amortization Expenses	242.24	220.39	879.97	860.06
Profit from ordinary activities before share of Profit/(Loss) of Associates	767.65	758.34	1360.44	1990.29
Profit before tax	767.65	758.34	1360.44	1990.29
Tax Expense	753.08	605.97	887.97	934.52
Profit for the year from continuing operations after tax	14.57	152.37	472.47	1055.77
Profit/(Loss) from discontinuing operations after tax	14.57	152.37	472.47	1055.77
Profit for the year	14.57	152.37	472.47	1055.77
Attributable to:				
-Equity Shareholders of the Company	-	-	378.36	905.18
-Non-controlling interests	-	-	94.11	150.59
Other Comprehensive Income	545.47	(669.82)	537.44	(669.47)
Total Comprehensive Income	560.04	(517.45)	1009.91	386.30
Balance in Retained Earnings at the beginning of the year	19,920.29	20,089.95	21,050.89	20,467.39
Profit for the year (attributable to equity shareholders of the company)	14.57	152.37	378.36	905.18
Re-measurement of defined Employee benefit plans	0.82	(2.57)	(7.21)	(2.22)
Dividends including tax on dividend	(779.81)	(779.81)	(779.81)	(779.81)
Acquisition of non-controlling interests	0	0	0	0
Transferred to General Reserve	0	0	0	0
Balance in Retained Earnings at the end of the year	19,781.06	19,920.29	21,267.42	21,050.89

During the Financial Year 2022-23, the revenue from operations was Rs. 2088.67 Lakhs as compared to Rs. 1,768.47 Lakhs in the previous Financial Year 2021-22.

Profit before tax (PBT) during the Financial Year 2022-23 was Rs. 767.65 Lakhs as compared to Rs. 758.34 Lakhs in the previous Financial Year 2021-22.

The total comprehensive income of the Company for the Financial Year 2022-23 stood at Rs. 560.04 Lakhs as compared to income/Loss of Rs. (517.45) Lakhs in the previous Financial Year 2021-22.

2. DIVIDEND

Your Directors recommended and paid interim dividend of Rs. 7.50/- per share for the Financial Year 2022-23 in the board meeting held on February 14, 2023 after considering distributable profits and the opportunities available for strengthening and growth of its business. The Board of Directors has not

recommended any final dividend for the financial year 2022-23.

3. TRANSFER TO GENERAL RESERVE

During the Financial Year 2022-23, the Company has not transferred any amount to the general reserve.

4. CAPACITY UTILISATION & PLANT OPERATIONS

The company has discontinued operations of manufacturing in the second half of the financial year 2017-18, and till date, no further operations in the said manufacturing segment. The company has diversified into facility management services, leasing of owned property, purchase, acquire, build & construct any property etc.

The Management looks at the future with optimism and hopes to do better in year to come.

5. CHANGES IN SHARE CAPITAL

The Company has neither come up with any Right Issue/ Preferential Issue, nor issued any Sweat Equity Shares and not provided any Stock Option Scheme to the employees during the Financial Year 2022-23.

6. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

HOLDING COMPANY

The Holding Company, Anadi Investments Private Limited is holding 77,57,687/- equity shares in the company of Rs. 10/- each equivalent to 74.61% of the paid-up capital of the company as on March 31, 2023.

SUBSIDIARY COMPANIES

The Company has following Subsidiaries:

- i) Majestic IT Services Limited (MITSL) (wholly owned subsidiary), engaged in the business of Facility Management Services. The Subsidiary Company managed to achieve revenue from operations of Rs. 360 Lakhs in FY 2022-23.
- 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. The main objects of ETPL are in the business of Office space leasing and related services.

A statement containing the salient features of the financial statements of the Subsidiaries, Joint Ventures and Associates of the Company in Form AOC-1, as required under the Companies (Accounts) Rules, 2014, as amended, also forms part of the Notes to the financial statements.

MATERIAL SUBSIDIARIES

The Board of Directors of your company has approved a policy for determining material subsidiaries. At present, your company is having one material subsidiary named **Emirates Technologies Private Limited** as per the regulation 16(1)(c) of SEBI (Listing Obligations and disclosure requirements) Regulations, 2015 ("SEBI LODR 2015"). The policy on Material Subsidiary can be viewed on company's website <http://majesticauto.in/pdf/policy-determining-material-subsiidiary.pdf>

9. BOARD AND KEY MANAGERIAL PERSONNEL (KMP)

Following changes took place in the composition of the Board and Key Managerial Personnel during the Financial Year 2022-23.

S. No.	Name of Director / KMP	Position	Nature of Change	Date
1	Ms. Parul Chadha	Company Secretary (KMP)	Appointment	May 25, 2022
2	Ms. Aashima Munjal	Non- Executive Director	Cessation	September 23, 2022
3	Mr. Pradip Kumar Mittal	Independent Director	Resignation	November 05, 2022
4	Ms. Ayushi Jain	Non- Executive Director	Appointment	November 07, 2022
5	Mr. Prateek Garg	Independent Director	Appointment	December 23, 2022

**Mr. Prateek Garg as Independent Director and Ms. Ayushi Jain as Non- Executive Director were regularized through postal ballot dated February 04, 2023.*

Your Company in pursuance of Regulation 30 of SEBI (Listing Obligations and disclosure requirements) Regulations, 2015 filed the required intimations to the BSE w.r.t the above said appointments and resignations.

None of the Directors is disqualified from being appointed as or holding office of Directors as stipulated in Section 164 of the Companies Act 2013.

7. MATERIAL CHANGES & COMMITMENTS

No material changes and commitments have occurred, which can affect the financial position of the Company between the end of the Financial Year and upto the date of this Report except below:

1. The Audit Committee & the Board has approved on July 28, 2023, the management proposal to sell company's entire investment, 80% of subsidiary's paid up capital, in Emirates Technologies Private Limited (subsidiary company), considering the valuation reports issued by the Merchant Bankers. The said transactions is subject to the approval of shareholders in the ensuing Annual General Meeting under Section 180(1)(a) of the Companies Act, 2013 ("the Act") and Regulation 37A of the SEBI LODR 2015.
2. The Audit Committee & the Board has approved on December 23, 2022, the sale of company's property situated at C-59, Focal Point, Ludhiana, Punjab. On April 18, 2023 the company entered into agreement With Vardhman Special Steels Limited, and Synergy Auto Comps to sell the Ludhiana plot situated at C-59, Focal Point, Ludhiana, Punjab for total consideration of Rs. 2,500 Lakhs. The Audit Committee & the Board has approved on December 23, 2022, the sale of company's Noida property i.e. B-6, measuring 18007.68 Sq. Mtrs., B-7, measuring 18016 Sq. Mtrs. and B-9, measuring 18107 Sq. Mtrs., situated at Block- Ecotech-I Extension, Sector Ecotech-I, Greater Noida, Distt. Gautam Budh Nagar, (U.P.). It was further approved by the shareholders thorough postal ballot on February 4, 2023. The required disclosure under Regulation 30 has been given to BSE on February 07, 2023.

8. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS

No significant and material orders have been passed during the Financial Year 2022-23 by the regulators or courts or tribunals affecting the going concern status and Company's operations in the future. However, the Company has received emails from BSE Limited imposing fines as disclosed in Corporate Governance Report (Annexure F).

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. Anil Kumar Sharma, Mr. Prateek Garg & Dr. Rajesh Kumar Yaduvanshi were already holding the position of Independent Directors of the company as per Section 149(6) of the Companies Act, 2013 and other applicable provisions of the Companies Act, 2013 as on March 31, 2023. In the opinion of the Board of Directors, all the 3 Independent Directors are persons of integrity, expertise and experience (including the proficiency).

The Company had received declarations from all the Independent Directors in accordance with Section 149 of the Companies Act, 2013 for the financial year 2022-23 that they meet the criteria of independence as laid out in Sub-Section (6) of Section 149 of the Act read with Regulation 16(1)(b) of SEBI LODR 2015. Further,

the Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV to the Act and the Independent directors, as per the provisions of Regulation 16(1)(b) of the Listing Regulations, also confirm that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence and that they are independent of the management.

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. Aayush Munjal, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible has offered himself for reappointment.

Particulars of senior management including the changes therein since the close of the previous financial year

S. No.	Name	Designation	Remarks
1	Rajpal Singh Negi	Chief Financial Officer	No change during FY 2022-23
2	Parul Chadha	Company Secretary	<ul style="list-style-type: none"> Joined the company on May 23, 2022. Appointment as a Company Secretary of Emirates Technologies Private Limited, subsidiary, w.e.f. May 23, 2022 Appointment as a Company Secretary & Compliance Officer of the Company w.e.f. May 25, 2022
3	Rahul Sharma	Company Secretary	<ul style="list-style-type: none"> Appointment as Company Secretary of Majestic IT services Limited, WOS, w.e.f. May 23, 2022 Resignation as Company Secretary of Majestic IT services Limited, WOS, w.e.f. June 20, 2022
4	Kartik Khandelwal	Company Secretary	<ul style="list-style-type: none"> Joined the company on September 16, 2022 Appointment as a Company Secretary of Majestic IT services Limited, WOS, w.e.f. November 6, 2022

10. BOARD MEETINGS

During the Financial Year 2022-23, Six (6) Board Meetings were held and details of Board and Committee meetings attended by each Director are disclosed in the Corporate Governance Report annexed as part of Annual Report (Annexure F).

11. COMMITTEES OF BOARD

i. Nomination & Remuneration Committee:

The Board has duly constituted the Nomination & Remuneration Committee.

Nomination & Remuneration Committee constituted under section 178 of Companies Act' 2013 consist of below mentioned members as on March 31, 2023:

Mr. Anil Kumar Sharma	Chairman
Dr. Rajesh Kumar Yaduvanshi	Member
Mr. Mahesh Munjal	Member
Ms. Ayushi Jain	Member

The Committee was duly re-constituted on May 27, 2023 and consist of below mentioned members as on date of this report:

Mr. Anil Kumar Sharma	Chairman
Dr. Rajesh Kumar Yaduvanshi	Member
Ms. Ayushi Jain	Member

The details of the Committee meetings and members who have attended the meetings are disclosed in the Corporate Governance Report annexed as part of Annual Report.

Remuneration Policy

The Board has adopted a policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management and their Remuneration.

The Nomination & Remuneration Policy of the Company consists of the criteria for appointment of Board members, Key Managerial Personnel and Senior Management of the Company and performance evaluation. Some of the indicators for appointment of Directors, Key Managerial Personnel and Senior Management includes criteria for determining qualifications (educational, expertise etc.) and remuneration, positive attributes (personal qualities & characteristics, reputation etc.) with the object of attracting, retaining and motivating talent which is required to run the Company successfully. The same is available on the website of the Company at <https://www.majesticauto.in/pdf/Nomination%20&%20Remuneration%20Policy.pdf>

ii. Audit Committee:

The Board has duly constituted the Audit Committee.

Audit Committee constituted under the provisions of Section 177 of the Companies Act, 2013 consist of below mentioned members as on March 31, 2023:

Mr. Anil Kumar Sharma	Chairman
Dr. Rajesh Kumar Yaduvanshi	Member
Mr. Mahesh Munjal	Member

The Committee was re-constituted on November 07, 2022, post resignation of one Independent Director i.e. Mr. Pradip Kumar Mittal w.e.f. November 05, 2022 who was member of this Committee.

The details of the Committee meetings and members who have attended the meetings are disclosed in the Corporate Governance Report annexed as part of Annual Report.

Further, there was no recommendation of Audit committee which was not accepted by the board. Hence, disclosure of the same is not required in this report.

iii. Corporate Social Responsibility:

The Board has duly constituted the Corporate Social Responsibility Committee.

Corporate Social Responsibility Committee constituted under the provisions of Section 135 of the Companies Act, 2013 consist of below mentioned members as on March 31, 2023:

Mr. Mahesh Munjal	Chairman
Mr. Aayush Munjal	Member
Mr. Anil Kumar Sharma	Member

The Annual Report on Corporate Social Responsibility Activities set out in **Annexure A** of the Board's Report.

The details of the Committee meetings and members who have attended the meetings are disclosed in the Corporate Governance Report annexed as part of Annual Report.

The Corporate Social Responsibility (CSR) Committee has been entrusted with the responsibility of formulating and recommending CSR policy indicating the activities to be undertaken by the Company, monitoring and implementation of the framework of CSR policy and recommending the amount to be spent on CSR activities.

iv. Stakeholder Relationship Committee:

The Board has duly constituted the Stakeholder Relationship Committee.

The Stakeholder Relationship Committee consists of below mentioned members as on March 31, 2023:

Mr. Anil Kumar Sharma	Chairman
Mr. Aayush Munjal	Member
Mr. Mahesh Munjal	Member

The details of the Committee meetings and members who have attended the meetings are disclosed in the Corporate Governance Report annexed as part of Annual Report.

v. Vigil Mechanism Committee:

The Board has duly constituted the Vigil Mechanism Committee November 9, 2020 (Whistle Blower) to deal with concerns/complaints of directors and associates, if any.

The Vigil Mechanism Committee consists of below mentioned members as on March 31, 2023:

Mr. Anil Kumar Sharma	Chairman
Mr. Mahesh Munjal	Member

The Committee was duly re-constituted on November 07, 2022, post resignation of Independent Director i.e. Mr. Pradip Kumar Mittal who was member of this Committee.

The details of the Committee meetings and members who have attended the meetings are disclosed in the Corporate Governance Report annexed as part of Annual Report.

The details of the Policy are also provided in the Corporate Governance Report is available at the Investors Relations section on the Company's website at www.majesticauto.in.

12. 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, 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 on February 14, 2023 to review the performance of Non - Independent Directors, performance of the Board as a whole and performance of the Chairperson of the Company. The manner in which the evaluation has been carried out has been explained in the Corporate Governance Report.

13. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

The Company has not granted any loans, guarantees or made investments within the meaning of Section 186 of the Act during the Financial Year 2022-23.

14. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

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, in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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. The particulars of contracts or arrangements with related parties referred to in Section 188 (1) of the Act read with Rule 8 (2) of the Companies (Accounts) Rules, 2014 in the prescribed Form AOC - 2 is annexed as **Annexure B** to this Report.

During the Financial Year, the Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a Policy on materiality of Related Party Transactions and on dealing with Related Party Transactions 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 is placed on the website of the Company i.e. www.majesticauto.in.

15. 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 2023-24 have been paid. The Company has paid the annual custodian fees for the year 2023-24 in respect of shares held in dematerialized mode to NSDL & CDSL.

16. DEPOSITS

The Company has neither accepted nor renewed any deposits in terms of Chapter V of the Act read with the Companies (Acceptance of Deposits) Rules, 2014 during the Financial Year 2022-23.

17. INSURANCE

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

18. DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134 of the Companies Act, 2013 ("the Act"), the Directors make the following statements that:

- (i) In the preparation of the annual accounts, the applicable Indian accounting standards (abbreviated Ind-AS) have been followed for the year 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 had 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.

19. FUTURE OUTLOOK

The details of Future Outlook of the Company are disclosed in the Management Discussion and Analysis Report forming part of this report.

20. INTERNAL FINANCIAL CONTROLS

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.

21. AUDITORS

(i) Statutory Auditors and their Report

M/S SAR & Associates, Chartered Accountants (Firm Registration No. 122400W) (currently merged with M/s MKRS & Associates LLP, Chartered Accountants, Firm Registration No. 104857W/W100216) were appointed in 2018 as the Statutory Auditors of the Company for a period of 5 years, to hold office from the conclusion of 45th Annual General Meeting to the conclusion of ensuing 50th Annual General Meeting of the company. They have audited the Financial Statements of the company for the FY 2022-23.

There are no qualifications, reservations or adverse remarks and disclaimers made by the Statutory Auditors, in their Audit Report for the FY 2022-23. Further, there were no frauds reported by the Statutory Auditors to the audit committee or the board under Section 143(12) of the Act for the FY 2022-23.

The Board of Directors of the Company at its meeting held on July 28, 2023, on the recommendation of the Audit Committee, made its recommendation to the members for appointment of **M/s Hari S & Associates, Chartered Accountants (FRN: 007709N)** as a Statutory Auditors of the Company for a term of 5 consecutive years i.e. from the conclusion of 50th Annual General Meeting to the conclusion of 55th Annual General Meeting of the company, subject to the approval of the shareholders at the ensuing Annual General Meeting pursuant to Section 139 of the Companies Act, 2013 & Rules made thereunder as amended from time to time at a remuneration to be decided by the board of directors of the Company from time to time.

Accordingly, a resolution, proposing the appointment of **M/s Hari S & Associates, Chartered Accountants (FRN: 007709N)**, as the Statutory Auditors of the Company for a term of 5 consecutive years i.e. from the conclusion of 50th Annual General Meeting to the conclusion of 55th Annual General Meeting of the company, pursuant to Section 139 of the Companies Act, 2013 and rules made thereunder as amended from time to time, at a remuneration to be decided by the Board of Directors of the company from time to time, forms part of the Notice of the 50th Annual General Meeting of the Company.

The Company has received a written consent from M/s Hari S & Associates, Chartered Accountants to act as Statutory Auditors of the company and a certificate dated July 18, 2023 stating that:

- a) The firm is eligible for appointment and is not disqualified for being appointed as auditors for a period of five years from the conclusion of 50th Annual General Meeting to the conclusion of 55th Annual General Meeting of the company under the Companies Act, 2013, the Chartered Accountants Act, 1949 & the rules of regulations made thereunder.
- b) The proposed appointment is as per the term provided under the Companies Act, 2013.
- c) The proposed appointment is within the limits laid down by / under the authority of Companies Act, 2013; and

- d) There is no order or pending proceedings relating to professional matters of conduct against the firm before the Institute of Chartered Accountants of India or any competent authority or any court

(ii) Secretarial Auditors and their Report

Pursuant to provisions of Section 204 of the Companies Act, 2013, the Company has appointed M/s VLA & Associates, Practicing Company Secretaries (UCN- 12007DE587900) as Secretarial Auditor of the Company for conducting the audit for the Financial Year 2022-23.

The Secretarial Audit Report issued for FY 2022-23 is annexed herewith as **Annexure C** to this Report duly certified by M/s VLA & Associates, Practicing Company Secretaries (UCN- 12007DE587900), as Secretarial Auditor of the Company.

Observation of the Secretarial Auditor of the Company for FY 2022-23:

The composition of the Nomination and Remuneration Committee is not in compliance with the SEBI (LODR) Regulations, 2015. Management has also received mail from BSE wherein a total of Rs. 2,12,400 as a fine has been imposed.

Management response on the above said observation:

The Company made representation with BSE for reversal of penalty as the Company's is of the opinion that there is no non-compliance on the part of the Company.

The Secretarial Audit Reports of Emirates Technologies Private Limited and Majestic IT Services Limited, Subsidiaries, for Financial Year 2022-23 both issued by M/s Neeta A & Associates, Practicing Company Secretaries are also attached as **Annexure C1 & Annexure C2** respectively.

(iii) Internal Auditor

In terms of section 138 of the Companies Act, 2013, the Company has appointed S. Tandon & Associates, Chartered Accountants as the Internal Auditors of the Company for the FY 2022-23.

The management has duly considered the Quarterly Internal Audit Reports issued by them & placed the same periodically before the Audit Committee & the Board. The suggestions/ observations of the Internal Auditor have been replied and corrective steps have been taken wherever possible.

(iv) Cost Auditor

Due to manufacturing operations being discontinued, cost audit is not applicable on the Company.

22. ANNUAL RETURN

Pursuant to Section 92(3) and Section 134(3)(a) of the Act read with rules made thereunder, the Annual Return of the Company for the Financial Year ended on March 31, 2023 is available on the Company's website at www.majesticauto.in.

23. PARTICULARS OF EMPLOYEES (SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014)

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 D** and forms an integral part of this report.

24. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In compliance with the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a detailed Management Discussion & Analysis Report forming part of the Annual Report is annexed as **Annexure E** to this Report.

25. CORPORATE GOVERNANCE

Pursuant to Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and other applicable provisions, adequate steps have been taken to ensure that all the provisions relating to Corporate Governance are duly complied with.

A report on Corporate Governance along with the Auditors' Certificate as a part of this report is annexed hereto as **Annexure F**.

26. CONSOLIDATED FINANCIAL STATEMENTS

Pursuant to the provisions of Section 129(3) of the Act and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('SEBI Listing Regulations'), the Consolidated Financial Statements of the Company were prepared in accordance with the applicable Ind AS and form part of the Annual Report. www.majesticauto.in. The financial statements has been consolidated with its 2 subsidiaries only i.e. Emirates Technologies Private Limited and Majestic IT Services Limited.

Pursuant to the provisions of Section 136 of the Act, Audited Financial Statements of the Company, including Consolidated Financial Statements, other documents required to be attached thereto and Audited Financial Statements of each of the subsidiaries, are available on the website of the Company and may be accessed at www.majesticauto.in.

27. RISK MANAGEMENT POLICY 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.

28. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND 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 of this nature was reported to the Board.

29. HUMAN RESOURCES

Industrial Relations

Management is keen on following the best practices for attracting, retaining and enhancing human resources of the Company. Internal transfer, job rotation and training have been inculcated at different levels of the organization hierarchy to evolve team leaders and managers. The above-mentioned measures will ensure a motivated workforce, promote the ownership and sharing economic growth of the Company.

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

The particulars related to the conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 134 of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is annexed as **Annexure G** to this Report.

31. OTHER INFORMATION

(i) Change in Nature of business, if any

There is no change in the nature of business of the Company during the FY 2022-23.

(ii) Proceeding under Insolvency and Bankruptcy Code, 2016

The Company has not made any application or any proceeding pending under the Insolvency and Bankruptcy Code, 2016 ("IBC Code") during the Financial Year and does not have any proceedings related to IBC Code. The Company has not made any onetime settlement during the Financial Year 2022-23 with Banks or Financial Institution.

(iii) Details of Difference between Amount of the Valuation Done at the Time of One Time Settlement and the Valuation Done While Taking Loan from the Banks or Financial Institutions

The Company has not done any one time settlement with the Banks or Financial Institutions during the financial year.

(iv) Compliance with Secretarial Standards

The Company has generally complied with the provisions of Secretarial Standard - 1 (Secretarial Standard on meetings of Board of Directors) and Secretarial Standard - 2 (Secretarial Standard on General Meetings) issued by the Institute of Company Secretaries of India.

32. ACKNOWLEDGEMENT

The Board of Directors expresses their sincere appreciation to all the stakeholders of the Company for the trust, confidence and support bestowed upon us. The Board of Directors is also grateful to the holding company for their contribution towards the growth and success of the Company.

The Board of Directors assures to uphold the Company's commitment towards acting with honesty, integrity and respect and to be responsible and accountable to all the stakeholders of the Company.

The Board of Directors thanks all stakeholders for their commitment and invaluable contributions toward helping our business succeed and on course to deliver sustainable and profitable growth.

Please do look after the health and safety of yourself and your families.

**On behalf of the Board of Directors
Majestic Auto Limited**

Date: July 28, 2023
Place: Delhi

**Mahesh Munjal
(Chairman & Managing Director)
(DIN: 00002990)**

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (“CSR”) ACTIVITIES**1. Brief outline on CSR Policy of the Company**

- (a) As a corporate citizen, Majestic Auto Limited (“MAL”) committed to identify and implement activities that are beneficial to the society through Corporate Social Responsibility (“CSR”) initiatives. In pursuant to this, MAL framed a CSR policy for the purpose of philanthropy and complying with the rules framed under Companies Act, 2013. This Policy lays down the guidelines and mechanism for undertaking socially useful programs for welfare and sustainable development of community at large.
- (b) The objective of CSR Policy is to consistently pursue the concept of integrated development of the society in an economically, socially and environmentally sustainable manner and at the same time recognize the interests of all its stakeholders.
- (c) The CSR Policy has been made in line with the Section 135 of Companies Act, 2013 and its amendments from time to time (“The Act”). The Company aims to contribute to activities that are beneficial to the society and community at large in alignment with the areas specified in Schedule VII of the Companies Act, 2013 as amended from time to time.

2. Composition of CSR Committee

As on the date of this report, composition of CSR Committee is as follows:

S. No	CSR Committee Member	Role in the CSR Committee	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Mahesh Munjal	Chairman	1	1
2	Mr. Aayush Munjal	Member	1	1
3	Mr. Anil Kumar Sharma	Member	1	1

Following details available at the links provided at the Investor Section on the Company’s website:

- (a) Composition of the CSR Committee: <https://www.majesticauto.in/pdf/Board%20Composition-27-May-23.pdf>
- (b) CSR Policy & CSR projects*: <http://www.majesticauto.in/pdf/Corporate%20Social%20Responsibility%20Policy.pdf>.

*However, the Company was not required to spend for FY 2022-23 due to excess spending for FY 21-22, therefore, no action plan containing projects is placed on company’s website for FY 2022-23.

3. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report).

Average CSR obligation in pursuance of subsection (5) of section 135 of the Act, in the three immediately preceding financial years, is less ten crore rupees. Therefore, the Company is not required to undertake Impact assessment of CSR projects.

4. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any.

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in Rs. Lakhs)	Amount required to be set-off for the financial year, if any (in Rs. Lakhs)
1	2021-22 (Excess Spent in Financial Year)	5.21	2.91

5. Average net profit of the Company as per section 135(5) of the Act: Rs. 145.73**6.**

Details	Amount (in Rs. Lakhs)
(a) Two percent of average net profit of the company as per section 135(5)	2.91
(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years.	-
(c) Amount required to be set off for the Financial Year, if any	(2.91)
(d) Total CSR obligation for the Financial Year (7a+7b-7c).	-

7. (a) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the fund	Amount	Date of transfer
Nil	-	-	NA	NA	NA

(b) Details of CSR amount spent against ongoing projects for the Financial Year: Not Applicable

1	2	3	4	5		6	7	8	9	10	11	
Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (in Rs.)	Amount spent in the current financial year (in Rs.)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in Rs.)	Mode of Implementation -Direct (Yes/No)	Mode of Implementation -Through Implementing Agency	
				State	District						Name	CSR Registration number
N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

(c) Details of CSR amount spent against other than ongoing projects for the Financial Year: Not Applicable

1	2	3	4	5		6	7	8	
Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in Rs.Lakhs)	Mode of Implementation -Direct (Yes/No)	Mode of Implementation -Through Implementing Agency	
				State	District			Name	CSR Registration Number
					Nil				

(d) Amount spent in Administrative overheads: NIL

(e) Amount spent on Impact Assessment, if applicable: NIL

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Nil

(g) Excess amount for set off, if any

Sl. No.	Particular	Amount (in Rs)
(i)	Two percent of average net profit of the Company as per section 135(5)	2.91
(ii)	Total amount spent for the Financial Year*	5.21
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	2.30
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	2.30

*This amount includes an amount of Rs. 5.21 lakhs being the amount available for set-off in FY 2022-23 from the excess spend of the preceding financial year(s).

8. (a) Details of Unspent CSR amount for the preceding three financial years: Not Applicable

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under Section 135(6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per Section 135(6), if any			Amount remaining to be spent in succeeding Financial Years (in Rs.)
				Name of the Fund	Amount (in Rs.)	Date of transfer	
N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): Not Applicable

1	2	3	4	5	6	7	8	9
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs.)	Cumulative amount spent at the end of reporting Financial Year (in Rs.)	Status of the project - Completed/ Ongoing
N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

9. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset wise details)

(a) Date of creation or acquisition of the capital asset(s): Not Applicable

(b) Amount of CSR spent for creation or acquisition of capital asset: Not Applicable

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc: Not Applicable

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable

10. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

On behalf of the Board of Directors
Majestic Auto Limited

Date: July 28, 2023
Place: Delhi

Mahesh Munjal
(Chairman & Managing Director
and Chairman of CSR Committee)
DIN: 00002990

Rajpal Negi
Chief Financial Officer

Form No. AOC -2

(pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

1. Details of contracts or transactions or arrangements, not at arm's length basis: Not applicable

a.	Name(s) of the related party and nature of relationship	NA
b.	Nature of contracts/ arrangements/ transactions	NA
c.	Duration of contracts/ arrangements/ transactions	NA
d.	Salient features of contracts/ arrangements/ transaction, including value, if any	NA
e.	Justification for entering into such contracts/ arrangements/ transactions	NA
f.	Dates of approval by the Board	NA
g.	Amounts paid ad advances, if any	NA
h.	Date on which special resolution was passed in general meeting as required under first proviso to Section 188	NA

2. Details of material contracts or transactions or arrangements, at arm's length basis:

a.	Name of the related party and nature of relationship	Majestic IT Services Limited
b.	Nature of contracts/arrangements/ transactions	Purchase of Services
c.	Duration of contracts/ arrangements/ transactions	01-Apr-22 to 31-Mar-23
d.	Salient features of contracts/ arrangements/ transaction, including value, if any	Facility Management Services – Rs. 360 lakhs
e.	Dates of approval by the Board, if any	NA*
f.	Amounts paid ad advances, if any	NA

**Due to Majestic IT Services being wholly owned subsidiary of the company*

a.	Name of the related party and nature of relationship	Emirates Technologies Pvt Ltd
b.	Nature of contracts/arrangements/ transactions	Facility Management Services
c.	Duration of contracts/ arrangements/ transactions	01-Apr-22 to 31-Mar-23
d.	Salient features of contracts/ arrangements/ transaction, including value, if any	Interest income on Security Deposit- Rs. 157.61 Lakhs
e.	Dates of approval by the Board, if any	NA**
f.	Amounts paid ad advances, if any	NA

***Approved by Audit Committee on February 12, 2022.*

a.	Name of the related party and nature of relationship	OK Hosiery Mills Pvt Ltd.
b.	Nature of contracts/arrangements/ transactions	Rent, Maintenance expenses and Electricity expenses – Rs. 68.72, Rs. 11.45 & Rs. 1.75 Lakhs respectively
c.	Duration of contracts/ arrangements/ transactions	01-Apr-22 to 31-Mar-23
d.	Salient features of contracts/ arrangements/ transaction, including value, if any	Rent, Maintenance and electricity expenses – Rs. 68.72, Rs. 11.45 & Rs. 1.75 Lakhs respectively
e.	Dates of approval by the Board, if any	NA^
e	Amounts paid ad advances, if any	NA

^Approved by Audit Committee on February 12, 2022.

On behalf of the Board of Directors
Majestic Auto Limited

Mahesh Munjal
(Chairman & Managing Director)
(DIN: 00002990)

Date: July 28, 2023
Place: Delhi

Form MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2023

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members

Majestic Auto Limited

CIN: L35911DL1973PLC353132

10 Southern Avenue, First Floor,

Maharani Bagh, New Delhi -110065

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices of **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 our opinion thereon.

Based on our verification of the Company's 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 on 31st March, 2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2023 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the regulations and bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings - Not applicable to the Company during the audit period;
- 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 (Listing Obligations and Disclosure requirements) Regulations, 2015;
 - b. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - c. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - d. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
 - e. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021 - **Not applicable to the Company during the audit period;**
 - f. Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 - **Not applicable to the Company during the audit period;**
 - g. 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;
 - h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - **Not applicable to the Company during the audit period** and;
 - i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - **Not applicable to the Company during the audit period.**
- vi. Other laws as applicable specifically to the Company:

On the basis of our verification, examination and confirmation of management, we found that the Company is engaged in facility management, office space leasing and believe that no specific law is applicable to the Company.

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) with respect to Board and General Meetings.

During the period under review the Company has complied with the provisions of the Act, rules, regulations, guidelines, standards, etc. mentioned above subject to following observation:

The composition of the Nomination and Remuneration Committee is not in compliance with the SEBI (LODR) Regulations, 2015. Management has also received mail from BSE wherein a total of Rs. 2,12,400 as a fine has been imposed wherein the Company replied that it would make representation with BSE for reversal of penalty as the Company is of the opinion that there is no non-compliance on part of the Company.

We further report that:

Subject to the observation(s) as stated in this report, 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 notices were given to all directors to schedule the Board meetings, agenda and detailed notes on agenda were sent in accordance with the applicable laws subject to observations made above 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.

Major decision at Board meetings and Committee meetings were carried through and recorded in the minutes. However, there was no such instance of any dissenting vote by any Director during the year under review.

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.

Further, we report that during the audit period, there were no specific events/actions having a major bearing on the Company's affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards, etc.

**For VLA & Associates
(Company Secretaries)**

**Vishal Lochan Aggarwal
(Proprietor)**

FCS No.: 7241

C P No.: 7622

Peer Review Unique Identification No.: S2008DE102700

ICSI Unique Code: I2007DE587900

ICSI UDIN: F007241E000530566

Date: 01.07.2023

Place: Delhi

This report is to be read with our letter of even date which is annexed as “Annexure-I” and forms an integral part of this report.

Annexure-I of Annexure C

To,
**The Members,
Majestic Auto Limited**

CIN: L35911DL1973PLC353132

10 Southern Avenue, First Floor,

Maharani Bagh, New Delhi - 110065

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

Management's Responsibility:

1. Maintenance of secretarial records and other records under the scope/ambit of Secretarial Audit (hereinafter called 'Record') is the responsibility of the management of the Company. Our responsibility is to express an opinion on these records based on our audit.
2. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

Auditor's Responsibility:

3. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
4. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Where ever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer:

6. The Secretarial Audit Report is neither an assurance as to future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For VLA & Associates
(Company Secretaries)**

**Vishal Lochan Aggarwal
(Proprietor)**

FCS No.: 7241

C P No.: 7622

Peer Review Unique Identification No.: S2008DE102700

ICSI Unique Code: I2007DE587900

ICSI UDIN: F007241E000530566

Date: 01.07.2023

Place: Delhi

REF NO: 03/NA/2023-24

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2023

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Emirates Technologies Private Limited
10 Southern Avenue,
First Floor, Maharani Bagh,
New Delhi- 110065

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **EMIRATES TECHNOLOGIES PRIVATE LIMITED** (hereinafter called the company). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the **EMIRATES TECHNOLOGIES PRIVATE LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2023 according to the provisions of:
 - (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; **Not Applicable**
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; **Not Applicable**
 - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment Overseas Direct Investment and External Commercial Borrowings; **Not Applicable**
 - (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; **Not Applicable**
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; **Not Applicable**
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **Not Applicable**
 - (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; **Not Applicable**
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not Applicable**
 - (vi) The Company is engaged in the Leasing business and on examination of the relevant documents and records in pursuance thereof and as confirmed by the management, we believe no specific law applicable to the Leasing industries in India.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s) ; **Not Applicable**

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

3. I further report that

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

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

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

4. **I further report that** as per explanation given to me and representation made by the management and relied upon by me 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.
5. **I further report** that there has been no instance of following during the audit period:
 - Public/ Rights/ Preferential issue of shares/ Debentures/ Sweat Equity.
 - Redemption/ Buy-Back of securities.
 - Major Decision taken by the Members in pursuance to section 180 of the Companies Act, 2013.
 - Merger/ Amalgamation/ Reconstruction etc.
 - Foreign Technical Collaborations.

**For Neeta A & Associates
Company Secretaries**

**Neeta Aggarwal
Practicing Company Secretary
M. No. F9893
CoP: 13218
ICSI Unique Code: S2022DE852100**

**Date: June 28, 2023
Place: Delhi**

Annexure A of Annexure C1

To,
The Members,
Emirates Technologies Private Limited
10 Southern Avenue,
First Floor, Maharani Bagh,
New Delhi- 110065

My Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process 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 that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of 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 procedure on test basis.
6. The Secretarial Audit Report 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.

**For Neeta A & Associates
Company Secretaries**

**Neeta Aggarwal
Practicing Company Secretary
M. No. F9893
CoP: 13218
ICSI Unique Code: S2022DE852100**

**Date: June 28, 2023
Place: Delhi**

REF NO: 02/NA/2023-24

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2023

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
Majestic IT Services Limited
10 Southern Avenue,
First Floor, Maharani Bagh,
New Delhi- 110065

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MAJESTIC IT SERVICES LIMITED** (hereinafter called the company). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the **MAJESTIC IT SERVICES LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2023 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

2. I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2023 according to the provisions of:
 - (vii) The Companies Act, 2013 (the Act) and the rules made thereunder;
 - (viii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; **Not Applicable**
 - (ix) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; **Not Applicable**
 - (x) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment Overseas Direct Investment and External Commercial Borrowings; **Not Applicable**
 - (xi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **Not Applicable**
 - (j) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; **Not Applicable**
 - (k) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **Not Applicable**
 - (l) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **Not Applicable**
 - (m) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **Not Applicable**
 - (n) 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; **Not Applicable**
 - (o) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **Not Applicable**
 - (p) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **Not Applicable**
 - (xii) The Company is engaged in the Leasing business and on examination of the relevant documents and records in pursuance thereof and as confirmed by the management, we believe no specific law applicable to the Leasing industries in India.

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s); **Not Applicable**

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

3. I further report that

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

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

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

4. **I further report that** as per explanation given to me and representation made by the management and relied upon by me 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.
5. **I further report** that there has been no instance of following during the audit period:
 - Public/ Rights/ Preferential issue of shares/ Debentures/ Sweat Equity.
 - Redemption/ Buy-Back of securities.
 - Major Decision taken by the Members in pursuance to section 180 of the Companies Act, 2013.
 - Merger/ Amalgamation/ Reconstruction etc.
 - Foreign Technical Collaborations.

**For Neeta A & Associates
Company Secretaries**

**Neeta Aggarwal
Practicing Company Secretary
M. No. F9893
CoP: 13218
ICSI Unique Code: S2022DE852100**

**Date: June 28, 2023
Place: Delhi**

Annexure A of Annexure C1

To,
The Members,
Majestic IT Services Limited
10 Southern Avenue,
First Floor, Maharani Bagh,
New Delhi- 110065

My Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process 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 that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, I have obtained the management representation about the compliance of laws, rules and regulations and happening of 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 procedure on test basis.
6. The Secretarial Audit Report 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.

**For Neeta A & Associates
Company Secretaries**

**Neeta Aggarwal
Practicing Company Secretary
M. No. F9893
CoP: 13218
ICSI Unique Code: S2022DE852100**

**Date: June 28, 2023
Place: Delhi**

ANNEXURE D**Statement of Disclosure of Remuneration under Section 197(12) of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

1.

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 the financial year.	The percentage increase/decrease in remuneration of each executive director and KMP in the financial year.
Mahesh Munjal (Managing Director)	108.71	7.22%
Parul Chadha (Company Secretary)	2.76	-

Notes:

- The Non- Executive independent Directors are paid only sitting fees for attending the meetings of the Board and its Committees. The 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.
- In the financial year, there was an increase of 12.59 % in the median remuneration of employees;
- There were 27 permanent employees on the rolls of the Company as on March 31, 2023.
- 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.

1. 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 2022-23 (Rs.in lac)	Qualification	Experience (No. of Years)	Date of Commencement of employment	Age (years)	The last Employment	The percentage of equity shares held by the employee in the Company
Mahesh Munjal	Managing Director	218.21	Bachelor in Engineering & MBA	44	29-10-1993	69	Gujrat Cycle Ltd.	Nil

2. Particulars of employees as required Section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the period ended the March 31, 2023.

Name of Employee	Designation of the employee	Remuneration Received in 2022-23 (Rs.in lac)	Qualification	Experience (No. of Years)	Date of Commencement of employment	Age (years)	The last Employment	The percentage of equity shares held by the employee in the Company
Mahesh Munjal	Managing Director	218.21	Bachelor in Engineering & MBA	44	29/10/1993	69	GUJRAT CYCLE LIMITED	Nil
Kumar Brajesh Prasad	Assistant Manager	8.05	MBA, MS	8	04/01/2015	33	-	Nil
Deepak Thapak	Manager-IT	6.52	B. Tech (CS & E)	16	05/09/2011	38	-	Nil
Parul Chadha	Company Secretary and Compliance Officer	5.53	CS	5	23/05/2022	30	APAC and Associates LLP	Nil
Rampal Singh	Accounts Officer	4.76	B.Com	13	01/08/2014	39	LG ELECTRONICS INDIA PRIVATE LIMITED	Nil
Madan Lal	Deputy Manager	4.56	B.A	9	08/14/2014	66	-	Nil

MAJESTIC AUTO LIMITED

Name of Employee	Designation of the employee	Remuneration Received in 2022-23 (Rs.in lac)	Qualification	Experience (No. of Years)	Date of Commencement of employment	Age (years)	The last Employment	The percentage of equity shares held by the employee in the Company
Rajesh Baghel	Accounts Executive	4.42	BBA	10	25/05/2014	31	IMPERIAL AUTO INDUSTRIES LTD	Nil
Raj Kumar Thakur	Assistant Manager	4.21	Graduate	33	08/08/1989	57	-	Nil
Kamal Kishore	Supervisor	3.38	Graduate	29	29/03/1994	49	-	Nil
Hari Pal	Security	3.33	-	10	19/02/2013	52	-	Nil

On behalf of the Board of Directors
Majestic Auto Limited

Mahesh Munjal
(Chairman & Managing Director)
(DIN: 00002990)

Date: July 28, 2023

Place: Delhi

MANAGEMENT DISCUSSION AND ANALYSIS REPORT – FY 22-23**1. Global Economy**

The global economy remained uncertain with continued disruption in the supply chain, increased commodity prices due to the geo-political uncertainties and ebbing of the Pandemic. Supply disruptions, commodity price rises and pent-up demand have led to a high inflationary environment forcing Central Banks across the globe to adopt aggressive tightening monetary policy, resulting in a steep rise in the interest rates. Focused actions on returning inflation to targeted levels have started to exhibit some green shoots, however, Central Banks and the Policymakers continue to keep a close watch on these aspects.

As per the estimates of International Monetary Fund (IMF), the global growth should bottom out at 2.8 percent this year and expected to rise to 3 percent in 2024. Further, slowdown is concentrated in advanced economies especially United Kingdom and the Euro area, whereas Emerging and Developing countries are already showing signs of recovery and are expected to grow faster.

The IMF also forecasted that the Global headline inflation is expected to fall from 8.7 percent in 2022 to 7 percent in 2023 supported by lower commodity prices. However, it continues to keep a close watch on downside scenarios primarily due to the financial sector turmoil and the continuing geo-political tensions.

2. Industry Structure & Developments

The theme over the last year has been uncertainty, inflation, higher interest rates, and resilience. We came into the year with continuously rising interest rates and unrelenting inflation. While the global tech industry went through layoffs at a large scale, India was exceptionally resilient in business and in retaining employees. The uncertainty brought some pause to our clients, but they eventually wanted to take up office space. This uncertainty was also a huge factor in clients wanting flexibility that co-working spaces inherently provide. Therefore, conventional leases continue to compete with this recently significant portion of the market. The demand for office space has certainly bottomed out, but it is growing gradually, at best.

Industrial land assets have certainly seen an uptick in demand as India's Manufacturing sector is burgeoning again.

3. Indian Real Estate: Opportunities and Challenges /Threats/ Strategies**Challenges/Threats**

- **Rising Interest Rates**

Over the past year RBI (and global central banks) have raised interest rates to curb inflation at a faster pace than we have seen in decades. Our largest cost head is finance cost, so this is certainly deeply impacting us.

- **Supply in Noida Office Space**

While our micro market has [finally] rebound in office space demand, we fear that the sheer number of upcoming properties on the Noida-Greater-Noida Expressway will soon lead to over-supply, again.

- **The Road Ahead/Positive Approach**

We've been blessed with fantastic bankers to help cushion the rising cost of finance. This year we strive to enhance

occupancy levels and improve cashflow management. There has been a significant uptick in property values, and even more pronounced deal flow. So, we've been able to strike deals to liquidate some of our industrial assets at prices favourable compared to the rental yield. This will eliminate the debt in our company, and leave room for further reinvestment. Of course, our subsidiary will still carry debt, since that is integral to the business model to enhance RoE.

We've built new relationships with fantastic clients that should last a long time. This is really the key to enhance the value of our asset and have a healthy business going forward.

4. Segment-wise/ Product-wise Performance

You are already aware that, your Company has significant presence in Noida, UP.

Your Company along with its subsidiary/associate companies etc. have range of Commercial real estate leasing, Factory space leasing, and Facility Management business.

Commercial Office Space: Existing tenants have extended their lease periods, and multiple prestigious new companies have taken up space in our facility. Some old tenants that had left during COVID have occupied some seats in our new co-working space in collaboration with Awfis. We hope to have higher occupancy in the coming months.

Industrial Assets: We've already made deals to liquidate the last of our industrial property in Ludhiana, and the asset in Greater Noida. These transactions take time, and we've got highly reputed buyers to execute these transactions. We take this as a sign of a booming manufacturing demand for both of these locations, and Make-in-India as well.

Financial Investment Portfolio: We still have a sizeable holding in Hero MotoCorp that continues to pay dividend quite reliably. We look to reduce the concentration risk in one stock, but still grow this portfolio through good, diversified investment.

5. Outlook and Strategy

Our business resumes growth, even if it is gradual. We're pleased to see the quality of clients we're able to get in our Sector 62, Noida facility.

The key elements of the strategy of the Company are the following:

- **Cost Optimization and Cash Management:**
- The Company strives towards creating efficient cost structures in line with the scale of the business. We expect to generate healthy cash flows to further deleverage the balance sheet and increased shareholders' value.
- Company to consider sale /exit from non-core assets /slow moving investments if fetching better value and to reduce the debt.
- The Company is improving its financial parameters through better performance and ensures repayment of principal amount to reduce the interest burden.
- Upon continuous feedback from shareholders, company gave a substantial dividend last year. This will be considered again as cashflows allow, and the company is striving toward improving this position.

6. Outlook on Risks and Concerns

The Company is exposed to a number of risks such as economic, regulatory, taxation and environmental risks as well as sectoral investment outlook. Some risks that may arise in the normal course of business and could impact its ability to address future developments comprise credit risk, liquidity risk, counterparty risk, regulatory risk, commodity inflation risk and market risk.

The Company's strategy of focusing on key products and geographical segments is exposed to economic and market conditions. The Company has implemented robust risk management policies that set-out the tolerance for risk and your Company's general risk management.

7. Internal Control Systems and Adequacy

The Company's internal controls are commensurate with nature, size and complexities of operations. These internal control systems ensure compliance with all applicable laws and regulations and facilitate optimum utilization of available resources as also protect the interests of all stakeholders. The Company has clearly defined policies, standard operating procedures (SOPs), financial and operational delegation of authority (DOA) and organizational structure for its business functions to ensure a smooth conduct of its business.

8. Discussion on Financial Performance with respect to Operational Performance

The details of the financial performance of the Company are reflected in the Balance Sheet, Statement of Profit & Loss and other Financial Statements, appearing separately. Highlights are provided below:

(Rs. in Lakhs)		
Particulars	March 31, 2023	March 31, 2022
Total Income	3225.03	2854.86
Profit Before Tax	767.65	758.34

The financial performance of the Company has been further explained in the Board's Report of the Company for the Financial Year 2022-23 appearing separately.

The financial statements have been prepared in accordance with the requirement of Companies Act 2013, and applicable accounting standards as notified by Ministry of Corporate Affairs (MCA).

9. Material developments in Human Resources / Industrial Relations front, Including number of people employed.

The Company's core focus areas are building organizational capability and capacity, leveraging and nurturing key talent, encouraging meritocracy and enhancing people utilization in alignment with its business strategy. The Company is undertaking the following steps:

- Strengthening and diversifying the advisors and consultants: We're bringing in specialists from real estate and other industries who will enhance all domains, while keeping costs low, especially fixed costs. Key advisors have been brought in across functions including Finance, Business Development, Project Management and execution, Marketing, IT and Hospitality.
- Various training and coaching programmes are being implemented to refresh and enrich its existing talent pool. The Company leverages diversity of knowledge,

qualification, skill, professional experience, culture, geography and sectoral understanding to enhance its competitiveness. The Company believes in creating an inclusive environment, where diverse perspectives can enrich strategic perspectives. To enhance inclusiveness at work, our 'gender sensitivity' workshops sensitise the environment in strengthening our conduct towards women colleagues. The Company's holistic wellness programme sensitised employees around work-life balance and importance of a healthy lifestyle, emotional, physical well-being and prevention of diseases. Regular medical checks, structured monthly health programmes, health bulletins, health talks and awareness campaigns were periodically conducted. The Company also rolled out a structured program to vaccinate all its employees and their families along with contractors' / partners' staff & their families.

10. Details of significant changes in key financial ratios along with detailed explanations thereof, including:

S. No.	Particulars	Financial Year 2022-23	Financial Year 2021-22
1	Current Ratio (in times)	1.29	1.61
2	Debt Equity Ratio ¹ (in times)	0.08	0.10
3	Debt Service Coverage Ratio (in times)	0.83	2.25
4	Return on Equity Ratio ² (in %)	0.04%	0.37%
5	Trade Receivables Turnover Ratio ³ (in times)	11.73	6.42
6	Trade Payables Turnover Ratio (in times)	17.84	15.60
7	Net Capital Turnover Ratio (in times)	4.87	6.32
8	Net profit Ratio ⁴ (In %)	0.70%	8.62%
9	Return on Capital employed (in %)	2.41%	2.35%
10	Return on Investment (in %)	7.03%	5.56%

¹Due to increase in repayment of borrowing & lease liabilities during the current year.

²Profit for the current year declined due to deferred tax recognised on account of lapse of unused tax losses.

³Due to reduction in trade receivables on account of bad debts written-off during the current year.

⁴Due to increase in income from invested funds during the current year.

11. Details of any change in Return on Net Worth as compared to the immediately previous financial year along with a detailed explanation thereof

Ratio	FY 2022-23	FY 2021-22	Change %	Reason for change
Return on Net Worth	0.04%	0.37%	-89.19%	Profit for the current year declined due to deferred tax recognised on account of lapse of unused tax losses.

11. Cautionary Statement

Certain statements in the Management Discussion and Analysis describing the Company's views on the industry, expectations/predictions and objectives etc. may be forward looking within the meaning of applicable laws and regulations. Actual results may differ from those expressed or implied in these statements. The Company's operations may, inter-alia, be affected by the supply and demand situations, input prices and availability, changes in Government regulations, tax laws, government or court decisions and other factors such as industry relations and

economic developments, possible risk of lockdown and/or restrictions in certain geographies with the resurfacing of Covid-19 etc. Investors should bear this in mind when considering the above statements.

**On behalf of the Board of Directors
Majestic Auto Limited**

**Mahesh Munjal
(Chairman & Managing Director)
(DIN: 00002990)**

**Date: July 28, 2023
Place: Delhi**

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON 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 committed to ensure that all the stakeholder's interests are protected by continuously striving to increase the efficiency of the operations as well as the systems and processes for use of corporate resources. The Company aims at achieving not only the highest possible standard of legal and regulatory compliances, but also of effective management. We believe in a Board of appropriate size, composition and commitment to adequate discharge its responsibilities and duties.

Company views Corporate Governance as more than just regulatory requirements as it believes there exists a fundamental link between the Company and the society. Our corporate governance framework ensures that we make timely disclosures and share information about our financials and performance as well as business of the Company. Given below is brief report on the practices followed by the Majestic Auto Limited ("the Company") towards achievement of Good Corporate Governance.

2. BOARD OF DIRECTORS

(a) Composition of the Board

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 composition of the Board of your Company was in conformity with regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as on March 31, 2023. The Board comprises of 3 Directors being non-executive Independent Directors, one Managing Director, one Whole Time Director and one Women Non-executive Director. Based on the confirmation/ disclosures received from the Directors of the Companies, none of the Directors on the Board of more than twenty (20) Companies or a Director in more than ten (10) public companies or holds memberships in committees of the Board in more than ten (10) committees or chairmanship of more than five (5) committees.

During the financial year 2022-23, six (6) Board Meetings were held on May 06, 2022, May 25, 2022, August 12, 2022, November 07, 2022, December 23, 2022 and February 14, 2023. The Board Members were given agenda papers along with necessary documents and information in advance of each Board and other committee meetings.

The Board has an optimum combination of Executive and Non-Executive Directors including Independent Directors. As on March 31, 2023, the Board of the Company comprised of Six (6) Directors consisting of two (2) Executive Directors and four (4) Non-Executive Directors.

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 as on March 31, 2023 are given below:

Name	(DIN)	Category/ Designation	No. of Board Meetings Attended	Number of Positions Held in Other Companies		Attendance at the Last AGM (September 23, 2022)	Name of other listed company
				Board ⁽¹⁾	Committee ⁽²⁾		
Mr. Mahesh Munjal	00002990	Executive Director (Chairman & Managing Director)	6	3	2	Yes	NIL
Mr. Aayush Munjal	07276802	Whole Time Director	6	2	NIL	Yes	NIL
Dr. Rajesh Kumar Yaduvanshi	07206654	Non-Executive Independent Director	6	1	NIL	Yes	NIL
Mr. Prateek Garg	00043672	Non-Executive Independent Director	1 ⁽³⁾	1	NIL	NA	NIL
Mr. Anil Kumar Sharma	01157106	Non-Executive Independent Director	6	3	3	Yes	Winsome Textile Industries Limited
Ms. Ayushi Jain	07286525	Non -Executive Director	2 ⁽⁴⁾	NIL	NIL	NA	NIL

(1) Directorship in public limited companies, excluding private limited companies, foreign companies, companies under Section 8 of the Companies Act 2013.

(2) Only covers Membership / Chairmanship of Audit Committee and Stakeholders' Relationship Committee of public limited companies.

(3) Mr. Prateek Garg was appointed as Independent Director on December 23, 2022.

(4) Ms. Ayushi Jain was appointed as Non-Executive Directors on November 7, 2022.

DETAILS OF BOARD MEETING HELD DURING THE FINANCIAL YEAR 2022-23

S. No.	Date of Board Meeting	Board Strength	No. of Directors present
1.	May 06, 2022	6	6
2.	May 25, 2022	6	6
3.	August 12, 2022	6	6
4.	November 07, 2022	4	4
5.	December 23, 2022	5	5
6.	February 14, 2023	6	6

(b) Independent Directors:

All Independent Directors have given declaration that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) read with Regulation 25(8) of the Listing Regulations. In the opinion of the Board, the Independent Directors fulfill the conditions of independence specified in the Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) read with Regulation 25(8) of the Listing Regulations.

The number of Directorship, Committee Membership(s) of all the Directors are within the respective limit prescribed under the Companies Act, 2013 and listing regulations.

The Company has adopted a process for the performance evaluation of the entire Board, Committees, and individual Directors including Independent Directors. Please refer to the Board's Report for details on the Performance Evaluation.

The details of the familiarization programme for Independent Directors are available on the Company's website www.majesticauto.in.

Independent Directors have no pecuniary relationship with other Directors of the Company. None of the Director of the Company is related to each other except Mr. Aayush Munjal, he is the 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. None of the Directors on the Board serve as Independent Directors in more than seven listed companies. The Company did not advance loan to any of its Director during Financial Year 2022-23.

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.

The meeting of Independent Directors was held on February 14, 2023 and all the 3 independent directors were present in the same.

None of the present Independent Directors hold any shares (in his own name or on behalf of another person on a beneficial basis) in the Company.

(c) 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

The Board members are given agenda along with necessary documents and information in advance of each meeting of the Board and Committee and 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.

(d) 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 March 31, 2023 which is annexed as **Appendix-A of Annexure F**.

(e) 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 <https://www.majesticauto.in/pdf/Code-of-Conduct-of-Board-of-Directors-and-Senior-Management-Personnel.pdf>. 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.

(f) 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, and put in place with the specific responsibility of the concerned person for its timely achievement.

(g) Key Board skills/expertise / competencies

Board Parameter	Specific skills/expertise/ competencies	Mahesh Munjal	Aayush Munjal	Rajesh Kumar Yaduvanshi	Anil Kumar Sharma	Ayushi Jain	Prateek Garg
General Management & Business Operations	<ul style="list-style-type: none"> Knowledge and deeper understanding of Real Estate Sector. Experience and understanding on Financial Management, Decision Making, Communication, Leadership, Influencing, Stakeholders' Relations including long term interest of shareholders etc. Entrepreneurial mindset with outstanding organizational and leadership skills including experience in general management & administration of the organization. Knowledge of Macro / Global/ National / Sectoral Economy 	✓	✓	✓	✓	✓	✓
Financial & Risk Management	<ul style="list-style-type: none"> Experience in financial planning/analysis, controllership, finance operations, audit, information technology and consulting. Understanding the structures and systems which gives an oversight to the organization to effectively identify, assess and manage Enterprise Risk Management and Crises 	✓	✓	✓	✓	✓	✓
Legal, Regulatory, Corporate Governance, Ethics & Compliance	<ul style="list-style-type: none"> Expertise in Legal framework, the relevant laws, rules, regulation policies applicable to the industry/ sector and level/ status of compliances thereof. Understanding of the best corporate governance practices, relevant governance codes, governance structure, processes and practices followed by the organization. Driving the business ethics, ethical policies, codes and practices Ability to monitor the compliance and knowledge of legal and regulatory requirements applicable to the Company 	✓	✓	✓	✓	✓	✓
Environment Sustainability & CSR	<ul style="list-style-type: none"> Experience in broad areas of Trade and Commerce, Sustainable Development Policy, Environmental Management, Governance. In depth understanding of, Renewable Energy, Finance, Planning and Science and Technology, and the local management of the districts. Deeper understanding of the Environmental issues such as Pollution mitigation and Control, Biodiversity conservation, Livelihood security, Climate Change etc. Experienced knowledge on community service and volunteer work for social cause. 	✓	✓	✓	✓	✓	✓
Strategic Planning & Business Acumen	<ul style="list-style-type: none"> Ability to think strategically, to propose ideas, identify options and plans that take advantage of available business opportunities while reflecting a broad and future-oriented perspective. Wider perspective on the business and industry, strategy implementation and change with vision & value creation.. 	✓	✓	✓	✓	✓	✓

Board Parameter	Specific skills/expertise/competencies	Mahesh Munjal	Aayush Munjal	Rajesh Kumar Yaduvanshi	Anil Kumar Sharma	Ayushi Jain	Prateek Garg
Business Development, Sales & Marketing	<ul style="list-style-type: none"> Experience and ability to identify opportunities and threats to the company and to develop strategies, inter-alia to grow sales and market share, built brand awareness and equity. Deep knowledge and experience in business strategy, financial value and customer value creation. Develop a strategically aligned and values-based organizational culture. 	✓	✓	✓	✓	✓	✓

3. AUDIT COMMITTEE*

The power, role and terms of reference of the Audit Committee includes inter alia oversight of the Company's financial reporting process, internal financial control system, reviewing the adequacy of internal audit function, reviewing with management the quarterly/ annual financial statements before submitting to the Board, recommendation of appointment of auditors and approval of related party transactions etc., besides other terms as may be referred by the Board of Directors.

In the financial year ended March 31, 2023, 6 (six) meetings of Audit committee were held on May 06, 2022, May 25, 2022, August 12, 2022 November 07, 2022, December 23, 2022 and February 14, 2023. The Composition of the Audit Committee and attendance record of members of the Audit Committee for the Financial Year 2022-23 is as under:

S. No.	Name	Designation	No. of Meetings entitled to attend**	No. of Meetings attended
1	Mr. Anil Kumar Sharma	Chairperson	6	6
2	Dr. Rajesh Kumar Yaduvanshi	Member	6	6
3	Mr. Mahesh Munjal	Member	6	6

*Audit committee reconstituted on November 07, 2022 after the resignation of Mr. Pradip Kumar Mittal.

**Mr. Pradip Kumar Mittal was previous Committee Chairperson. He ceased to be a Chairperson of the Committee due to resignation from the Board of the Company w.e.f. November 05, 2022

All members of the Audit Committee are financially literate and have related financial management expertise by virtue of their relevant experience. 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.

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 date of this report, the Committee has 2 (two) Non-Executive Independent Directors consisting of Mr. Anil Kumar Sharma, Dr. Rajesh Kumar Yaduvanshi and 1 (one) Executive Director i.e. Mr. Mahesh Munjal in accordance with the prescribed guidelines. All the members have sound knowledge in the field of finance, accounting and law.

The Chairman of the Audit Committee was present at the Annual General Meeting of the Company held on September 23, 2022.

4. NOMINATION AND REMUNERATION COMMITTEE (NRC)

The Nomination and Remuneration Committee was constituted in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations, the terms of reference includes following namely formulation of criteria for determining the qualification, positive attributes and independence of a director and recommending to the Board a policy relating to remuneration of the directors, key managerial personnel and other employee etc.

During this financial year, three (3) NRC meetings were held on May 25, 2022, November 07, 2022 and December 23, 2022. The designation of members as on March 31, 2023 are as mentioned below. The composition of the NRC and details of the meetings and attendance during the Financial Year 2022-23 are as under:

S. No.	Name	Designation	No. of Meetings entitled to attend	No. of Meetings attended
1	Mr. Anil Kumar Sharma	Chairperson	3	3
2	Dr. Rajesh Kumar Yaduvanshi	Member	3	3
3	Mr. Mahesh Munjal*	Member	3	3
4	Ms. Ayushi Jain	Member	1	1
5	Mr. Pradip Kumar Mittal**	-	1	1

*Mr. Mahesh Munjal ceased to be member of the Committee w.e.f. May 27, 2023 after the re-constitution of the Committee on said date.

**Mr. Pradip Kumar Mittal was previous Committee chairperson. He ceased to be a member of the Committee due to resignation from the Board of the Company and reconstitution of the Committee w.e.f. November 05, 2022 & November 07, 2022 respectively.

The Chairman of the NRC was present at the Annual General Meeting of the Company held on September 23, 2022.

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) / 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. The members of the Committee are persons of reputed 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. As on date of this report, the Committee has 2 (Two) Non-Executive Independent Directors i.e. Mr. Anil Kumar Sharma & Dr. Rajesh Kumar Yaduvanshi and 1 (One) Non-executive Non-Independent Director i.e. Ms. Ayushi Jain.

- a. The details of remuneration paid to Directors for the Financial Year 2022-23 are furnished below (Managing Director and Whole Time Director):

(Rs. In Lakhs)

Name	Salary and other perquisites	Commission	No. of Shares as on 31.03.2023	Stock Option Granted	Total	Services Contracts/ Notices /Severance Fees
Mr. Mahesh Munjal	218.21	-	-	-		Shareholders Appointed Mr. Mahesh Munjal for a period of 3 Years. Notice Period as per Company Policy. No Severances Fees.
Mr. Aayush Munjal	-	-	-	-		Shareholders appointed Mr. Aayush Munjal for a period of 5 Years. Notice Period as per Company Policy. No Severances Fees.
Ms. Aashima Munjal	-	-	-	-		

NOTES:

Cessation of Ms. Aashima Munjal as Director due to disapproval of re-appointment by the members of the Company in the Annual General Meeting held on September 23, 2022 after her retirement by rotation under Section 152 of the Companies Act, 2013.

- b. The details of the sitting fees paid to the Non-Executive Directors of the Company during the financial year 2022-23 are given below:

(Rs. In Lacs)

Name	Sitting fees	Commission	Total
Mr. Anil Kumar Sharma	3.80	-	3.80
Mr. Pradip Kumar Mittal	1.70	-	1.70
Dr. Rajesh Kumar Yaduvanshi	3.60	-	3.60
Ms. Ayushi Jain	0.80	-	0.80
Mr. Prateek Garg	0.30	-	0.30

REMUNERATION:

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 would be as per terms of Section II of Part II of Schedule V to the Companies Act, 2013 as minimum remuneration.

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

5. STAKEHOLDER RELATIONSHIP COMMITTEE (SRC)

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 this financial year, one (1) Stakeholder Relationship Committee meeting was held on February 14, 2023. The composition of the SRC and details of the meetings and attendance during the Financial Year 2022-23 are as under:

S. No.	Name	Designation	No. of Meetings entitled to attend	No. of Meetings attended
1	Mr. Anil Kumar Sharma	Chairperson	1	1
2	Mr. Mahesh Munjal	Member	1	1
3	Mr. Aayush Munjal	Member	1	1

The Company Secretary of the Company also acts as the secretary of the shareholder grievance committee. To redress the investor grievances the Company has a dedicated e-mail id i.e. grievance@majesticauto.in for the purpose of registering complaints by the investors.

The Chairman of the SRC was present at the Annual General Meeting of the Company held on September 23, 2022.

As on date of this report, the Committee has one (1) Non-Executive Independent Directors consisting of Mr. Anil Kumar Sharma and two (2) Executive Director i.e Mr. Mahesh Munjal, Chairman & Managing Director of the Company and Mr. Aayush Munjal, Whole-time Director.

Name, designation and address of the Compliance Officer:

*Ms. Parul Chadha
(Compliance Officer)

Corporate Office: Majestic Auto Limited, A-110, Noida Sector-4, UP-201301

*Ms. Parul Chadha was appointed as Company Secretary & Compliance Officer of the Company w.e.f. May 25, 2022.

6. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The Corporate Social Responsibility (CSR) Committee of the Company comprises of three (3) Directors out of which one (1) is an Independent Director.

During this financial year, One (1) Corporate Social Responsibility Committee Meeting was held on August 10, 2022. The composition of the CSR Committee and details of the meetings and attendance during the Financial Year 2022-23 are as under:

S. No.	Name	Designation	No. of Meetings entitled to attend	No. of Meetings attended
1.	Mr. Mahesh Munjal	Chairman	1	1
2.	Mr. Anil Kumar Sharma	Member	1	1
3.	Mr. Aayush Munjal	Member	1	1

8. GENERAL BODY MEETINGS

(a) Locations, day, dates and times where the last three Annual General Meetings ("AGM")/Extra-Ordinary General Meeting (EGM) were held are as follows:

Meeting	Location	Date	Time	Description of Special Resolution(s)
49 th AGM	Through Video Conferencing/ Other Audio-Visual Means	Friday, September 23, 2022	11.00 A.M	<ul style="list-style-type: none"> No Special Resolution was passed in this meeting.
48 th AGM	Through Video Conferencing/ Other Audio-Visual Means	Monday November 29, 2021	11.00 A.M	<ul style="list-style-type: none"> Re-Appointment & Remuneration of Mr. Mahesh Munjal, Chairman and Managing Director, of the Company by way of Special Resolution Continuation of Mr. Mahesh Munjal as Chairman & Managing Director of the Company by way of Special Resolution
EGM	Through Video Conferencing/ Other Audio-Visual Means	Saturday, May 8, 2021	02:30 P.M.	<ul style="list-style-type: none"> No Special Resolution was passed in this meeting.
47 th AGM	Through Video Conferencing/ Other Audio-Visual Means	Wednesday, September 30, 2020	2:00 P.M.	<ul style="list-style-type: none"> No Special Resolution was passed in this meeting.

(b) Whether any Special Resolutions were passed last year through postal ballot:

During the financial year 2022-23, one resolution was passed through postal ballot w.r.t. sale of the Company's leased industrial property situated at B-6, B-7, & B-9, Sector-ecotech-I (Extension), Greater Noida – 201310, UP, approved by the shareholders of the Company through postal ballot dated February 04, 2023, as recommended by the Audit Committee.

The CSR activities undertaken by the Company during the year are set out in **Annexure- F** of the Board's Report.

The CSR Policy detailing the summary of CSR activities along with relevant details is accessible at the Investors section on the Company's website at <https://www.majesticauto.in/pdf/Corporate%20Social%20Responsibility%20Policy.pdf>

7. VIGIL MECHANISM COMMITTEE

The Vigil Mechanism Committee of the Company comprises of two (2) Directors out of which one (1) is Independent Director.

During this financial year, one (1) Committee Meeting was held on January 10, 2023. The composition of the Vigil Mechanism Committee and details of the meetings and attendance during the Financial Year 2022-23 are as under:

S. No.	Name	Designation	No. of Meetings entitled to attend*	No. of Meeting attended
1	Mr. Anil Kumar Sharma	Chairman	1	1
2	Mr. Mahesh Munjal	Member	1	1

*Mr. Pradip Kumar Mittal ceased to be a member of the Committee due to his resignation from the position of the Independent director w.e.f. November 05, 2022.

(c) Whether any special resolution is proposed to be conducted through postal ballot

Currently, there is no proposal to pass any Special Resolution through Postal Ballot. Special Resolutions by way of Postal Ballot, if required to be passed in the future, the same will be decided at the relevant time.

9. MEANS OF COMMUNICATION

- The Company has been regular, by authorized mode, in sending the annual audited as well as quarterly unaudited results to the Stock Exchange on immediate basis, after they are taken on record by the Board of Directors.
- The Company's quarterly and annual results have been published in Business Standard (English and Hindi) 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.

- 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 Board's Report.

10. GENERAL SHAREHOLDERS INFORMATION

(a) Basic Information:

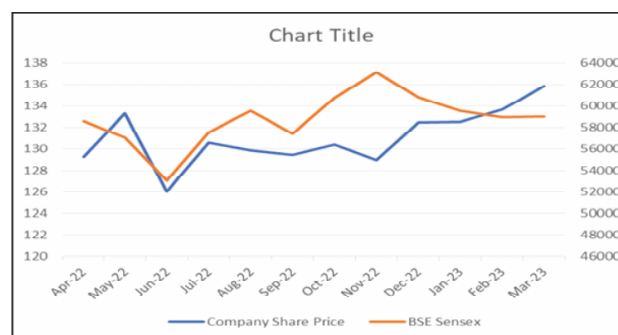
S. No.	Particular	Details
(i)	AGM Date, Time and Venue	The Company is conducting meeting through VC /OAVM. The deemed venue for the 50 th AGM shall be the Registered Office of the Company. For details, please refer to the Notice of this AGM.
(ii)	Financial Year	April 01, 2022, to March 31, 2023
(iii)	Date of Book Closure	August 19, 2023, to August 25, 2023
(iv)	Dividend Payments	-
(v)	Listing on Stock Exchanges	BSE Limited (BSE) Phiroze Jeejeebhoy Tower Dalal Street, Mumbai-400 001.
(vi)	Stock Code	BSE- 500267 ISIN - INE201B01022
(vi)	List of all credit ratings obtained by the entity along with any revisions thereto during the relevant Financial Year, for all debt instruments of such entity or any fixed deposit programme or any scheme or proposal of the listed entity involving mobilization of funds, whether in India or abroad	NA

(b) Market Price Data*: High, Low on BSE during each month in the last Financial Year 2022-23:

Month	BSE	
	High(Rs.)	Low(Rs.)
Apr-22	144.70	125.75
May-22	138.00	114.50
June-22	132.00	110.05
July-22	135.00	123.00
Aug-22	144.45	125.00
Sep-22	135.00	125.00
Oct-22	149.95	127.20
Nov-22	134.85	123.80
Dec-22	135.00	117.90
Jan-23	139.80	129.00
Feb-23	165.50	125.10
Mar-23	169.00	132.25

*Source – BSE Limited

(c) Performance of Majestic Auto Limited (MAL) share prices in comparison to BSE Sensex*



*Source – BSE Limited

As on March 31, 2023, shares of the Company were not suspended from trading.

(d) Registrar & Share Transfer Agent:

S. No.	Particulars	Details
1.	Name	Alankit Assignments Limited
2.	Address	Alankit House, 4E/2, Jhandewalan Extension, New Delhi – 110055
3.	Email id	rta@alankit.com
4.	Phone	(011) 23541234, 42541234

(e) **Share Transfer System**

Alankit Assignments Limited, Registrar & Share Transfer Agent (“RTA”) of the Company handles share transfer, transmission, transposition, dematerialization and re-materialization of shares, issue of duplicate share certificates, split and consolidation of shares, IEPF matters, etc. on regular basis in compliance with various provisions of the law, as applicable.

(f) **Distribution of Shareholding as on March 31, 2023**

No. of shares held (Rs.10/- paid up)	Folios		Shares of Rs.10/- paid up Value	
	Number	%	Number	%
1-500	6070	92.43	571212	5.49
501-1000	237	3.61	188746	1.82
1001-2000	116	1.77	175594	1.69
2001-3000	54	0.82	137104	1.32
3001-4000	22	0.34	77533	0.75
4001-5000	17	0.26	76963	0.74
5001-10000	22	0.34	157766	1.52
10001-9999999999	29	0.44	9012560	86.68
TOTAL	6567	100.00	10397478	100.00

(g) **Shareholding Pattern as on March 31, 2023**

Category	Holders (No.)	No. of Equity Shares	%age
Promoters			
Indian Promoters	2	77,98,108	75.00
Total Promoter Holding	2	77,98,108	75.00
Non-Promoter Holding			
Foreign Portfolio Investors	5	2,251	0.02
Mutual Funds	2	2,778	0.03
Indian Public	6280	2404246	23.12
Others			
Body Corporates	64	105775	1.02
NRI	67	16313	0.15
Co-op., HUF, Banks, Co-op. Societies, Trust, others	147	68,007	0.65
Total Non-Promoter Holding	6565	25,99,370	25.00
Grand Total	6567	1,03,97,478	100.00

(h) **Dematerialization of shares and liquidity:**

As on March 31, 2023, a total of 1,03,97,478 equity shares of face value of Rs. 10/- each are listed at BSE Limited. As on March 31, 2023, 98.72% of the Company’s total Share Capital was held in dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Service (India) Limited (CDSL).

All shareholders are requested to update their bank account details with their respective depositories urgently. This would facilitate the transfer of dividends directly to the bank account of the shareholders, if any.

(i) **Outstanding GDRs/ ADRs/ Warrants or any convertible instruments, conversion date, and likely impact on equity:**

The Company has not issued any GDRs/ADRs / Warrants or any convertible instruments during Financial Year 2022-23.

(j) **Commodity price risk or foreign exchange risk and hedging activities:**

There is no Commodity Risk and hedging activities. Therefore, there is no disclosure to offer in terms of SEBI circular no. SEBI/HO/CFD/CMD1/ CIR/P/2018/0000000141 dated November 15, 2018.

(k) **Registered Office/Address of Correspondence**

: 10 Southern Avenue, First Floor, Maharani Bagh New Delhi – 110065

Investors’ Correspondence may be Addressed to : Alankit Assignments Limited, Alankit House, 4E/2, Jhandewalan Extension, New Delhi – 110055

Tel No. : 0120-4348907

Website : www.majesticauto.in

E-mail ID : grievance@majesticauto.in

(l) **Investor Education Protection Fund (“IEPF”)**

In compliance with the provisions of Section 124 of the Act read with the Rules made thereunder, the Company has uploaded the information regarding unpaid/ unclaimed amounts lying with the company at MCA’s portal. The information is available on the Company’s website at <https://www.majesticauto.in/investors.html> as well as on the IEPF website at www.iepf.gov.in.

The members of the Company are also informed that the dividends that remain unpaid/ unclaimed for a period of 7 (seven) years from the date of transfer to the unpaid / unclaimed dividend account and as per the new provisions introduced in the year 2016, underlying equity shares on which dividend remains unpaid/ unclaimed for a period of seven consecutive years are required to be transferred to the Investor Education & Protection Fund (IEPF) Authority established by the Central Government.

Details of the unpaid / unclaimed dividend and underlying equity shares for the following financial years are as follows:

Financial Year	Date of Declaration of Dividend	Date of Transfer / Due Date of Transfer of Dividend to IEPF	Date of Transfer/ Due Date of transfer of Shares to IEPF
2020-21 (Final)	November 29, 2021	December 30, 2028	December 30, 2028
2022-23 (Interim)	February 14, 2023	March 20, 2030	March 20, 2030

Members who have not encashed their dividend warrant(s) are requested in their own interest to write to the Company / Registrar and Share Transfer Agent immediately claiming the Dividend(s) declared by the Company till FY 2022-23. Kindly note that once the amount/ shares are transferred to the IEPF, no claims shall lie against the Company.

(m) ***Unclaimed Suspense Account (“Unclaimed Suspense Account”)**

The details of equity shares (“shares”) held in an Unclaimed Suspense Account are as follows:

S No.	Particulars	No. of Shareholders	No. of Shares
1	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the Financial Year 2022-23 (i.e. April 01, 2022)	248	30560
2	*Number of shareholders who approached the issuer for transfer of shares from the Unclaimed Suspense Account during the Financial Year 2022-23	2	1758
3	Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the Financial Year 2022-23	2	1758
4	Number of shares transferred to Investor Education & Protection Fund (IEPF) Authority established by the Central Government during the Financial Year 2022-23	-	-
5	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the Financial Year 2022-23	246	28,802

Notes:

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.

(n) **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.

(o) **Queries Relating to the Financial Statements of the Company may be addressed to:**

Mr. Rajpal Singh Negi, Chief Financial Officer

Email: accounts@majesticauto.in, grievance@majesticauto.in

(p) **DISCLOSURES**

(i) During the Financial Year 2022-23, the Company had no material significant related party transactions which is considered to have potential conflict with the interests of the Company at large. The Company has formulated a policy on materiality significant related party transactions and the details of the policy are available at the Investors section on the Company’s website at www.majesticauto.in. 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. The details of the Related Party transactions were placed periodically before and reviewed by the Company’s Audit Committee in FY 2022-23.

(ii) Details of non-compliances and penalties imposed on the Company by Bombay Stock Exchange Ltd. (BSE) are as follows:

S. No.	Subject Matter	Fine imposed	Status
1	Non-appointment of company secretary as compliance officer from February 03, 2022 to May 24, 2022	63,720	BSE Limited has confirmed to reverse the fine imposed as there was no non-compliance by the Company.
2	Composition of the Nomination and Remuneration Committee is not in compliance with Regulation 19(1)(b) of SEBI (LODR) Regulations, 2015	2,12,400	The Company has applied for a waiver of the fine as there was no non-compliance by the Company. This is under consideration with BSE Limited.
3	Non-compliance with disclosure of related party transactions on consolidated basis for the period ended March 31, 2023	5,900	The Company has applied for a waiver of the fine as there was no non-compliance by the Company. This is under consideration with BSE Limited.

(iii) 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 advise 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-compliance.

(iv) The Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A) of the Listing Regulations.

(v) The Company has also obtained a Certificate from M/s VLA & Associates, Practicing Company Secretaries to the effect that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India/ Ministry of Corporate Affairs or any other statutory authority (**Appendix D of Annexure G**).

(vi) All the recommendations of all the Committees have been accepted by the Board of the Company.

- (vii) Details relating to fees paid to the Statutory Auditors are given in Notes to the Financial Statements.
- (viii) The Company has not adopted the non-mandatory requirements as specified under SEBI (Listing Obligations and Discloser Requirements) Regulations, 2015.
- (ix) Pursuant to Section 177 of the Companies Act, 2013 read with Regulation 22 of the SEBI Listing Regulations, the Company has in place a whistle blower policy for establishing a vigil mechanism for Directors and employees to report instances of unethical and/ or improper conduct and to take suitable steps to investigate and correct the same. Directors, employees, vendors, customers or any person having dealings with the Company/ subsidiary (ies) may report non-compliance of the policy to the noticed persons. The Directors and management personnel maintain confidentiality of such reporting and ensure that the whistle blowers are not subjected to any discrimination. No person was denied access to the Audit Committee during the year.
- (x) Please refer Board's Report for disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- (xi) The Company has duly complied with the Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (LODR), 2015.
- (xii) Management Discussion and Analysis Report forms part of the Annual Report and annexed to the Board's Report.
- (xiii) In terms of the requirement of the Regulation 17(8) of the SEBI (LODR), 2015, the certificate from CFO has been obtained (**Appendix C of Annexure F**).
- (q) **Code of Conduct**
In terms of the requirement of Regulation 17(5)(a) of SEBI (LODR), 2015 & Section 149(8) read with Schedule IV of the Act, the Board of Directors of the Company have laid down the Code of Conduct ("Code") for all Board Members and Senior Management of the Company. As required, a declaration duly signed by the Chairman and Managing Director of the Company regarding affirmation of compliance with the Code of Conduct is attached as "**Appendix-A of Annexure F**".
- (r) **Certificate from Statutory Auditor regarding compliance of conditions of Corporate Governance**
A certificate from the Statutory Auditors is annexed as "**Appendix-B of Annexure F**" certifying the compliance of corporate governance requirements by the Company.

On behalf of the Board of Directors

Mahesh Munjal
(Chairman & Managing Director)
(DIN: 00002990)

Date: July 28, 2023
Place: Delhi

Appendix-A of Annexure FCorporate Governance Report
of Majestic Auto Limited**Declaration regarding Affirmation of compliance with the Code of Conduct**

I hereby, confirm that the Company has received affirmations in compliance with the Code of conduct for the Financial Year 2022-23 from all the Board Members and Senior Management Personnel pursuant to the requirements of Regulation 26(3) of Securities and Exchange Board of India (Listing and Disclosure Obligations) Regulations 2015.

On behalf of the Board of Directors

Date: July 28, 2023
Place: DelhiMahesh Munjal
(Chairman & Managing Director)
(DIN: 00002990)**Appendix-B of Annexure F****TO THE MEMBERS OF MAJESTIC AUTO LIMITED****INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

1. We, MKRS & Associates LLP, Chartered Accountants, the Statutory Auditors of Majestic Auto Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2023, as stipulated in regulations 17 to 27 as applicable and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the Listing Regulations).

Managements' Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Auditor's Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
7. We have also examined the Secretarial Auditor Report for the year ended on March 31, 2023.

Opinion

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended March 31, 2023.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For MKRS & Associates LLP
Chartered Accountants
Firm Registration No. 104857W/W100216Place: Delhi
Date: 27.06.2023CA Anubhav Goyal
Partner
Membership No. 123328
UDIN: 23123328BGWAGA7113

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 Majestic 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, 2023 and that to the best of our knowledge and belief:
 - i) These statements do not contain any materially untrue statement or omit any material factor 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

Mahesh Munjal
Chairman & Managing Director

Rajpal Singh Negi
Chief Financial Officer

Date: July 28, 2023
Place: Delhi

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members
Majestic Auto Limited
10 Southern Avenue First Floor,
Maharani Bagh New Delhi 110065

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Majestic Auto Limited** having CIN L35911DL1973PLC353132 and having registered office at Office no. 10 Southern Avenue First Floor, Maharani Bagh New Delhi South Delhi 110065 (hereinafter referred to as ‘the Company’), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company, as stated below for the Financial Year ending on March 31, 2023, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, the Ministry of Corporate Affairs, or any such other Statutory Authority.

Sl. No.	Name of Director	DIN	Date of Appointment in the Company	Date of cessation, if any
1.	Mr. Mahesh Munjal	00002990	29/06/1993	-
2.	Ms. Aashima Munjal	00050716	14/08/2010	23/09/2022
3.	Mr. Pradip Kumar Mittal	00061171	12/10/2021	05/11/2022
4.	Mr. Anil Kumar Sharma	01157106	28/09/2019	-
5.	Mr. Rajesh Kumar Yaduvanshi	07206654	29/11/2021	-
6.	Mr. Aayush Munjal	07276802	30/09/2015	-
7.	Ms. Ayushi Jain	07286525	07/11/2022	-
8.	Mr. Prateek Garg	00043672	23/12/2022	-

- *Ms. Ayushi Jain (07286525) was appointed as additional director w.e.f. 07th November, 2022 and thereafter appointed as director w.e.f. 04th February, 2023.*
- *Mr. Prateek Garg was appointed as an additional Director on 23rd December, 2022 and thereafter he is appointed as Director w.e.f. 04th February, 2023.*
- *Cessation of Ms. Aashima Munjal as Director w.e.f. 23rd September, 2022 due to retirement.*
- *Appointment of Mr. Pradip Kumar Mittal w.e.f. 12th October, 2021 and cessation from 5th November 2022.*

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which management has conducted the affairs of the Company.

**For VLA & Associates
 Company Secretaries**

**Vishal Lochan Aggarwal
 (Proprietor)**

Membership No.: F7241

C. P. No.: 7622

UDIN: F007241E000620733

Date: 17.07.2023

Place: New Delhi

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**A. CONSERVATION OF ENERGY:**

- i. Steps taken or impact on conservation of energy: **NIL**
- ii. Steps taken by the Company for utilizing alternative sources of energy: **NIL**
- iii. Capital investment on energy conservation equipment's: **NIL**

B. TECHNOLOGY ABSORPTION:

- i. Efforts made towards technology absorption: Not Applicable
- ii. Benefits derived like product improvement, cost reduction, product development or import substitution: **NIL**
- iii. In case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year 2022-23): **Not Applicable**
- iv. Expenditure incurred on Research and Development (R&D): **Not Applicable**

C. FOREIGN EXCHANGE EARNINGS AND OUTGO: NIL

On behalf of the Board of Directors
Majestic Auto Limited

Mahesh Munjal
(Chairman & Managing Director)
(DIN: 00002990)

Date: July 28, 2023

Place: Delhi

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MAJESTIC AUTO LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Majestic Auto Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2023, 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 ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	How our audit addressed the key audit matter
<p>1. Related party transaction</p> <p>The Company has undertaken transactions with its related parties in the ordinary course of business at arm's length. These include transactions in the nature of investments, loans, sales and purchases, etc. as disclosed in Note 33 to the Standalone Financial Statements.</p> <p>Considering the significance of transactions with related parties and regulatory compliances thereon, related party transactions and its disclosure as set out in respective notes to the financial statements has been identified as key audit matter.</p> <p>Refer Notes 33 to the Standalone Financial Statements</p>	<p>Our audit procedure included the following:</p> <ul style="list-style-type: none"> • Obtained and read the Company's policies, processes and procedures in respect of identifying related parties, obtaining approval, recording and disclosure of related party transactions; • Read minutes of shareholder meetings, board meetings and minutes of meetings of those charged with governance in connection with Company's assessment of related party transactions being in the ordinary course of business at arm's length; • Tested, related party transactions with the underlying contracts, confirmation letters and other supporting documents; • Agreed the related party information disclosed in the financial statements with the underlying supporting documents, on a sample basis.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so,

consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in

accordance with the Ind AS 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the

standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

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 financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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 with reference to standalone financial statements 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 with reference to standalone financial statements.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) 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 financial statements.
 - ii. The Company did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever (“Ultimate Beneficiaries”) by or on behalf of the Company or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- v. The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities (“Funding Parties”), with the understanding, whether recorded in writing or otherwise, that the Company shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (“Ultimate Beneficiaries”) or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
- vi. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (h) (iv) and (h) (v) contain any material mis-statement
- vii. The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.
- viii. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company w.e.f. April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
2. As required by the Companies (Auditor’s Report) Order, 2020 (“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 MKRS & Associates LLP
Chartered Accountants
Firm Registration No. 104857W/W100216

CA Anubhav Goyal
Partner
Membership No. 123328
ICAI UDIN - 23123328BGWAFV5704

Delhi, 27 May, 2023

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 with reference to Standalone Financial Statements under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls with reference to standalone financial statements of **MAJESTIC AUTO LIMITED** (“the Company”) as of March 31, 2023 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 with reference to standalone financial statements 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 with reference to standalone financial statements 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 with reference to standalone financial statements. 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 with reference to standalone financial statements 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 with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements.

Meaning of Internal Financial Controls With reference to Standalone Financial Statements

A company’s internal financial control with reference to standalone financial statements 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 with reference to standalone financial statements 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.

Inherent Limitations of Internal Financial Controls With reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, 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 with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements 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 control with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2023, based on the internal control with reference to standalone financial statements 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.

For MKRS & Associates LLP
Chartered Accountants
Firm Registration No. 104857W/W100216

CA Anubhav Goyal
Partner

Membership No. 123328

Delhi, 27 May, 2023

ICAI UDIN - 23123328BGWAFV5704

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.
 - d. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, plant and equipment (including Right-of-use assets) or intangible assets or both during the year.
 - e. According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- 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.
 - c. According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets and the quarterly returns or statements filed by the company with such banks or financial institutions are in agreement with the books of account of the Company.
- iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties during the year. The Company has made investments in other entities during the year, in respect of which;
 - a. The Company has not provided any loans and guarantees during the year, hence 3(iii)(a) of the Order are not applicable to the Company.
 - b. The investments made during the year are, in our opinion, prima facie, not prejudicial to the Company's interest.
 - c. Provisions of clauses 3(iii)(c) to 3(iii)(f) of the Order are not applicable to the Company.
- 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, 2023 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the business activities carried out by the Company. Thus reporting under clause 3(vi) of the order is not applicable to the Company.
- 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, 2023 for a period of more than six months from the date they became payable.
- viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income-tax Act, 1961 as income during the year.
- ix.
 - a. 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.
 - b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

- c. According to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- d. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds have been raised on short-term basis by the Company. Accordingly, clause 3(ix)(d) of the Order is not applicable.
- e. According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(e) of the Order is not applicable.
- f. According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries as defined under the Companies Act, 2013. Accordingly, clause 3(ix)(f) of the Order is not applicable.
- x. a. The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- b. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- xi. a. Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- b. According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c. We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
- 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. a. Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- b. We have considered the internal audit reports of the Company issued till date for the period under audit
- 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. a. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- b. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- c. The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- d. According to the information and explanations provided to us during the course of audit, the Group does not have any CIC. Accordingly, the requirements of clause 3(xvi)(d) are not applicable.
- xvii. The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For MKRS & Associates LLP
Chartered Accountants
Firm Registration No. 104857W/W100216

CA Anubhav Goyal
 Partner

Membership No. 123328

ICAI UDIN - 23123328BGWAFV5704

Delhi, 27 May, 2023

Majestic Auto Limited Balance sheet as at 31 March 2023

			(₹ in Lakhs)	
	Note	31 March 2023	31 March 2022	
Assets				
Non-current assets				
Property, plant and equipment	2	2,131.25	2,201.41	
Right-of-use assets	2	301.85	349.26	
Intangible assets	3	0.79	3.77	
Investment property	4	4,528.28	4,644.85	
Financial assets				
Investments	5	A	29,556.96	29,688.85
Other financial assets	6	A	1,674.81	1,688.04
Deferred tax assets (net)	7		4,402.06	5,155.41
Non-current tax assets (net)	8		187.13	195.63
Other non-current assets	9	A	12.38	14.64
Total non-current assets		42,795.51	43,941.86	
Current assets				
Inventories	10		214.41	234.64
Financial assets				
Investments	5	B	437.02	0.10
Trade receivables	11		16.27	81.43
Cash and cash equivalents	12		3.33	5.04
Other bank balances	13		78.90	76.62
Other financial assets	6	B	844.84	811.82
Other current assets	9	B	123.65	25.98
Total current assets		1,718.42	1,235.63	
Total assets		44,513.93	45,177.49	
Equity and liabilities				
Equity				
Equity share capital	14		1,039.82	1,039.82
Other equity	15		39,152.52	39,372.29
Total equity		40,192.34	40,412.11	
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	16	A	2,379.91	3,358.34
Lease liabilities	17	A	280.10	307.88
Other financial liabilities	18	A	262.96	250.03
Provisions	19	A	10.11	12.38
Other non-current liabilities	20	A	58.79	70.09
Total non-current liabilities		2,991.87	3,998.72	
Current liabilities				
Financial liabilities				
Borrowings	16	B	436.42	367.43
Lease liabilities	17	B	69.01	68.72
Trade payables	21		-	-
- Outstanding dues of micro and small enterprises			-	-
- Outstanding dues of creditors other than micro and small enterprises			98.13	80.01
Other financial liabilities	18	B	165.93	187.39
Provisions	19	B	5.05	0.50
Other current liabilities	20	B	555.18	62.61
Total current liabilities		1,329.72	766.66	
Total equity and liabilities		44,513.93	45,177.49	

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 MKRS & Associates LLP
Chartered Accountants
Firm Registration No. 104857W/W100216

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

CA Anubhav Goyal
Partner
Membership No. 123328
Place: Delhi

(Rajpal Singh Negi)
Chief Financial Officer
Place: Noida

(Mahesh Munjal)
Managing Director
DIN 00002990
Place: Delhi

Date : 27 May 2023

(Parul Chadha)
Company Secretary
M. No. A50171
Place: Delhi

(Dr. Rajesh Kumar Yaduvanshi)
Director
DIN-07206654
Place: Delhi

Majestic Auto Limited
Statement of profit and loss for the year ended 31 March 2023

		(₹ in Lakhs)	
	Note	31 March 2023	31 March 2022
Income			
Revenue from operations	22	2,088.67	1,768.47
Other income	23	1,136.36	1,086.39
Total income		3,225.03	2,854.86
Expenses			
Cost of operation and services		1,297.66	1,011.73
Employee benefits expense	24	307.51	240.27
Finance costs	25	271.08	284.86
Depreciation and amortisation expense	26	242.24	220.39
Other expenses	27	338.89	339.27
Total expenses		2,457.38	2,096.52
Profit before tax		767.65	758.34
Tax expense			
Current tax	28	-	-
Deferred tax		753.08	615.89
MAT credit reversal on account of adoption of new tax rate		-	1,729.93
DTA on account of adoption of new tax rate		-	(1,743.41)
Earlier years tax adjustments (net)		-	3.56
Profit/(Loss) for the year		14.57	152.37
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement gain/(loss) on defined benefit plans		1.09	(3.44)
Less: Income tax expense relating to items that will not be reclassified to profit and loss		(0.27)	0.87
Gain/(Loss) on fair value of FVOCI equity instruments		544.65	(5,676.47)
Less: Income tax expense relating to items that will not be reclassified to profit and loss		-	5,009.22
Total comprehensive income for the year		560.04	(517.45)
Earnings per equity share (Face value ₹ 10 per share)			
Basic (₹)	29	0.14	1.47
Diluted (₹)		0.14	1.47

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 MKRS & Associates LLP
Chartered Accountants
Firm Registration No. 104857W/W100216

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

CA Anubhav Goyal
Partner
Membership No. 123328
Place: Delhi

(Rajpal Singh Negi)
Chief Financial Officer
Place: Noida

(Mahesh Munjal)
Managing Director
DIN 00002990
Place: Delhi

Date : 27 May 2023

(Parul Chadha)
Company Secretary
M. No. A50171
Place: Delhi

(Dr. Rajesh Kumar Yaduvanshi)
Director
DIN-07206654
Place: Delhi

Majestic Auto Limited Statement of changes in equity as at 31 March 2023

A Equity share capital*

(₹ in lakhs)

Particulars	Balance as at 1 April 2021	Changes in equity share capital due to prior period errors	Restated opening balance as at 1 April 2021	Changes in equity share capital during the year	Balance as at 31 March 2022
Equity share capital	1,039.82	-	1,039.82	-	1,039.82

Particulars	Balance as at 1 April 2022	Changes in equity share capital due to prior period errors	Restated opening balance as at 1 April 2022	Changes in equity share capital during the year	Balance as at 31 March 2023
Equity share capital	1,039.82	-	1,039.82	-	1,039.82

B Other equity**

(₹ in lakhs)

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 2021	500.00	129.52	20,089.95	19,950.08	40,669.55
Profit/(Loss) for the year	-	-	152.37	-	152.37
Other comprehensive income (net of tax)	-	-	(2.57)	(667.25)	(669.82)
Dividends (for FY 2020-21)	-	-	(779.81)	-	(779.81)
Transfer on disposal of equity investment	-	-	460.35	(460.35)	-
Balance as at 31 March 2022	500.00	129.52	19,920.29	18,822.48	39,372.29
Profit/(Loss) for the year	-	-	14.57	-	14.57
Other comprehensive income (net of tax)	-	-	0.82	544.65	545.47
Interim Dividends (for FY 2022-23)	-	-	(779.81)	-	(779.81)
Transfer on disposal of equity investment	-	-	625.19	(625.19)	-
Balance as at 31 March 2023	500.00	129.52	19,781.06	18,741.94	39,152.52

*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.

For MKRS & Associates LLP
Chartered Accountants
Firm Registration No. 104857W/W100216

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

CA Anubhav Goyal
Partner
Membership No. 123328
Place: Delhi

(Rajpal Singh Negi)
Chief Financial Officer
Place: Noida

(Mahesh Munjal)
Managing Director
DIN 00002990
Place: Delhi

Date : 27 May 2023

(Parul Chadha)
Company Secretary
M. No. A50171
Place: Delhi

(Dr. Rajesh Kumar Yaduvanshi)
Director
DIN-07206654
Place: Delhi

Majestic Auto Limited

Statement of Cash Flow for the year ended 31 March 2023

(₹ in Lakhs)

Particulars	Year ended on 31 March 2023	Year ended on 31 March 2022
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(loss) before tax	767.65	758.34
Adjustments for:		
Depreciation on property, plant and equipment	242.24	220.39
Interest income	(190.08)	(178.58)
Dividend income	(875.26)	(874.95)
Balances write-off	13.78	0.43
Bad debts written-off	-	7.00
Allowance for doubtful debts	33.50	133.53
Provision written back	(10.39)	-
Gain/Loss on investment classified as FVTPL	16.58	-
Finance costs	271.08	284.86
Liability written back	(36.28)	(24.18)
Operating loss before working capital changes	232.82	326.84
Movement in working capital		
Decrease/(increase) in inventories	20.23	(22.77)
Decrease/(increase) in other financial assets	444.92	(710.88)
Decrease/(increase) in trade receivables	29.77	(3.91)
Decrease/(increase) other non-current assets	-	(11.36)
Decrease/(increase) in other current assets	(97.67)	(1.78)
Increase/(Decrease) in other financial liabilities	26.96	8.02
Increase/(Decrease) in other current liability	492.57	(14.03)
Increase/(Decrease) in other non-current liability	(22.42)	(23.40)
Increase/(Decrease) in provisions	3.37	(8.86)
Increase/(Decrease) in trade and other payables	31.23	4.04
Cash flow from operating activities post working capital changes	1,161.78	(458.08)
Income tax paid (net)	4.52	(155.38)
Net cash flow from operating activities (A)	1,166.30	(613.46)
B CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangible assets	(5.12)	(11.53)
Proceeds from sale of investments	706.84	500.86
Purchases of short-term investments	(483.76)	-
Redemption in margin money	(2.28)	(13.08)
Fixed bank deposits having original maturity more than 3 months	(464.04)	-
Dividend received	875.26	874.95
Interest received	179.42	178.60
Net cash flow from investing activities (B)	806.32	1,529.80
C CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	61.86	-
Repayment of borrowings	(971.30)	(191.83)
Payment of lease liabilities	(68.72)	(23.18)
Dividend paid	(779.81)	(779.81)
Interest paid	(216.36)	(248.73)
Net cash used in financing activities (C)	(1,974.33)	(1,243.55)
Increase in cash and cash equivalents (A+B+C)	(1.71)	(327.21)
Cash and cash equivalents at the beginning of the year	5.04	332.25
Cash and cash equivalents at the end of the year	3.33	5.04

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

For MKRS & Associates LLP

Chartered Accountants

Firm Registration No. 104857W/W100216

For and on behalf of Majestic Auto Limited

CA Anubhav Goyal

Partner

Membership No. 123328

Place: Delhi

(Rajpal Singh Negi)

Chief Financial Officer

Place: Noida

(Mahesh Munjal)

Managing Director

DIN 00002990

Place: Delhi

(Parul Chadha)

Company Secretary

M. No. A50171

Place: Delhi

(Dr. Rajesh Kumar Yaduvanshi)

Director

DIN-07206654

Place: Delhi

Date : 27 May 2023

Majestic Auto Limited

Notes to the Standalone financial statements for the year ended 31 March 2023

1. Corporate information

Majestic Auto Limited (“the Company”) is a public limited company incorporated and domiciled in India. The Company’s shares are listed with Bombay Stock Exchange Limited. The Company is engaged in the business of providing facility management and rental services. The Company has its registered place of business at 10 Southern Avenue, First Floor, Maharani Bagh, Delhi-110065, India.

The standalone financial statements for the year ended 31 March 2023 were authorized and approved by the Board of Directors on 27 May 2023.

1.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments); and
- Defined benefit plans – plan assets measured at fair value.

The significant accounting policies that are used in the preparation of these financial statements are summarised below. These accounting policies are consistently used throughout the periods presented in the financial statements.

The financial statements are prepared in Indian Rupees which is the functional currency of the Company and all values are rounded to nearest lakhs except when otherwise stated.

1.2 Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements have been disclosed in note 1.4. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

1.3 Significant accounting policies

The significant accounting policies that are used in the preparation of these financial statements are summarised below. These accounting policies are consistently used throughout the periods presented in the financial statements.

a) Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle*
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle*
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

*Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

b) Inventory

Inventories are valued as follows:

Work in progress and finished goods

Work in progress and finished goods are valued at lower of cost and net realisable value. Cost includes raw material cost and a proportion of direct and indirect overheads up to estimated stage of completion. Cost is determined on a weighted average basis.

Raw material, components, stores and spares

Raw materials, components, stores and spares are valued at lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares is determined on a weighted average basis. Stores and spares having useful life of more than twelve months are capitalised as “Property, plant and equipment” and are depreciated prospectively over their remaining useful lives in accordance with Ind AS 16.

Scrap

Scrap is valued at net realisable value.

Goods in transit

Goods in transit are value at cost.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Majestic Auto Limited

Notes to the Standalone financial statements for the year ended 31 March 2023

c) Property, plant and equipment

Recognition and initial measurement:

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are capitalized in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits attributable to such subsequent cost associated with the item will flow to the Company. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of repairs and maintenance are recognised in the statement of profit and loss as incurred.

Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is provided on the straight line method arrived on the basis of the useful life prescribed under Schedule II of the Companies Act, 2013. Leasehold land is amortised over the period of lease.

The residual values, useful lives and method of depreciation of are reviewed at each financial year end and adjusted prospectively, if appropriate.

Where, during any financial year, any addition has been made to any asset, or where any asset has been sold, discarded, demolished or destroyed, or significant components replaced; depreciation on such assets is calculated on a pro rata basis as individual assets with specific useful life from the month of such addition or, as the case may be, up to the month on which such asset has been sold, discarded, demolished or destroyed or replaced.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

d) Investment property

Recognition and initial measurement

Investment properties are properties held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at their cost of acquisition. The cost comprises purchase price, borrowing cost, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are capitalized in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company. All other repair and maintenance costs are recognized in statement of profit and loss as incurred.

Subsequent measurement (Amortisation and useful lives)

Investment properties are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on investment properties is provided on the straight-line method, computed on the basis of useful lives prescribed in Schedule II to the Companies Act 2013.

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

De-recognition

Investment properties are de-recognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in statement of profit and loss in the period of de-recognition.

e) Intangible assets

Recognition and initial measurement

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangible assets, excluding product development costs, are not capitalised and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Subsequent measurement (Amortisation and useful lives)

All finite-lived intangible assets, including internally developed intangible assets, are accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives. Residual values and useful lives are reviewed at each reporting date and any change in the same is accounted for prospectively. The following useful lives are applied:

Intangible assets	Amortisation period
Computer software	5 years

De-recognition

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

f) Impairment of non-financial assets

The carrying amounts of the Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill and intangible assets that have indefinite lives or that are not yet available for use are tested for impairment annually;

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Notes to the Standalone financial statements for the year ended 31 March 2023

their recoverable amount is estimated annually each year at the reporting date.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the 'cash-generating unit'). The recoverable amount of an asset or cash-generating unit is the greater of its value in use or its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. The goodwill acquired in a business combination is, for the purpose of impairment testing, allocated to cash-generating units that are expected to benefit from the synergies of the combination. Intangibles with indefinite useful lives are tested for impairment individually.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis. Impairment losses are recognised in the statement of profit and loss.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

g) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

Borrowing costs include interest expense calculated using the effective interest method as described in Ind AS 109, and Interest in respect of the finance leases liabilities recognized in accordance with Ind AS 116. Borrowing cost also includes exchange differences arising from foreign currency borrowings to the extent regarded as an adjustment to the interest costs.

h) Foreign currency transactions

Initial recognition

Transactions in foreign currencies are initially recorded in the functional currency (Indian Rupee) by applying exchange rates at the date the transaction first qualifies for recognition.

Subsequent measurement

Monetary items denominated in foreign currencies (except monetary items that form part of foreign currency operation) are translated at the exchange rates at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss in the year in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in Other comprehensive income or profit or loss are also recognised in Other comprehensive income or profit or loss, respectively).

All other exchange differences are charged to the statement of profit and loss.

i) Leases

The Company has adopted Ind AS 116-Leases effective 1st April, 2019, using the modified retrospective method. The Company has applied the standard to its leases with the cumulative impact recognised on the date of initial application (1st April, 2019). Accordingly, previous period information has not been restated.

The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets. For these short-term and leases of low value assets, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

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Notes to the Standalone financial statements for the year ended 31 March 2023

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease except in case where lease rentals are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

j) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant

observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial results are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable

For assets and liabilities that are recognized in the financial results on a recurring basis, company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period or each case.

k) Revenue recognition

The Company applies the revenue recognition criteria to each separately identifiable component of the Revenue transaction as set out below:

Revenue from Contract with Customers:

The Company derives revenues primarily from Facility management services and rental of property.

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable.

Revenue is recognised when performance obligation of such contract is satisfied by transferring a promised good or service to the customer at transaction price allocated to that performance obligation.

The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties. When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved. The Company includes variable consideration as part of transaction price when there is a basis to reasonably estimate the amount of the variable consideration and when it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved.

Dividend income

Dividend income is recognised at the time when right to receive the payment is established, which is generally when the shareholders approve the dividend.

Interest income

Interest income is recorded on accrual basis using the effective interest rate (EIR) method.

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Notes to the Standalone financial statements for the year ended 31 March 2023

Rental income

Rental income is recognized on a straight-line basis over the term of the lease, except for contingent rental income which is recognized when it arises and where scheduled increase in rent compensates the lessor for expected inflationary costs.

l) Financial instruments

Initial Recognition and measurement

The Company recognizes financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

All financial assets and financial liabilities are initially measured at its fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss (FVTPL), are adjusted to the fair value on initial recognition.

However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement

Financial assets

i. **Financial assets carried at amortised cost** – A financial instrument is measured at amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest method.

ii. **Investments in equity instruments of subsidiaries** - Investments in equity instruments of subsidiaries are accounted for at cost in accordance with Ind AS 27 Separate Financial Statements.

iii. **Financial assets at fair value**

- **Investments in equity instruments other than above** – Investments in equity instruments which are held for trading are generally classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Company makes irrevocable choice upon initial recognition, on an instrument to instrument basis, to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL).

If the Company decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the other comprehensive income (OCI). There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Company transfers the cumulative gain or loss within equity. Dividends on such investments are

recognised in the statement of profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive cash flows from the asset.

Financial liabilities

Subsequent to initial recognition, all non-derivative financial liabilities, other than derivative liabilities, are subsequently measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

m) Impairment of financial assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of Impairment loss for financial Assets.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive. When estimating the cash flows, the Company considers the following:

- All contractual terms of the Financial Assessments (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables

As a practical expedient the Company has adopted 'simplified approach' using the provision matrix method for recognition of expected loss on trade receivables. The provision matrix is based on three- years rolling average default rates observed over the expected life of the trade receivables and is adjusted for forward-looking estimates. These average default rates are applied on total credit risk exposure on trade receivables and outstanding for more than one year at the reporting date to determine lifetime Expected Credit Losses.

Majestic Auto Limited

Notes to the Standalone financial statements for the year ended 31 March 2023

Other financial assets

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

Investment in subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of these investments, the difference between net disposal proceeds and the carrying amounts are recognised in the Statement of Profit and Loss.

n) Retirement and other employee benefits

Provident and Superannuation fund

Retirement benefit in the form of provident and superannuation fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident and superannuation fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. The Company has no obligation other than the contribution payable to the Provided and superannuation fund.

Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Company's net obligation in respect of the gratuity plan (administered through Life Insurance Corporation of India), which is a defined benefit plan, is calculated by estimating the ultimate cost to the entity of the benefit that employees have earned in return for their service in the current and prior periods. This requires an entity to determine how much benefit is attributable to the current and prior periods and to make estimates (actuarial assumptions) about demographic variables and financial variables that will affect the cost of the benefit. The cost of providing benefits under the defined benefit plan is determined using actuarial valuation performed annually by a qualified actuary using the projected unit credit method. Actuarial gains/losses resulting from re-measurements of the liability are included in other comprehensive income.

Accumulated leaves

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Other short-term benefits

Expense in respect of other short-term benefits is recognized on the basis of amount paid or payable for the period during which services are rendered by the employees.

o) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity

shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

p) Taxes

Tax expense recognized in statement of profit and loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

Deferred tax is recognized in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets on unrealised tax loss are recognized to the extent that it is probable that the underlying tax loss will be utilised against future taxable income. This is assessed based on the Company's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside statement of profit and loss is recognized outside statement of profit or loss (either in other comprehensive income or in equity).

q) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

Identification of segments

In accordance with Ind AS 108 – Operating Segment, the operating segments used to present segment information are identified on the basis of information reviewed by the Company's management to allocate resources to the segments and assess their performance. An operating segment is a component of the Company that engages in business activities from which it earns revenues and incurs expenses, including revenues and expenses that relate to transactions with any of the Company's other components. Results of the operating segments are reviewed regularly by the management team (chairman and chief financial

Majestic Auto Limited

Notes to the Standalone financial statements for the year ended 31 March 2023

officer) which has been identified as the chief operating decision maker (CODM), to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

Allocation of common costs

Common allocable costs are allocated to each segment accordingly to the relative contribution of each segment to the total common costs.

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial results of the Company as a whole.

r) **Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

s) **Provisions, contingent liabilities and contingent assets**

A provision is recognised when the Group has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions determined based on the best estimate required to settle the obligation at the reporting date and adjusted to reflect the current best estimates.

Provisions are discounted to their present values, where the time value of money is material.

Contingent liabilities are disclosed on the basis of judgement of management after a careful evaluation of facts and legal aspects of matter involved.

Contingent assets are disclosed when probable and recognised when the realization of income is virtually certain.

1.4 **Significant management judgments in applying accounting policies and estimation uncertainty**

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the related disclosures.

Significant management judgments

Recognition of deferred tax assets - The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilised.

Provisions, contingent liabilities and contingent assets – The Company is the subject of legal proceedings and tax issues covering a range of matters, which are pending in various jurisdictions. Due to the uncertainty inherent in such matters, it is difficult to predict the final outcome of such matters. The cases and claims against the Company often raise difficult and complex

factual and legal issues, which are subject to many uncertainties, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law. In the normal course of business, management consults with legal counsel and certain other experts on matters related to litigation and taxes. The Company accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated.

Impairment of financial assets – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding financial assets.

Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Significant estimates

Useful lives of depreciable/amortisable assets – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, IT equipment and other plant and equipment.

Defined benefit obligation – Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

Valuation of investment property

Investment property is stated at cost. However, as per Ind AS 40 there is a requirement to disclose fair value as at the balance sheet date. The Company engaged independent valuation specialists to determine the fair value of its investment property as at reporting date. The determination of the fair value of investment properties requires the use of estimates such as future cash flows from the assets (such as lettings, future revenue streams, capital values of fixtures and fittings, any environmental matters and the overall repair and condition of the property) and discount rates applicable to those assets. In addition, development risks (such as construction and letting risk) are also taken into consideration when determining the fair value of the properties under construction. These estimates are based on local market conditions existing at the balance sheet date.

Impairment of Property, plant and equipment

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The value in use calculation is based on a DCF model. The cash flows are derived from the budgets. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used.

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Notes to the financial statements for the year ended 31 March 2023

Note - 2

Property, plant and equipment

Particulars	(₹ in lakhs)									
	Freehold land	Building	Plant and equipment	Furniture & fixtures	Computers	Office equipment	Vehicles	Total	Right of use assets	
Gross block										
At 1 April 2021	162.67	2,283.56	6.80	148.61	3.61	205.58	212.69	3,023.52	120.43	
Additions	-	-	0.82	0.05	1.63	9.03	-	11.53	288.29	
Balance as at 31 March 2022	162.67	2,283.56	7.62	148.66	5.24	214.61	212.69	3,035.05	408.72	
Additions	-	-	-	-	0.79	4.33	-	5.12	-	
Balance as at 31 March 2023	162.67	2,283.56	7.62	148.66	6.03	218.94	212.69	3,040.17	408.72	
Accumulated depreciation										
At 1 April 2021	-	347.91	0.53	114.47	0.87	179.29	116.32	759.39	30.74	
Charge for the year	-	35.93	0.45	7.08	1.41	5.62	23.76	74.25	28.72	
Balance as at 31 March 2022	-	383.84	0.98	121.55	2.28	184.91	140.08	833.64	59.46	
Charge for the year	-	35.93	0.48	6.82	1.61	6.68	23.76	75.28	47.41	
Balance as at 31 March 2023	-	419.77	1.46	128.37	3.89	191.59	163.84	908.92	106.87	
Net block as at 31 March 2022	162.67	1,899.72	6.64	27.11	2.96	29.70	72.61	2,201.41	349.26	
Net block as at 31 March 2023	162.67	1,863.79	6.16	20.29	2.14	27.35	48.85	2,131.25	301.85	

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Notes to the Standalone financial statements for the year ended 31 March 2023

Note - 3

Intangible assets

		(₹ in lakhs)	
Particulars	Softwares	Total	
Gross block			
At 1 April 2021	47.83	47.83	
Additions	-	-	
Balance as at 31 March 2022	47.83	47.83	
Additions	-	-	
Balance as at 31 March 2023	47.83	47.83	
Accumulated amortisation			
At 1 April 2021	43.23	43.23	
Charge for the year	0.83	0.83	
Balance as at 31 March 2022	44.06	44.06	
Charge for the year	2.98	2.98	
Balance as at 31 March 2023	47.04	47.04	
Net block as at 31 March 2022	3.77	3.77	
Net block as at 31 March 2023	0.79	0.79	

Note - 4

Investment Property[^]

		(₹ in lakhs)			
Particulars	Leasehold land	Buildings	Furniture & Fixtures	Total	
Gross block					
At 1 April 2021	3,295.41	2,255.55	63.96	5,614.92	
Additions	-	-	-	-	
Balance as at 31 March 2022	3,295.41	2,255.55	63.96	5,614.92	
Additions	-	-	-	-	
Balance as at 31 March 2023	3,295.41	2,255.55	63.96	5,614.92	
Accumulated depreciation					
At 1 April 2021	345.09	498.52	9.87	853.48	
Charge for the year	36.90	73.61	6.08	116.59	
Balance as at 31 March 2022	381.99	572.13	15.95	970.07	
Charge for the year	36.88	73.61	6.08	116.57	
Balance as at 31 March 2023	418.87	645.74	22.03	1,086.64	
Net block as at 31 March 2022	2,913.42	1,683.42	48.01	4,644.85	
Net block as at 31 March 2023	2,876.54	1,609.81	41.93	4,528.28	

[^]On 6 February 2023 the Company entered into an agreement to sell the entire investment property for total consideration of ₹ 12,850 Lakhs. Out of total consideration ₹ 3,700 Lakhs (approximately) would be required to meet the agreement's obligations which includes statutory dues of Greater Noida Authority.

(a) Amounts recognised in profit & loss for investment properties:

		(₹ in lakhs)	
Particulars	31 March 2023	31 March 2022	
Rental income	482.08	351.79	
Direct operating expenses generating rental income (including repair and maintenance)	1.34	1.39	
Direct operating expenses that did not generate rental income (including repair and maintenance)	-	-	
Profit from investment properties before depreciation	480.74	350.40	
Depreciation	116.57	116.59	
Profit from investment properties	364.17	233.81	

Majestic Auto Limited**Notes to the Standalone financial statements for the year ended 31 March 2023****(b) 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 ₹ 2,368.27 lakhs (31 March 2022: ₹ 2,768.47 Lakhs) and for each of the following period:

Particulars	(₹ in lakhs)	
	31 March 2023	31 March 2022
Within one year	400.20	400.20
Later than one year but not later than 5 years	1,791.65	1,725.86
Later than 5 years	176.42	642.40

(c) Fair value

(₹ in lakhs)

Particulars	(₹ in lakhs)	
	31 March 2023	31 March 2022
Fair value	7,200.00	7,200.00

(d) Fair value hierarchy and valuation technique:

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

Note - 5

(₹ in lakhs)

	31 March 2023	31 March 2022
A Investments		
Investment in equity instruments		
Subsidiary companies (unquoted, at cost)		
Majestic IT Services Limited		
16,776,500 (31 March 2022: 16,776,500) equity shares, fully paid up	1,677.65	1,677.65
Emirates Technologies Private Limited		
16,000,000 (31 March 2022: 16,000,000) equity shares, fully paid up	7,320.00	7,320.00
Equity investment in others (quoted, at market value)		
Fair value through other comprehensive income		
875,000 (31 March 2022: 900,000) equity shares of Hero Moto Corp Limited	20,539.31	20,671.20
Investment in optionally convertible redeemable preference shares		
Subsidiary company (unquoted, at cost)		
Majestic IT Services Limited		
200,000 (31 March 2022: 200,000) preference shares, fully paid up	20.00	20.00
	29,556.96	29,688.85
Aggregate amount of quoted investments	1,797.37	1,848.72
Aggregate market value of quoted investments	20,539.31	20,671.20
Aggregate amount of unquoted investments	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 security for liabilities, for details refer Note - 36.

Majestic Auto Limited

Notes to the Standalone financial statements for the year ended 31 March 2023

Note - 5

(₹ in lakhs)

	31 March 2023	31 March 2022
B Investments - current		
Investments held for sale (Fair value through profit loss)		
Investment in Equity of other entity (Quoted, market rate)	437.02	0.10
	437.02	0.10
Aggregate amount of quoted investments	449.05	0.11
Aggregate market value of quoted investments	437.02	0.10
Equity investment in others valued at fair value through profit and loss have been pledged as security for liabilities, for details refer Note - 36.		

Note - 6

A Other financial assets non-current (Unsecured, considered good)		
Unbilled receivable	52.89	65.28
Security deposits	1,621.92	1,622.76
	1,674.81	1,688.04
B Other financial assets - current (Unsecured, considered good)		
Unbilled receivables	92.52	30.21
Security deposits	30.10	30.11
Interest income accrued but not due	15.45	4.79
Advances recoverable in cash	-	9.05
Balance with banks in fixed deposit	700.83	236.79
Balance in Demat account	-	500.85
Others	5.94	0.02
	844.84	811.82

Note - 7

Deferred tax assets (net)		
Deferred tax asset arising on account of :		
Minimum alternative tax credit	-	-
Employee benefits	3.82	5.75
Conversion of capital assets into stock in trade	1,511.62	1,483.81
Financial instruments measured at amortised cost	0.41	0.27
Allowances for expected credit loss	17.52	47.55
Deferred tax assets on account of Ind AS-116 "Leases"	11.89	6.88
Investments carried at FVTPL	3.04	-
Unabsorbed business losses and depreciation	2,920.24	3,660.01
Deferred tax liabilities arising on account of :		
Investment in fair value instruments measured at FVOCI	-	-
Financial instruments measured at amortised cost	(3.51)	(2.98)
Property, plant and equipment and other intangible assets	(46.54)	(26.34)
Straight lining of rental income	(16.43)	(19.54)
	4,402.06	5,155.41

Majestic Auto Limited

Notes to the Standalone financial statements for the year ended 31 March 2023

(i) Movement in deferred tax liabilities (net)				(₹ in lakhs)
Particulars	31 March 2022	Recognised in statement of profit and loss	Recognised in other comprehensive income	31 March 2023
Liabilities				
Financial instruments measured at amortised cost	(2.98)	(0.53)	-	(3.51)
Straight lining of rental income	(19.54)	3.11	-	(16.43)
Investment in fair value instruments measured at FVOCI	-	-	-	-
Property, plant and equipment and other intangible assets	(26.34)	(20.20)	-	(46.54)
Assets				
Minimum alternative tax credit	-	-	-	-
Employee benefits	5.75	(1.66)	(0.27)	3.82
Allowances for expected credit loss	47.55	(30.03)	-	17.52
Financial instruments measured at amortised cost	0.27	0.14	-	0.41
Deferred tax assets on account of Ind AS-116 "Leases"	6.88	5.01	-	11.89
Investments carried at FVTPL	-	3.04	-	3.04
Conversion of capital assets into stock in trade	1,483.81	27.81	-	1,511.62
Unabsorbed business losses and depreciation**	3,660.01	(739.77)	-	2,920.24
Total	5,155.41	(753.08)	(0.27)	4,402.06

(₹ in lakhs)				
Particulars	1 April 2021	Recognised in statement of profit and loss	Recognised in other comprehensive income	31 March 2022
Liabilities				
Financial instruments measured at amortised cost	(1.44)	(1.54)	-	(2.98)
Straight lining of rental income	(15.02)	(4.52)	-	(19.54)
Investment in fair value instruments measured at FVOCI	(5,009.22)	-	5,009.22	-
Property, plant and equipment and other intangible assets	(1.06)	(25.28)	-	(26.34)
Assets				
Minimum alternative tax credit	1,729.93	(1,729.93)	-	-
Employee benefits	4.09	0.79	0.87	5.75
Allowances for doubtful debts	9.25	38.30	-	47.55
Financial instruments measured at amortised cost	0.13	0.14	-	0.27
Deferred tax assets on account of Ind AS-116 "Leases"	2.66	4.22	-	6.88
Conversion of capital assets into stock in trade	894.29	589.52	-	1,483.81
Unabsorbed business losses and depreciation	3,134.12	525.89	-	3,660.01
Total	747.73	(602.41)	5,010.09	5,155.41

**Expiry date of unused tax losses and depreciation:				(₹ in lakhs)
Expiry year		31 March 2023	31 March 2022	
Unused tax losses				
1 April 2022 - 31 March 2023		-	2,550.81	
1 April 2023 - 31 March 2024		903.84	903.84	
1 April 2024 - 31 March 2025		1,541.39	1,541.39	
1 April 2025 - 31 March 2026		1,291.46	1,291.46	
1 April 2026 - 31 March 2027		1,263.23	1,263.23	
1 April 2030 - 31 March 2031		4.51	-	
Unabsorbed depreciation for indefinite period		6,598.58	6,991.59	
Total		11,603.01	14,542.32	

Majestic Auto Limited

Notes to the Standalone financial statements for the year ended 31 March 2023

Note - 8

(₹ in lakhs)

	31 March 2023	31 March 2022
Non - current tax assets (net)		
Advance income tax	187.13	195.63
Less: Provision for taxation	-	-
	187.13	195.63

Note - 9

A Other non-current assets (Unsecured, considered good)		
Prepaid expenses	12.38	14.64
	12.38	14.64
B Other current assets (Unsecured, considered good)		
Advances to suppliers	2.06	5.81
Prepaid expenses	87.68	11.79
Balance with government authorities		
-GST input	33.34	7.21
-Sales tax paid under dispute	-	0.66
-ESIC paid under dispute	0.06	-
Others	0.51	0.51
	123.65	25.98

Note - 10

Inventories (Lower of cost or net realizable value)		
Raw materials and components	20.00	20.00
Stores and spares	42.04	38.93
Stock in Diesel	24.22	47.56
Real Estate		
Land	128.15	128.15
	214.41	234.64

Note - 11

Trade receivables		
Considered good	16.27	81.43
Considered doubtful	69.60	188.94
Less: Impairment allowance (allowance for expected credit loss)		
Considered doubtful	(69.60)	(188.94)
	16.27	81.43

*for related party balances refer Note - 33.

Majestic Auto Limited

Notes to the Standalone financial statements for the year ended 31 March 2023

Aging for trade receivable as at 31 March 2023

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivable - considered good	18.37	0.93	1.31	-	-	20.61
Undisputed trade receivable - considered doubtful	-	-	-	29.16	-	29.16
Disputed trade receivable - considered good	-	-	-	-	-	-
Disputed trade receivable - considered doubtful	-	-	-	-	36.10	36.10
Total	18.37	0.93	1.31	29.16	36.10	85.87

Aging for trade receivable as at 31 March 2022

(₹ in lakhs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivable - considered good	46.00	29.66	1.61	0.46	-	77.73
Undisputed trade receivable - considered doubtful	-	2.59	2.22	2.34	132.62	139.77
Disputed trade receivable - considered good	-	3.71	-	-	-	3.71
Disputed trade receivable - considered doubtful	-	-	-	-	49.17	49.17
Total	46.00	35.96	3.83	2.80	181.79	270.37

(₹ in lakhs)

	31 March 2023	31 March 2022
Note - 12		
Cash and cash equivalents		
Cash on hand	2.45	2.93
Balances with banks	0.88	2.11
In current accounts	3.33	5.04

Note - 13

	31 March 2023	31 March 2022
Other bank balances		
Margin money	67.91	65.63
In dividend current accounts (earmarked accounts)	10.99	10.99
	78.90	76.62

Note - 14

Equity share capital	31 March 2023		31 March 2022	
	Number	Amount	Number	Amount
i Authorised				
15,000,000 Equity shares of ₹ 10/- each with voting rights	1,50,00,000	1,500.00	1,50,00,000	1,500.00
25,000,000 Preference shares of ₹ 10/- each	2,50,00,000	2,500.00	2,50,00,000	2,500.00
		4,000.00		4,000.00
ii Issued share capital				
Equity share capital of face value of ₹ 10 each	1,03,98,978	1,039.90	1,03,98,978	1,039.90
		1,039.90		1,039.90
iii Subscribed and fully paid up				
Equity share capital of face value of ₹ 10/- each	1,03,97,478	1,039.82	1,03,97,478	1,039.82
Add: Shares forfeited (amount paid up)	-	-	-	-
		1,039.82		1,039.82

Majestic Auto Limited

Notes to the Standalone financial statements for the year ended 31 March 2023

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

Equity shares	Number	Amount	Number	Amount
Balance at the beginning of the year	1,03,97,478	10,39,74,780	1,03,97,478	10,39,74,780
Add : Shares forfeited during the year	-	-	-	-
Balance at the end of the year	1,03,97,478	10,39,74,780	1,03,97,478	10,39,74,780

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.

vi Details of shareholder holding more than 5% share capital

Name of the equity shareholders	Number	%	Number	%
M/s Anadi Investments Private Limited	77,57,687	74.61%	77,57,687	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 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.

viii Details of shareholding of promoters

Shares held by promoters at the end of 31 March 2023

Promoter name	No. of shares	%	% change during the year
Anadi Investments Private Limited	77,57,687	74.61%	-
Renuka Munjal	40,421	0.39%	-
Total	77,98,108	75.00%	-

Shares held by promoters at the end of 31 March 2022

Promoter name	No. of shares	%	% change during the year
Anadi Investments Private Limited	77,57,687	74.61%	-
Renuka Munjal	40,421	0.39%	-
Total	77,98,108	75.00%	-

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 2023

(₹ in lakhs)

	31 March 2023	31 March 2022
Note - 16		
A Borrowings non-current		
Secured loans		
Term loans		
From banks	2,376.08	3,349.36
Vehicle loan from banks	3.83	8.98
	2,379.91	3,358.34

Particulars	Nature of Security	Terms of repayment	Interest rate	31 March 2023	31 March 2022
Secured - term loan					
HDFC Bank - Overdraft	Primary hypothecate by way of subservient charges on all movable plant and machinery, fixed assets both present and future of the Company 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 8% to 8.75%.	112.85	76.75
Deutsche Bank			The rate of interest ranges from 5.95% to 8.69%.	2,107.97	3,021.71
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 ₹ 11.06 lakhs each.	The rate of interest ranges from 7.60% to 8.10%.	524.60	613.57
Vehicle loan					
Canara Bank	Vehicle loan is secured by mortgage of vehicle of the Company	84 EMI of ₹ 0.47 lakhs each	The rate of interest ranges from 9.20% to 9.45%.	9.04	13.74
				2,754.47	3,725.77

The carrying amounts of financial and non-financial assets pledged as security for current and non-current borrowings are disclosed in Note - 36.

(₹ in lakhs)

	31 March 2023	31 March 2022
B Borrowings - current		
Secured loans		
Current maturities of long-term borrowings	374.56	367.43
Margin trading facility (MTF)	61.86	-
	436.42	367.43

Particulars	Nature of Security	Terms of repayment	Interest rate	31 March 2023	31 March 2022
Secured					
Margin trading facility (MTF)	By way of pledge on securities purchased through margin trading facility (MTF).	On demand	The rate of interest ranges from 10.00% to 11.00%.	61.86	-
				61.86	-

Majestic Auto Limited

Notes to the Standalone financial statements for the year ended 31 March 2023

Reconciliation of liabilities arising from financing activities

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

(₹ in lakhs)

Particulars	Borrowings	Lease liabilities	Total
1 April 2021	3,917.60	105.63	4,023.23
Cash flows:			
- Repayment	(191.83)	(23.18)	(215.01)
- Proceeds	-	-	-
Non-cash:			
- Acquisitions - lease liabilities	-	288.29	288.29
- Interest expense	-	24.84	24.84
31 March 2022	3,725.77	395.58	4,121.35
Cash flows:			
- Repayment	(971.30)	(68.72)	(1,040.02)
- Proceeds	61.86	-	61.86
Non-cash:			
- Acquisitions - lease liabilities	-	-	-
- Interest expense	-	41.23	41.23
31 March 2023	2,816.33	368.09	3,184.42

(₹ in lakhs)

	31 March 2023	31 March 2022
Note - 17		
A Lease liabilities non-current		
Lease liabilities	280.10	307.88
	280.10	307.88
B Lease liabilities - current		
Lease liabilities	69.01	68.72
	69.01	68.72

Note - 18

A Other financial liabilities non-current		
Security deposits	262.96	250.03
	262.96	250.03
B Other financial liabilities - current		
Unclaimed dividend [^]	10.99	10.99
Others*	154.94	176.40
	165.93	187.39

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

[^]Does not include any amounts outstanding as at 31 March 2023 which are required to be credited to Investor Education and Protection Fund.

Note - 19

A Provisions - non-current		
Employee's post retirement/long-term benefits		
Gratuity	10.11	12.38
	10.11	12.38
B Provisions - current		
Employees' post retirement/long-term benefits		
Gratuity	4.42	0.26
Compensated absences	0.63	0.24
Provision for tax	-	-
	5.05	0.50

Majestic Auto Limited

Notes to the Standalone financial statements for the year ended 31 March 2023

(₹ in lakhs)

	31 March 2023	31 March 2022
Note - 20		
A Other non-current liabilities		
Deferred income	58.79	70.09
	58.79	70.09
B Note - 20		
Other current liabilities		
Payable to statutory authorities	29.85	29.18
Advance from customers	500.03	8.24
Deferred income	13.47	13.34
Others	11.83	11.85
	555.18	62.61

Note - 21

Trade payables		
Due to micro and small enterprises	-	-
Due to others	98.13	80.01
	98.13	80.01

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006") as at 31 March 2023 and 31 March 2022

(₹ in lakhs)

Particulars	31 March 2023	31 March 2022
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.

Aging for trade payables as at 31 March 2023

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	53.93	-	-	-	53.93
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	44.20	44.20
Total	53.93	-	-	44.20	98.13

Majestic Auto Limited

Notes to the Standalone financial statements for the year ended 31 March 2023

Aging for trade payables as at 31 March 2022

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	22.17	-	12.08	1.57	35.81
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	44.20	44.20
Total	22.17	-	12.08	45.77	80.01

(₹ in lakhs)

	31 March 2023	31 March 2022
Note - 22		
Income from operations		
Sale of services		
Facility management services	1,606.59	1,416.68
Rental income	482.08	351.79
	2,088.67	1,768.47

Note - 23

Other income		
Interest income		
- Bank deposits	30.42	18.92
- Intercompany deposits	157.61	157.61
- Income tax refund	10.57	1.53
- Others	2.05	2.05
Dividend received	875.26	874.95
Financial assets carried at amortised cost	1.71	0.94
Liability written back	36.28	24.18
Provision written back	8.60	-
Bad debts written-off recovered	0.47	-
Allowances for doubtful debts written back	1.79	-
Miscellaneous receipts	11.60	6.21
	1,136.36	1,086.39

Note - 24

Employee benefits expense		
Salaries and incentives	270.33	207.83
Contributions to provident and other fund	34.01	30.33
Staff welfare expenses	3.17	2.11
	307.51	240.27

Note - 25

Finance costs		
Interest on		
- Term loan from banks	210.65	246.80
- Lease liabilities	41.23	24.84
Financial assets carried at amortised cost	13.49	11.29
Bank commission and charges	5.71	1.93
	271.08	284.86

Majestic Auto Limited**Notes to the Standalone financial statements for the year ended 31 March 2023**

(₹ in lakhs)

	31 March 2023	31 March 2022
Note - 26		
Depreciation and amortisation expense		
Depreciation on:		
Property, plant and equipment	75.28	74.25
Investments property	116.57	116.59
Amortisation on:		
Intangible assets	2.98	0.83
Right of use assets	47.41	28.72
	242.24	220.39
Note - 27		
Other expenses		
Water, electricity and fuel	9.94	9.39
Repairs and maintenance		
- Buildings	0.44	6.14
- Others	1.94	1.58
Legal and professional	152.02	60.69
House keeping and security	39.87	36.10
Insurance	4.25	10.38
Rates and taxes	10.17	5.03
Printing and stationery	2.10	1.32
Business promotion	2.56	6.19
Auditor's remuneration		
- Statutory audit fee	2.50	2.50
- Tax audit fee	1.25	1.25
- Other	5.00	-
Telephone and communication	6.77	5.94
Corporate social responsibility expenses*	2.91	21.37
Director's sitting fee	10.20	12.20
Annual maintenance charge	1.43	1.42
Fine and penalties	0.24	0.23
Listing and depository charges	4.00	3.91
Travelling and conveyance	13.28	8.38
Fees and subscriptions	0.93	2.72
Festival expenses	1.42	1.34
Postage & Courier Expenses	0.10	0.04
Prior period expenses	0.07	-
Balances written off	13.78	0.43
Loss on investment classified as FVTPL	16.58	-
Bad debts written-off	-	7.00
Allowance for expected credit loss	33.50	133.53
Miscellaneous expenses	1.64	0.19
	338.89	339.27

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.

- Gross amount required to be spent by the company during the year is ₹ 2.91 Lakhs (previous year ₹ 19.59 Lakhs).
- Amount spent during the financial year ended 31 March 2023 and 31 March 2022 on:

Majestic Auto Limited

Notes to the Standalone financial statements for the year ended 31 March 2023

(₹ in lakhs)

Particulars		In cash	Yet to be paid in cash	Total
Construction/acquisition of any asset	31 March 2023	-	-	-
	31 March 2022	-	-	-
On purpose other than above	31 March 2023	-	-	-
	31 March 2022	26.58	-	-

*Corporate social responsibility (CSR) expenses	31 March 2023	31 March 2022
1. Amount required to be spent by the company during the year	2.91	19.59
2. Amount of expenditure incurred	-	26.58
3. Shortfall/(excess) at the end of the year	2.91	(6.99)
4. Total of previous years shortfall/(excess)	(5.21)	1.78
5. Reason for shortfall	NA	NA
6. Nature of CSR activities	Disaster Relief, Education, Skilling, Water, Sanitation and Hygiene	
7. details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	-	-

*CSR expenses of Rs. 1.78 Lakhs required to be spent/recognised in FY 2020-21 but were spent/recognised during the FY 2021-22.

(₹ in lakhs)

	31 March 2023	31 March 2022
Note - 28		
Income tax		
Tax expense comprises of:		
Current tax	-	-
Deferred tax	753.08	615.89
MAT credit reversal on account of adoption of new tax rate	-	1,729.93
DTA on account of adoption of new tax rate	-	(1,743.41)
Earlier years tax adjustments (net)	-	3.56
Income tax expense reported in the statement of profit and loss	753.08	605.97
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 25.168% (31 March 2022: 25.168%) and the reported tax expense in profit or loss are as follows:		
Accounting profit before income tax	767.65	758.34
At India's statutory income tax rate of 25.168% (31 March 2022: 25.168%)	193.20	190.86
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Tax impact of expenses which will never be allowed	0.76	5.38
Earlier years tax adjustments (net)	-	(3.56)
Effect of changes in tax rate (net)	-	13.48
Others	559.12	399.81
Income tax expense	753.08	605.97

Majestic Auto Limited

Notes to the Standalone financial statements for the year ended 31 March 2023

(₹ in lakhs)

	31 March 2023	31 March 2022
Note - 29		
Earnings per share		
Net profit attributable to equity shareholders	14.57	152.37
Net profit/(loss) for the period (A)	14.57	152.37
Weighted average number of equity shares for basic EPS (B)	1,03,97,478.00	1,03,97,478.00
Effect of dilution	-	-
Weighted average number of equity shares adjusted for the effect of dilution (C)	1,03,97,478.00	1,03,97,478.00
Basic EPS (₹) (A/B)	0.14	1.47
Diluted EPS (₹) (A/C)	0.14	1.47

Note - 30**Financial instruments by category****(i) Fair values hierarchy**

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 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

(₹ in lakhs)

Particulars	31 March 2023			31 March 2022		
	FVTPL	FVOCI*	Amortised cost	FVTPL	FVOCI*	Amortised cost
Financial assets						
Investments						
Equity instruments	437.02	20,539.31	-	0.10	20,671.20	-
Trade receivables	-	-	16.27	-	-	81.43
Cash and cash equivalents	-	-	3.33	-	-	5.04
Other bank balances	-	-	78.90	-	-	76.62
Other financial assets	-	-	897.73	-	-	877.10
Security deposits	-	-	1,621.92	-	-	1,622.76
Total financial assets	437.02	20,539.31	2,618.15	0.10	20,671.20	2,662.95
Financial liabilities						
Borrowings	-	-	2,816.33	-	-	3,725.77
Lease liabilities	-	-	349.11	-	-	376.60
Trade payables	-	-	98.13	-	-	80.01
Other financial liabilities	-	-	428.89	-	-	437.42
Total financial liabilities	-	-	3,692.46	-	-	4,619.80

* 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'.

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Notes to the Standalone financial statements for the year ended 31 March 2023

(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 2023 and 31 March 2022

(₹ in lakhs)					
Particulars	Period	Level 1	Level 2	Level 3	Total
Financial assets					
Investments at fair value through other comprehensive income					
Equity investments	31 March 2023	20,539.31	-	-	20,539.31
	31 March 2022	20,671.20	-	-	20,671.20
Investments carried at fair value through profit or loss					
Equity investments	31 March 2023	437.02	-	-	437.02
	31 March 2022	0.10	-	-	0.10

(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:

(₹ in lakhs)					
Particulars	Level	31 March 2023		31 March 2022	
		Carrying value	Fair value	Carrying value	Fair value
Financial assets					
Security deposits	Level 3	1,652.02	1,652.49	1,652.87	1,653.85
Other financial assets	Level 3	706.77	706.77	746.71	746.71
Total financial assets		2,358.79	2,359.26	2,399.58	2,400.56
Financial liabilities					
Borrowings	Level 3	2,816.33	2,816.33	3,725.77	3,725.77
Lease liabilities	Level 3	349.11	354.44	376.60	389.70
Other financial liabilities	Level 3	428.89	431.54	437.42	443.08
Total financial liabilities		3,594.33	3,602.31	4,539.79	4,558.55

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.
- (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 2023 was assessed to be insignificant.

Majestic Auto Limited**Notes to the Standalone financial statements for the year ended 31 March 2023****Note - 31****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

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 fully provided for

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 2023	31 March 2022
A: Low	Cash and cash equivalents, other bank balances, loans and other financial assets	2,601.88	2,581.52
B: Medium	Trade receivables	85.87	270.37

Majestic Auto Limited

Notes to the Standalone financial statements for the year ended 31 March 2023

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 2023	31 March 2022
Auto components	-	61.38
Consumer electronics	-	42.33
IT Industry	17.18	44.26
Others	68.69	122.40
Total	85.87	270.37

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 2023

(₹ in lakhs)

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	3.33	-	3.33
Trade receivables	85.87	(69.60)	16.27
Other bank balances	78.90	-	78.90
Other financial assets	2,519.65	-	2,519.65

As at 31 March 2022

(₹ in lakhs)

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	5.04	-	5.04
Trade receivables	270.37	(188.94)	81.43
Other bank balances	76.62	-	76.62
Other financial assets	2,499.86	-	2,499.86

(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 2023	31 March 2022
Gross amount of trade receivables	85.87	270.37
Expected loss rate	81.05%	69.88%
Expected credit loss (loss allowance provision)	69.60	188.94

Reconciliation of loss provision – lifetime expected credit losses

(₹ in lakhs)

Reconciliation of loss allowance	Trade receivables
Loss allowance as on 1 April 2021	55.42
Impairment loss recognised	133.53
Amounts written off	-
Loss allowance on 31 March 2022	188.95
Impairment loss recognised	33.50
Amounts written off	(152.85)
Loss allowance on 31 March 2023	69.60

Majestic Auto Limited**Notes to the Standalone financial statements for the year ended 31 March 2023****(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.

Maturities of financial liabilities

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

(₹ in lakhs)					
31 March 2023	Less than 1 year	1 - 2 years	2 - 5 years	More than 5 years	Total
Non-derivative					
Borrowings	475.59	686.73	1,464.98	-	2,627.30
Trade payable	98.13	-	-	-	98.13
Security deposits	-	138.60	15.12	195.47	349.19
Lease liabilities	69.01	75.05	209.82	155.59	509.47
Other financial liabilities	10.99	-	-	-	10.99
Total	653.72	900.38	1,689.92	351.06	3,595.08

(₹ in lakhs)					
31 March 2022	Less than 1 year	1 - 2 years	2 - 5 years	More than 5 years	Total
Non-derivative					
Borrowings	490.32	413.57	2,052.06	99.54	3,055.49
Trade payable	80.01	-	-	-	80.01
Security deposits	-	14.37	1.27	329.68	345.31
Lease liabilities	68.72	69.01	229.22	211.23	578.19
Other financial liabilities	10.99	-	-	-	10.99
Total	650.04	496.96	2,282.55	640.45	4,070.00

The Company had access to following funding facilities :

(₹ in lakhs)			
As at 31 March 2023	Total Facility	Drawn	Undrawn
Particulars			
Less than 1 year	2,236.86	632.69	1,604.17
1-2 years	550.00	550.00	-
Above 2 years	2,100.00	2,100.00	-
Total	4,886.86	3,282.69	1,604.17

(₹ in lakhs)			
As at 31 March 2022	Total Facility	Drawn	Undrawn
Particulars			
Less than 1 year	2,175.00	1,178.04	996.96
1-2 years	275.00	275.00	-
Above 2 years	2,650.00	2,645.42	4.58
Total	5,100.00	4,098.46	1,001.54

Majestic Auto Limited

Notes to the Standalone financial statements for the year ended 31 March 2023

(C) Market risk

(i) 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:

	(₹ in lakhs)	
Particulars	31 March 2023	31 March 2022
Variable rate borrowing	2,816.33	3,725.77
Fixed rate borrowing	-	-
Total borrowings	2,816.33	3,725.77

Sensitivity

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

	(₹ in lakhs)	
Particulars	31 March 2023	31 March 2022
Interest rates – increase by 25 basis points	7.04	9.31
Interest rates – decrease by 25 basis points	(7.04)	(9.31)

(ii) Price risk

The Company's exposure to price risk arises from investments held and classified as FVOCI and FVTPL. 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 -

	(₹ in lakhs)	
Particulars	31 March 2023	31 March 2022
Price sensitivity		
Price increase by (5%) - FVOCI	1,026.97	1,033.56
Price decrease by (5%) - FVOCI	(1,026.97)	(1,033.56)
Price increase by (5%) - FVTPL	21.85	0.01
Price decrease by (5%) - FVTPL	(21.85)	(0.01)

Note - 32

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.

Majestic Auto Limited**Notes to the Standalone financial statements for the year ended 31 March 2023**

(₹ in lakhs)

Particulars	31 March 2023	31 March 2022
Net debts*	2,813.00	3,720.73
Total equity	40,192.34	40,412.11
Net debt to equity ratio	0.07	0.09

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

Note - 33**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)
- Mr. Aayush Munjal (Joint Managing director)
- Ms. Ashima Munjal (Director) retired w.e.f. 23rd September 2022
- Mr. Anil Kumar Sharma (Independent Director)
- Mr. Rajesh Kumar Yaduvanshi (Independent Director) w.e.f. 12th October 2021
- Mr. Prateek Garg (Independent Director) w.e.f. 23rd December 2022
- Ms. Ayushi Jain (Director) w.e.f. 07th November 2022
- Mr. Pradip Kumar Mittal (Independent Director) resign w.e.f. 5th November 2022
- Mr. Vikas Nanda (Independent Director) resign w.e.f. 02nd September 2021
- Mr. Naveen Jain (Independent Director) resign w.e.f. 02nd September 2021
- Mr. Sham Lal Mohan (Independent Director) resign w.e.f. 02nd September 2021
- Mr. Rajpal Singh Negi (Chief Financial Officer)
- Ms. Parul Chadha (Company Secretary) w.e.f. 25th May 2022
- Ms. Juhi Garg (Company Secretary) till 03rd August 2021
- Mr. Dinesh Pandey (Company Secretary) from 01st February 2022 to 02nd February 2022
- Mrs. Renuka Munjal (wife of Managing Director)

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

- M/s OK Hosiery Mills Private Limited

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

(₹ in lakhs)

S.No	Particulars	Year	Related Parties				Total
			Subsidiary Company	Key Management Personnel and their relatives	Enterprise over which KMP exercise significant influence	Holding Company	
1	Reimbursement of statutory dues/other dues received	31 March 2023	27.17	-	-	-	27.17
		31 March 2022	6.11	-	-	-	6.11
2	Rent paid	31 March 2023	-	-	68.72	-	68.72
		31 March 2022	-	-	42.16	-	42.16

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Notes to the Standalone financial statements for the year ended 31 March 2023

(₹ in lakhs)

S.No	Particulars	Year	Related Parties				Total
			Subsidiary Company	Key Management Personnel and their relatives	Enterprise over which KMP exercise significant influence	Holding Company	
3	Electricity expenses	31 March 2023	-	-	1.75	-	1.75
		31 March 2022	-	-	0.39	-	0.39
4	Director's Sitting fees	31 March 2023	-	10.20	-	-	10.20
		31 March 2022	-	12.20	-	-	12.20
5	Maintenance and management expenses	31 March 2023	360.00	-	11.45	-	371.45
		31 March 2022	420.00	-	7.03	-	427.03
6	Interest received	31 March 2023	157.61	-	-	-	157.61
		31 March 2022	157.61	-	-	-	157.61
7	Dividend paid	31 March 2023	-	3.03	-	581.83	584.86
		31 March 2022	-	3.03	-	581.83	584.86
8	Security deposit given	31 March 2023	-	-	-	-	-
		31 March 2022	-	-	22.77	-	22.77
9	Remuneration paid*	31 March 2023	-	225.09	-	-	225.09
		31 March 2022	-	189.46	-	-	189.46

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

(₹ in lakhs)

Particulars	31 March 2023	31 March 2022
Salaries and incentives	225.09	189.46

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

(₹ in lakhs)

S.No	Particulars	Year	Related Parties				Total
			Subsidiary Company	Key Management Personnel and their relatives	Enterprise over which KMP exercise significant influence	Holding Company	
1	Security deposit given	31 March 2023	1,537.69	-	32.85	-	1,570.54
		31 March 2022	1,537.69	-	32.85	-	1,570.54
2	Trade Payable	31 March 2023	34.09	-	-	-	34.09
		31 March 2022	-	-	0.06	-	0.06
3	Remuneration payable	31 March 2023	-	8.74	-	-	8.74
		31 March 2022	-	11.09	-	-	11.09
4	Other payables	31 March 2023	-	-	-	-	-
		31 March 2022	0.77	-	-	-	0.77

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Notes to the Standalone financial statements for the year ended 31 March 2023

Note - 34

Contingent liabilities and commitments (to the extent not provided for)

Contingent liabilities shall be classified as under:-

(₹ in lakhs)

Particulars	31 March 2023	31 March 2022
(a) Guarantees excluding financial guarantees;		
Bank guarantees	44.20	44.20
Total	44.20	44.20

(a) The Company does not expect any reimbursement in respect of the above contingent liabilities.

Note - 35

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

(₹ in lakhs)

Particulars	31 March 2023	31 March 2022
Present value of the obligation	19.59	17.36
Fair value of plan assets	5.05	4.72
Net obligation recognised in balance sheet as provision	14.53	12.64
Current liability (amount due within one year)	4.42	0.26
Non-current liability (amount due over one year)	10.11	12.38

ii) Expenses recognized in other comprehensive income

(₹ in lakhs)

Particulars	31 March 2023	31 March 2022
Actuarial gain/(loss) on asset	(0.01)	0.01
Actuarial gain/(loss) on present benefit obligation	1.10	(3.45)
Unrecognised actuarial gain at the end of the year	1.09	(3.44)

iii) Actuarial (gain)/loss on obligation

(₹ in lakhs)

Particulars	31 March 2023	31 March 2022
Actuarial (gain)/loss net on account of:		
- Changes in demographic assumptions	-	-
- Changes in financial assumptions	(0.81)	(0.65)
- Changes in experience adjustment	(0.91)	4.10

Majestic Auto Limited

Notes to the Standalone financial statements for the year ended 31 March 2023

iv) Expenses recognised in statement of profit and loss (₹ in lakhs)

Particulars	31 March 2023	31 March 2022
Current service cost	2.07	1.70
Net interest cost	0.91	1.22
Cost recognised during the year	2.98	2.92

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

Particulars	31 March 2023	31 March 2022
Present value of defined benefit obligation at the beginning of the year	12.64	17.94
Current service cost	2.07	1.70
Interest cost	0.91	1.22
Actuarial gain on obligation	(1.09)	3.44
Benefits paid	-	(11.66)
Present value of defined benefit obligation at the end of the year	14.53	12.64

vi) Change in plan assets is as under: (₹ in lakhs)

Particulars	31 March 2023	31 March 2022
Fair value of plan assets at the beginning of the period	4.72	4.41
Actual return on plan assets	0.33	0.31
Employer contribution	-	-
Benefits paid	-	-
Fair value of plan assets at the end of the period	5.05	4.72

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

Particulars	31 March 2023	31 March 2022
Funds managed by insurer	100%	100%
Total	100%	100%

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

Particulars	31 March 2023	31 March 2022
Discount rate	7.34%	7.22%
Salary escalation rate	9.00%	9.00%
Retirement Age (years)	58.00	58.00
Withdrawal rate		
Up to 30 years	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%

Mortality rates inclusive of provision for disability -100% of IALM (2012-14) (31 March 2022: IALM (2012-14))

viii) (b) Maturity profile of defined benefit obligation (₹ in lakhs)

Particulars	31 March 2023	31 March 2022
0 to 1 year	4.42	0.26
1 to 2 year	1.45	4.06
2 to 3 year	0.57	1.25
3 to 4 year	0.29	0.44
4 to 5 year	2.67	0.22
5 to 6 year	0.19	2.46
6 year onwards	9.99	8.67

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Notes to the Standalone financial statements for the year ended 31 March 2023

ix) Sensitivity analysis for gratuity liability		(₹ in lakhs)	
Particulars	31 March 2023	31 March 2022	
a) Impact of the change in discount rate			
Present value of obligation at the end of the year	19.59	17.36	
Impact due to increase of 0.50 %	(0.77)	(0.72)	
Impact due to decrease of 0.50 %	0.83	0.78	
b) Impact of the change in salary increase			
Present value of obligation at the end of the year	19.59	17.36	
Impact due to increase of 0.50 %	0.82	0.76	
Impact due to decrease of 0.50 %	(0.76)	(0.71)	

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 - 36

Assets pledged as security

The carrying amounts of assets pledged as security are:

		(₹ in lakhs)	
Particulars	31 March 2023	31 March 2022	
Non-current			
Second charge			
Investment in equity instruments valued through OCI	18,670.12	18,282.53	
Total non-current assets pledged as security	18,670.12	18,282.53	
Current			
First charge			
Margin money	67.91	65.63	
Investment in equity instruments valued through profit and loss	307.28	-	
Total current assets pledged as security	375.19	65.63	
Total assets pledged as security	19,045.31	18,348.16	

Note - 37

Dividend

Dividends paid during the year ended March 31, 2023 ₹ 7.50 per equity share (March 31, 2022 ₹ 7.50 per equity share).

Note - 38

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

Based on guiding principles given in Ind AS-108 on "Operating segments", the Company's business activity fall within a single operating segment namely real estate and management services. Accordingly, the disclosure requirements of Ind AS-108 are not applicable.

Information about major customer

During the year ended 31 March 2023 revenue of approximately 88.88% (previous year 31 March 2022: 94.54%) are derived from three external customer under 'Real Estate & Management Service'.

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Notes to the Standalone financial statements for the year ended 31 March 2023

Note - 39

Ratios

Ratios	Numerator	Denominator	31 March 2023	31 March 2022
Current Ratio (in times)	Total current assets	Total current liabilities	1.29	1.61
Debt-Equity Ratio (in times)	Debt consists of borrowings and lease liabilities	Total equity	0.08	0.10
Debt Service Coverage Ratio ¹ (in times)	Profit before exceptional items, tax and finance cost	Debt service = (Finance cost + Principal repayment made for Non-current borrowings and Non-current lease liabilities)	0.83	2.25
Return on Equity Ratio ² (in %)	Profit for the year less Preference dividend (if any)	Average total equity	0.04%	0.37%
Trade Receivables turnover ratio ³ (in times)	Revenue from operations	Average gross trade receivables	11.73	6.42
Trade payables turnover ratio (in times)	Cost of operation and services + Other expenses	Average trade payables	17.84	15.60
Net capital turnover ratio (in times)	Revenue from operations	Average working capital (i.e. Total current assets less Total current liabilities)	4.87	6.32
Net profit ratio ² (in %)	Profit for the year	Revenue from operations	0.70%	8.62%
Return on Capital employed (in %)	Profit before tax and finance costs	Capital employed = Total assets - Current liabilities	2.41%	2.35%
Return on investment ⁴ (in %)	Income generated from invested funds	Average invested funds in treasury investments	7.03%	5.56%

¹Due to increase in repayment of borrowing & lease liabilities during the current year.

²Profit for the current year declined due to deferred tax recognised on account of lapse of unused tax loses.

³Due to reduction in trade receivables on account of bad debts written-off during the current year.

⁴Due to increase in income from invested funds during the current year.

Note - 40

Other disclosures

- Relationship with Struck off Companies - The Company does not have any transactions or relationships with any companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of the Companies Act, 1956.
- There are no transactions that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 which have not been recorded in the books of account.
- There are no charges or satisfaction of charges yet to be registered with Registrar of Companies beyond the statutory period.

For MKRS & Associates LLP

Chartered Accountants

Firm Registration No. 104857W/W100216

CA Anubhav Goyal

Partner

Membership No. 123328

Place: Delhi

Date : 27 May 2023

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

(Rajpal Singh Negi)

Chief Financial Officer

Place: Noida

(Parul Chadha)

Company Secretary

M. No. A50171

Place: Delhi

(Mahesh Munjal)

Managing Director

DIN 00002990

Place: Delhi

(Dr. Rajesh Kumar Yaduvanshi)

Director

DIN-07206654

Place: Delhi

INDEPENDENT AUDITOR'S REPORT

To The Members of **MAJESTIC AUTO LIMITED**

Report on the Consolidated Ind AS Financial Statements

Opinion

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 31 March, 2023, 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").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31 March, 2023, the consolidated profit, consolidated total comprehensive income, consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	How our audit addressed the key audit matter
<p>1. Related party transaction</p> <p>The Group has undertaken transactions with its related parties in the ordinary course of business at arm's length. These include transactions in the nature of investments, loans, sales and purchases, etc. as disclosed in Note 34 to the Consolidated Financial Statements.</p> <p>Considering the significance of transactions with related parties and regulatory compliances thereon, related party transactions and its disclosure as set out in respective notes to the financial statements has been identified as key audit matter.</p> <p>Refer Notes 34 to the Consolidated Financial Statements</p>	<p>Our audit procedure included the following:</p> <ul style="list-style-type: none"> Obtained and read the Group's policies, processes and procedures in respect of identifying related parties, obtaining approval, recording and disclosure of related party transactions; Read minutes of shareholder meetings, board meetings and minutes of meetings of those charged with governance in connection with Group's assessment of related party transactions being in the ordinary course of business at arm's length; Tested, related party transactions with the underlying contracts, confirmation letters and other supporting documents; Agreed the related party information disclosed in the financial statements with the underlying supporting documents, on a sample basis.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Holding Company's Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so,

consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated financial statements that give a true and fair view of the

consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS 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 the 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group is also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance of the Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

- i. 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 financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including Other Comprehensive Income, Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
- d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.
- e) On the basis of the written representations received from the Directors of the Company as on 31 March, 2023 taken on record by the Board of Directors of the Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on 31 March, 2023 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 with reference to consolidated financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditor's reports of the Company and its subsidiary companies incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of those companies, for the reasons stated therein.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h) 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 Consolidated financial statements disclose the impact of pending litigations on consolidated financial position of the Group.
 - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies.
- iv. The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or
 - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- v. The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or
 - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries; and
- vi. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (h) (iv) and (h) (v) contain any material mis-statement
- vii. The dividend declared or paid during the year by the Holding Company is in compliance with Section 123 of the Act.
- viii. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable w.e.f. April 1, 2023 to the Company and its subsidiary companies, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.
- ii. As required by the Companies (Auditor's Report) Order, 2020 ("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 MKRS & Associates LLP
Chartered Accountants
Firm Registration No. 104857W/W100216

CA Anubhav Goyal
Partner
Membership No. 123328
ICAI UDIN – 23123328BGWAFW9055

Place: Delhi
Date: 27 May, 2023

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 with reference to Consolidated Financial Statements 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 31 March, 2023, we have audited the internal financial controls with reference to consolidated financial statements 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 with reference to consolidated financial statements 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 with reference to consolidated financial statements 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 with reference to consolidated financial statements 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated financial statements of the Company and its subsidiary companies.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A company’s internal financial control with reference to consolidated financial statements 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 with reference to consolidated financial statements 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.

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements 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 with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at 31 March, 2023, based on the internal control with reference to consolidated financial statements 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.

**For MKRS & Associates LLP
Chartered Accountants
Firm Registration No. 104857W/W100216**

**CA Anubhav Goyal
Partner**

**Place: Delhi
Date: 27 May, 2023**

**Membership No. 123328
ICAI UDIN – 23123328BGWAFW9055**

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)**

According to the information and explanations given to us, there have been no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements.

**For MKRS & Associates LLP
Chartered Accountants
Firm Registration No. 104857W/W100216**

**Place: Delhi
Date: 27 May, 2023**

**CA Anubhav Goyal
Partner
Membership No. 123328
ICAI UDIN – 23123328BGWAFW9055**

Majestic Auto Limited

Consolidated Balance sheet as at 31 March 2023

(₹ in Lakhs)

	Note	31 March 2023	31 March 2022	
Assets				
Non-current assets				
Property, plant and equipment	2	2,172.95	2,256.55	
Right-of-use assets	2	563.20	673.54	
Investment property	3	27,197.78	27,278.60	
Goodwill	4	4,087.37	4,087.37	
Intangible assets	4	0.83	62.20	
Financial assets				
Investments	5	A	20,539.31	20,671.20
Other financial assets	6	A	1,248.99	685.68
Deferred tax assets (net)	7		4,441.66	5,184.75
Non-current tax assets (net)	8		577.89	644.44
Other non-current assets	9	A	21.76	25.78
Total non-current assets		60,851.74	61,570.11	
Current assets				
Inventories	10		214.41	234.64
Financial assets				
Investments	5	B	1,090.34	473.88
Trade receivables	11		18.35	186.40
Cash and cash equivalents	12		10.30	26.87
Other bank balances	13		78.90	76.62
Other financial assets	6	B	1,937.87	2,974.18
Other current assets	9	B	534.87	96.78
Total current assets		3,885.04	4,069.37	
Total assets		64,736.78	65,639.48	
Equity and liabilities				
Equity				
Equity share capital	14		1,039.82	1,039.82
Other equity	15		40,638.88	40,502.89
Equity attributable to the owners of the parent Company		41,678.70	41,542.71	
Non-controlling interests			1,120.45	1,026.34
Total equity		42,799.15	42,569.05	
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	16	A	12,609.96	14,538.29
Lease liabilities	17	A	1,089.89	1,118.79
Other financial liabilities	18	A	1,057.88	659.68
Deferred tax liabilities (net)	19		3,294.71	3,280.53
Provisions	20	A	27.00	30.85
Other non-current liabilities	21	A	320.93	237.52
Total non-current liabilities		18,400.37	19,865.66	
Current liabilities				
Financial liabilities				
Borrowings	16	B	2,179.55	1,924.10
Lease liabilities	17	B	157.73	175.21
Trade payables	22		-	-
- Outstanding dues of micro and small enterprises			-	-
- Outstanding dues of creditors other than micro and small enterprises			74.64	114.42
Other financial liabilities	18	B	439.40	766.75
Provisions	20	B	34.66	23.64
Other current liabilities	21	B	651.28	200.65
Total current liabilities		3,537.26	3,204.77	
Total equity and liabilities		64,736.78	65,639.48	

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 MKRS & Associates LLP
Chartered Accountants
Firm Registration No. 104857W/W100216

For and on behalf of Majestic Auto Limited

CA Anubhav Goyal
Partner
Membership No. 123328
Place: Delhi

(Rajpal Singh Negi)
Chief Financial Officer
Place: Noida

(Mahesh Munjal)
Managing Director
DIN 00002990
Place: Delhi

Date : 27 May 2023

(Parul Chadha)
Company Secretary
M. No. A50171
Place: Delhi

(Dr. Rajesh Kumar Yaduvanshi)
Director
DIN-07206654
Place: Delhi

Majestic Auto Limited

Consolidated statement of profit and loss for the year ended on 31 March 2023

(₹ in Lakhs)

	Note	31 March 2023	31 March 2022
Revenue			
Revenue from operations	23	4,957.88	4,893.16
Other income	24	1,145.13	1,307.64
Total revenue		6,103.01	6,200.80
Expenses			
Cost of operation and services		937.66	591.73
Employee benefits expenses	25	611.75	520.75
Finance costs	26	1,371.45	1,437.23
Depreciation and amortisation expense	27	879.97	860.06
Other expenses	28	941.74	800.74
Total expenses		4,742.57	4,210.51
Profit before tax		1,360.44	1,990.29
Tax expense	29		
Current tax		131.65	256.81
Less : MAT Credit		-21.99	0.00
Deferred tax		799.65	688.44
MAT credit reversal on account of adoption of new tax rate		-	1,729.93
DTA on account of adoption of new tax rate		-	-1,743.41
Earlier years tax adjustments (net)		-21.34	2.75
Profit/(Loss) for the year		472.47	1,055.77
Other comprehensive income			
Items that will not be reclassified to profit or loss			
Re-measurement gains (losses) on defined benefit plans		(10.03)	(2.95)
Less: Income tax expense relating to items that will not be reclassified to profit and loss		2.82	0.73
Gain/(Loss) on fair value of FVOCI equity instruments		544.65	-5,676.47
Less: Income tax expense/(credit) relating to items that will not be reclassified to profit and loss		-	5,009.22
Total other comprehensive income for the year		537.44	-669.47
Total comprehensive income for the year		1,009.91	386.30
Profit attributable to:			
Owners		378.36	905.18
Non-controlling interests		94.11	150.59
Other comprehensive income attributable to:			
Owners		537.43	-669.47
Non-controlling interests		0.01	-
Total comprehensive income attributable to:			
Owners		915.79	235.71
Non-controlling interests		94.12	150.59
Earnings per equity share (Face value ₹ 10 per share)	30		
Basic (₹)		4.54	10.15
Diluted (₹)		4.54	10.15

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 MKRS & Associates LLP

Chartered Accountants

Firm Registration No. 104857W/W100216

For and on behalf of Majestic Auto Limited

CA Anubhav Goyal

Partner

Membership No. 123328

Place: Delhi

(Rajpal Singh Negi)

Chief Financial Officer

Place: Noida

(Mahesh Munjal)

Managing Director

DIN 00002990

Place: Delhi

(Parul Chadha)

Company Secretary

M. No. A50171

Place: Delhi

(Dr. Rajesh Kumar Yaduvanshi)

Director

DIN-07206654

Place: Delhi

Date : 27 May 2023

Majestic Auto Limited

Consolidated statement of changes in equity as at 31 March 2023

A Equity share capital*

(₹ in lakhs)

Particulars	Opening balance as at 1 April 2021	Changes in equity share capital due to prior period errors	Restated opening balance as at 1 April 2021	Changes in equity share capital during the year	Balance as at 31 March 2022
Equity share capital	1,039.82	-	1,039.82	-	1,039.82

Particulars	Opening balance as at 1 April 2022	Changes in equity share capital due to prior period errors	Restated opening balance as at 1 April 2022	Changes in equity share capital during the year	Balance as at 31 March 2023
Equity share capital	1,039.82	-	1,039.82	-	1,039.82

B Other equity**

(₹ in lakhs)

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 2021	500.00	129.52	20,467.39	19,950.08	41,046.99	875.75	41,922.74
Profit/(Loss) for the year	-	-	905.18	-	905.18	150.59	1,055.77
Other comprehensive income (net of tax)	-	-	-2.22	(667.25)	(669.47)	-	(669.47)
Dividends (for FY 2020-21)	-	-	(779.81)	-	(779.81)	-	(779.81)
Transfer on disposal of equity investment	-	-	460.35	(460.35)	-	-	-
Balance as at 31 March 2022	500.00	129.52	21,050.89	18,822.48	40,502.89	1,026.34	41,529.23
Profit/(Loss) for the year	-	-	378.36	-	378.36	94.11	472.47
Other comprehensive income (net of tax)	-	-	(7.21)	544.65	537.44	-	537.44
Interim Dividends (for FY 2022-23)	-	-	(779.81)	-	(779.81)	-	(779.81)
Transfer on disposal of equity investment	-	-	625.19	-625.19	-	-	-
Balance as at 31 March 2023	500.00	129.52	21,267.42	18,741.94	40,638.88	1,120.45	41,759.33

*Refer Note - 14 for details

**Refer Note - 15 for details

For MKRS & Associates LLP
Chartered Accountants
Firm Registration No. 104857W/W100216

For and on behalf of Majestic Auto Limited

CA Anubhav Goyal
Partner
Membership No. 123328
Place: Delhi

(Rajpal Singh Negi)
Chief Financial Officer
Place: Noida

(Mahesh Munjal)
Managing Director
DIN 00002990
Place: Delhi

Date : 27 May 2023

(Parul Chadha)
Company Secretary
M. No. A50171
Place: Delhi

(Dr. Rajesh Kumar Yaduvanshi)
Director
DIN-07206654
Place: Delhi

Majestic Auto Limited

Consolidated statement of cash flow for the year ended 31 March 2023

(₹ in Lakhs)

Particulars	Year ended on 31 March 2023	Year ended on 31 March 2022
A CASH FLOW FROM OPERATING ACTIVITIES		
Profit/(loss) before tax	1,360.44	1,990.29
Adjustments for:		
Depreciation on property, plant and equipment	879.97	860.06
Loss/(gain) on disposal of fixed assets (net)	-	-
(Gain)/Loss on investment classified as FVTPL	31.84	(182.02)
Interest income	(151.90)	(153.45)
Dividend income	(875.26)	(874.95)
Dividend on investment classified as FVTPL	(3.01)	(0.44)
Balances written off	15.74	3.88
Bad debts written off	-	9.78
Allowance for doubtful debts	38.53	219.39
Liability write back	(41.60)	(61.24)
Provision write back	(10.39)	-
Finance costs	1,371.45	1,437.23
Operating profit before working capital changes	2,615.81	3,248.53
Movement in working capital		
Decrease/(Increase) in inventories	20.23	(22.77)
Decrease/(Increase) in other financial assets	445.83	(685.03)
Decrease/(Increase) in trade receivables	127.63	(53.42)
Decrease/(Increase) other non-current assets	-	(22.11)
Decrease/(Increase) in other current assets	(439.66)	(19.62)
Increase/(Decrease) in other financial liabilities	44.43	(133.94)
Increase/(Decrease) in other non-current liability	72.29	(127.42)
Increase/(Decrease) in other current liability	450.63	(60.43)
Increase/(Decrease) in provisions	(5.96)	(0.99)
Increase/(Decrease) in trade and other payables	(24.37)	35.90
Cash flow from operating activities post working capital changes	3,306.86	2,158.71
Income tax paid (net)	(62.19)	(494.33)
Net cash flow from operating activities (A)	3,244.66	1,664.39
B CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment and intangible assets	(10.70)	(12.07)
Payments for investment properties	(533.14)	(117.06)
Purchases of investments	(783.76)	(50.00)
Proceeds from sale of investments	706.90	500.92
Fixed bank deposits having original maturity more than 3 months	122.75	(344.55)
Redemption in margin money	(2.28)	(13.08)
Dividend received	875.58	874.95
Interest received	154.93	176.39
Net cash flow from investing activities (B)	530.28	1,015.50
C CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	80.20	-
Repayment of borrowings	(1,753.08)	(1,116.19)
Repayment of finance lease	(29.16)	(28.86)
Repayment of lease liabilities	(146.35)	(81.76)
Dividend paid	(779.81)	(779.81)
Interest paid	(1,163.31)	(1,273.51)
Net cash used in financing activities (C)	(3,791.51)	(3,280.13)
Decrease in cash and cash equivalents (A+B+C)	(16.57)	(600.24)
Cash and cash equivalents at the beginning of the year	26.87	627.11
Cash and cash equivalents at the end of the year	10.30	26.87

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

For MKRS & Associates LLP
Chartered Accountants
Firm Registration No. 104857W/W100216

For and on behalf of Majestic Auto Limited

CA Anubhav Goyal
Partner
Membership No. 123328
Place: Delhi

(Rajpal Singh Negi)
Chief Financial Officer
Place: Noida

(Mahesh Munjal)
Managing Director
DIN 00002990
Place: Delhi

Date : 27 May 2023

(Parul Chadha)
Company Secretary
M. No. A50171
Place: Delhi

(Dr. Rajesh Kumar Yaduvanshi)
Director
DIN-07206654
Place: Delhi

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2023

1. Corporate information

Majestic Auto Limited (the 'Company' or 'Parent') is a public limited company together with its subsidiaries (collectively referred to as 'Group') is engaged in the business of leasing and provision of maintenance services. The Group is domiciled in India and its registered office is situated at 10, Southern Avenue, First Floor, Maharani Bagh, Delhi-110065, India.

The consolidated financial statements for the year ended 31 March 2023 were authorized and approved by the Board of Directors on 27 May 2023.

1.1 Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The consolidated financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value or revalued amount:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments); and
- Defined benefit plans – plan assets measured at fair value.

The financial statements are prepared in Indian Rupees which is the functional currency of the Group and all values are rounded to nearest lakhs except when otherwise stated.

The significant accounting policies that are used in the preparation of these consolidated financial statements are summarised below. These accounting policies are consistently used throughout the periods presented in the consolidated financial statements.

1.2 Use of estimates

The preparation of the consolidated financial statements in conformity with Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these consolidated financial statements have been disclosed in note 1.5. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

1.3 Basis of consolidation

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. The Group can have power over the investee even if it owns less than majority voting rights i.e. rights arising from other contractual arrangements. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases. Statement of profit and loss (including other comprehensive income ('OCI')) of subsidiaries acquired or disposed of during the period are recognized from the effective date of acquisition, or up to the effective date of disposal, as applicable.

The Group combines the financial statements of the Company and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests, presented as part of equity, represents the portion of a subsidiary's statement of profit and loss and net assets that is not held by the Group. Statement of profit and loss (including other comprehensive income ('OCI')) is attributed to the equity holders of the Company and to the non-controlling interests' basis their respective ownership interests and such balance is attributed even if this results in controlling interests having a deficit balance.

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the group. Such a change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized within equity.

1.4 Significant accounting policies

The significant accounting policies that are used in the preparation of these consolidated financial statements are summarised below. These accounting policies are consistently used throughout the periods presented in the consolidated financial statements.

a) **Current versus non-current classification**

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle*
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2023

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle*
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities respectively.

*Based on the nature of products and the time between acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

b) Inventory

Inventories are valued as follows:

Work in progress and finished goods

Work in progress and finished goods are valued at lower of cost and net realisable value. Cost includes raw material cost and a proportion of direct and indirect overheads up to estimated stage of completion. Cost is determined on a weighted average basis.

Raw material, components, stores and spares

Raw materials, components, stores and spares are valued at lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials, components and stores and spares is determined on a weighted average basis. Stores and spares having useful life of more than twelve months are capitalised as "Property, plant and equipment" and are depreciated prospectively over their remaining useful lives in accordance with Ind AS 16.

Scrap

Scrap is valued at net realisable value.

Goods in transit

Goods in transit are value at cost.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

c) Property, plant and equipment

Recognition and initial measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses. The cost comprises purchase price, borrowing cost if capitalisation criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits attributable to such subsequent cost associated with the item will flow to the Group. All other repair and maintenance costs are recognised in statement of profit or loss as incurred.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The costs of repairs and maintenance are recognised in the statement of profit and loss as incurred.

Subsequent measurement (depreciation and useful lives)

Depreciation on property, plant and equipment is provided on the straight line method arrived on the basis of the useful life prescribed under Schedule II of the Companies Act, 2013. Leasehold land is amortised over the period of lease.

The residual values, useful lives and method of depreciation of are reviewed at each financial year end and adjusted prospectively, if appropriate.

Where, during any financial year, any addition has been made to any asset, or where any asset has been sold, discarded, demolished or destroyed, or significant components replaced; depreciation on such assets is calculated on a pro rata basis as individual assets with specific useful life from the month of such addition or, as the case may be, up to the month on which such asset has been sold, discarded, demolished or destroyed or replaced.

De-recognition

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognized.

d) Intangible assets

Goodwill

Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried cost less accumulated impairment losses.

Other intangibles

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2023

assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangible assets, excluding product development costs, are not capitalised and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.

Subsequent measurement (Amortisation and useful lives)

All finite-lived intangible assets, including internally developed intangible assets, are accounted for using the cost model whereby capitalised costs are amortised on a straight-line basis over their estimated useful lives. Residual values and useful lives are reviewed at each reporting date and any change in the same is accounted for prospectively. The following useful lives are applied:

Intangible assets	Amortisation period
Computer software	5 years

De-recognition

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

e) Investment property

Recognition and initial measurement

Investment properties are properties held to earn rentals or for capital appreciation, or both. Investment properties are measured initially at their cost of acquisition. The cost comprises purchase price, borrowing cost, if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group. All other repair and maintenance costs are recognized in statement of profit and loss as incurred.

Subsequent measurement (depreciation and useful lives)

Investment properties are subsequently measured at cost less accumulated depreciation and impairment losses. Depreciation on investment properties is provided on the straight-line method, computed on the basis of useful lives prescribed in Schedule II to the Companies Act 2013.

The residual values, useful lives and method of depreciation are reviewed at the end of each financial year.

De-recognition

Investment properties are de-recognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in statement of profit and loss in the period of de-recognition.

f) Impairment of non-financial assets

The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. Goodwill and intangible assets that have indefinite lives or that are not yet available for use are tested for impairment annually; their recoverable amount is estimated annually each year at the reporting date.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets (the 'cash-generating unit'). The recoverable amount of an asset or cash-generating unit is the greater of its value in use or its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. The goodwill acquired in a business combination is, for the purpose of impairment testing, allocated to cash-generating units that are expected to benefit from the synergies of the combination. Intangibles with indefinite useful lives are tested for impairment individually.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its estimated recoverable amount. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis. Impairment losses are recognised in the statement of profit and loss.

Impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

g) Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use or sale.

Borrowing costs include interest expense calculated using the effective interest method as described in Ind AS 109, and Interest in respect of the finance leases liabilities recognized in accordance with Ind AS 116. Borrowing cost also includes exchange differences arising from foreign currency borrowings to the extent regarded as an adjustment to the interest costs.

Majestic Auto Limited**Notes to the consolidated financial statements for the year ended 31 March 2023****h) Foreign currency transactions***Initial recognition*

Transactions in foreign currencies are initially recorded in the functional currency (Indian Rupee) by applying exchange rates at the date the transaction first qualifies for recognition.

Subsequent measurement

Monetary items denominated in foreign currencies (except monetary items that form part of foreign currency operation) are translated at the exchange rates at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in the statement of profit or loss in the year in which they arise.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e. translation differences on items whose fair value gain or loss is recognised in Other comprehensive income or profit or loss are also recognised in Other comprehensive income or profit or loss, respectively).

All other exchange differences are charged to the statement of profit and loss.

i) Leases

The Group has adopted Ind AS 116-Leases effective 1st April, 2019, using the modified retrospective method. The Group has applied the standard to its leases with the cumulative impact recognised on the date of initial application (1st April, 2019). Accordingly, previous period information has not been restated.

The Group assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognises a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and leases of low value assets. For these short-term and leases of low value assets, the Group

recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset.

The lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made.

A lease liability is remeasured upon the occurrence of certain events such as a change in the lease term or a change in an index or rate used to determine lease payments. The remeasurement normally also adjusts the leased assets.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Group as a lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on a straight-line basis over the term of the relevant lease except in case where lease rentals are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

j) Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2023

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial results are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is Unobservable

For assets and liabilities that are recognized in the financial results on a recurring basis, Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period or each case.

k) Revenue recognition

Group applies the revenue recognition criteria to each separately identifiable component of the Revenue transaction as set out below:

Revenue from Contract with Customers:

Group derives revenues primarily from Facility management services and rental of property.

Revenues from customer contracts are considered for recognition and measurement when the contract has been approved by the parties to the contract, the parties to contract are committed to perform their respective obligations under the contract, and the contract is legally enforceable.

Revenue is recognised when performance obligation of such contract is satisfied by transferring a promised good or service to the customer at transaction price allocated to that performance obligation.

The transaction price is the amount of consideration to which an entity expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties. When there is uncertainty as to collectability, revenue recognition is postponed until such uncertainty is resolved. Group include variable consideration as part of transaction price when there is a basis to reasonably estimate the amount of the variable consideration and when it is probable that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved.

Dividend income

Dividend income is recognised at the time when right to receive the payment is established, which is generally when the shareholders approve the dividend.

Interest income

Interest income is recorded on accrual basis using the effective interest rate (EIR) method.

Rental income

Rental income is recognized on a straight-line basis over the term of the lease, except for contingent rental income which is recognized when it arises and where scheduled increase in rent compensates the lessor for expected inflationary costs.

l) Financial instruments

Initial Recognition and measurement

Group recognize financial assets and financial liabilities when it becomes a party to the contractual provisions of the instrument.

All financial assets and financial liabilities are initially recognised at its fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss (FVTPL), are adjusted to the fair value on initial recognition.

However, trade receivables that do not contain a significant financing component are measured at transaction price.

Subsequent measurement

Financial assets

i. **Financial assets carried at amortised cost** – A financial instrument is measured at amortised cost if both the following conditions are met:

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest method.

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2023

- ii. **Investments in equity instruments** – Investments in equity instruments which are held for trading are generally classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Group makes irrevocable choice upon initial recognition, on an instrument to instrument basis, to classify the same either as at fair value through other comprehensive income (FVOCI) or fair value through profit and loss (FVTPL).

If the Group decides to classify an equity instrument as at FVOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the other comprehensive income (OCI). There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the Group transfers the cumulative gain or loss within equity. Dividends on such investments are recognised in the statement of profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment.

De-recognition of financial assets

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or the Group has transferred its rights to receive cash flows from the asset.

Financial liabilities

Subsequent to initial recognition, all non-derivative financial liabilities, other than derivative liabilities, are subsequently measured at amortised cost using the effective interest method.

De-recognition of financial liabilities

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

m) Impairment of financial assets

In accordance with Ind AS 109, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of Impairment loss for financial Assets.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and

all the cash flows that the Group expects to receive. When estimating the cash flows, the Group considers the following:

- All contractual terms of the Financial Assessments (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables

As a practical expedient the Group has adopted 'simplified approach' using the provision matrix method for recognition of expected loss on trade receivables. The provision matrix is based on three- years rolling average default rates observed over the expected life of the trade receivables and is adjusted for forward-looking estimates. These average default rates are applied on total credit risk exposure on trade receivables and outstanding for more than one year at the reporting date to determine lifetime Expected Credit Losses.

Other financial assets

For recognition of impairment loss on other financial assets and risk exposure, the Group determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

n) Retirement and other employee benefits

Provident and Superannuation fund

Retirement benefit in the form of provident and superannuation fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident and superannuation fund. The Group recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. The Group has no obligation other than the contribution payable to the Provided and superannuation fund.

Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of the gratuity plan (administered through Life Insurance Corporation of India), which is a defined benefit plan, is calculated by estimating the ultimate cost to the entity of the benefit that employees have earned in return for their service in the current and prior periods. This requires an entity to determine how much benefit is attributable to the current and prior periods and to make estimates (actuarial assumptions) about demographic variables and financial variables that will affect the cost of the benefit. The cost of providing benefits under the defined benefit plan is determined using actuarial valuation performed annually by a qualified actuary using the projected unit credit method. Actuarial gains/losses resulting from re-measurements of the liability are included in other comprehensive income.

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2023

Accumulated leaves

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short term employee benefit. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

Other short-term benefits

Expense in respect of other short-term benefits is recognized on the basis of amount paid or payable for the period during which services are rendered by the employees.

o) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

p) Taxes

Tax expense recognized in statement of profit and loss comprises the sum of deferred tax and current tax except the ones recognized in other comprehensive income or directly in equity.

Current tax is determined as the tax payable in respect of taxable income for the year and is computed in accordance with relevant tax regulations. Current income tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in other comprehensive income or in equity).

Minimum alternate tax ('MAT') credit entitlement is recognized as an asset only when and to the extent there is convincing evidence that normal income tax will be paid during the specified period. In the year in which MAT credit becomes eligible to be recognized as an asset, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT credit entitlement. This is reviewed at each balance sheet date and the carrying amount of MAT credit entitlement is written down to the extent it is not reasonably certain that normal income tax will be paid during the specified period.

Deferred tax is recognized in respect of temporary differences between carrying amount of assets and liabilities for financial reporting purposes and corresponding amount used for taxation purposes. Deferred tax assets on unrealised tax loss are recognized to the extent that it is probable that the underlying tax loss will be utilised against future taxable income. This is assessed based on the Group's forecast of future operating results, adjusted for significant non-taxable income and expenses and specific limits on the use of any

unused tax loss. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside statement of profit and loss is recognized outside statement of profit or loss (either in other comprehensive income or in equity).

q) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

Identification of segments

In accordance with Ind AS 108 – Operating Segment, the operating segments used to present segment information are identified on the basis of information reviewed by the Group's management to allocate resources to the segments and assess their performance. An operating segment is a component of the Group that engages in business activities from which it earns revenues and incurs expenses, including revenues and expenses that relate to transactions with any of the Group's other components. Results of the operating segments are reviewed regularly by the management team (chairman and chief financial officer) which has been identified as the chief operating decision maker (CODM), to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

Allocation of common costs

Common allocable costs are allocated to each segment accordingly to the relative contribution of each segment to the total common costs.

Unallocated items

Unallocated items include general corporate income and expense items which are not allocated to any business segment.

Segment accounting policies

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial results of the Group as a whole.

r) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

s) Provisions, contingent liabilities and contingent assets

A provision is recognised when the Group has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2023

required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions determined based on the best estimate required to settle the obligation at the reporting date and adjusted to reflect the current best estimates.

Provisions are discounted to their present values, where the time value of money is material.

Contingent liabilities are disclosed on the basis of judgement of management after a careful evaluation of facts and legal aspects of matter involved.

Contingent assets are disclosed when probable and recognised when the realization of income is virtually certain.

1.5 Significant management judgments in applying accounting policies and estimation uncertainty

The preparation of the Group's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the related disclosures.

Significant management judgments

Recognition of deferred tax assets - The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the future taxable income against which the deferred tax assets can be utilised.

Provisions, contingent liabilities and contingent assets – The Group is the subject of legal proceedings and tax issues covering a range of matters, which are pending in various jurisdictions. Due to the uncertainty inherent in such matters, it is difficult to predict the final outcome of such matters. The cases and claims against the Group often raise difficult and complex factual and legal issues, which are subject to many uncertainties, including but not limited to the facts and circumstances of each particular case and claim, the jurisdiction and the differences in applicable law. In the normal course of business, management consults with legal counsel and certain other experts on matters related to litigation and taxes. The Group accrues a liability when it is determined that an adverse outcome is probable and the amount of the loss can be reasonably estimated.

Impairment of financial assets – At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding financial assets.

Evaluation of indicators for impairment of assets – The evaluation of applicability of indicators of impairment of assets requires assessment of several external and internal factors which could result in deterioration of recoverable amount of the assets.

Significant estimates

Useful lives of depreciable/amortisable assets – Management reviews its estimate of the useful lives of depreciable/amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to technical and economic obsolescence that may change the utility of certain software, IT equipment and other plant and equipment.

Defined benefit obligation – Management's estimate of the DBO is based on a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate and anticipation of future salary increases. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

Fair value measurements

Management applies valuation techniques to determine the fair value of financial instruments (where active market quotes are not available). This involves developing estimates and assumptions consistent with how market participants would price the instrument.

Valuation of investment property

Investment property is stated at cost. However, as per Ind AS 40 there is a requirement to disclose fair value as at the balance sheet date. The Group engaged independent valuation specialists to determine the fair value of its investment property as at reporting date. The determination of the fair value of investment properties requires the use of estimates such as future cash flows from the assets (such as lettings, future revenue streams, capital values of fixtures and fittings, any environmental matters and the overall repair and condition of the property) and discount rates applicable to those assets. In addition, development risks (such as construction and letting risk) are also taken into consideration when determining the fair value of the properties under construction. These estimates are based on local market conditions existing at the balance sheet date.

Impairment of Property, plant and equipment

Impairment exists when the carrying value of an asset or cash generating unit exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The value in use calculation is based on a DCF model. The cash flows are derived from the budgets. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the growth rate used.

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Notes to the consolidated financial statements for the year ended on 31 March 2023

Note - 2
Property, plant and equipment

Particulars	(₹ in lakhs)									
	Freehold land	Building	Plant and equipment	Computers	Furniture & fixtures	IT equipment	Office equipment	Vehicles	Total	Right of use assets
Gross block										
At 1 April 2021	162.67	2,283.56	8.86	27.66	155.30	9.88	307.43	247.76	3,203.12	215.45
Additions	-	-	0.82	1.83	0.25	-	9.17	-	12.07	636.56
Balance as at 31 March 2022	162.67	2,283.56	9.68	29.49	155.55	9.88	316.60	247.76	3,215.19	852.01
Additions	-	-	-	0.99	-	-	9.71	-	10.70	-
Balance as at 31 March 2023	162.67	2,283.56	9.68	30.48	155.55	9.88	326.31	247.76	3,225.89	852.01
Accumulated depreciation										
At 1 April 2021	-	347.91	1.26	22.52	117.51	5.23	232.12	136.56	863.11	94.08
Charge for the year	-	35.93	0.63	2.05	7.63	1.56	19.79	27.94	95.53	84.39
Balance as at 31 March 2022	-	383.84	1.89	24.57	125.14	6.79	251.91	164.50	958.64	178.47
Charge for the year	-	35.93	0.62	2.21	7.37	1.56	18.67	27.94	94.30	110.34
Balance as at 31 March 2023	-	419.77	2.51	26.78	132.51	8.35	270.58	192.44	1,052.94	288.81
Net block as at 31 March 2022	162.67	1,899.72	7.79	4.92	30.41	3.09	64.69	83.26	2,256.55	673.54
Net block as at 31 March 2023	162.67	1,863.79	7.17	3.70	23.04	1.53	55.73	55.32	2,172.95	563.20

Majestic Auto Limited**Notes to the consolidated financial statements for the year ended 31 March 2023****Note - 3****Investment property[^]****(₹ in Lakhs)**

Particulars	Plant and equipment	Furniture and fixtures	Leasehold land	Building	Assets given on lease to Tenants	Total
Gross block						
At 1 April 2021	165.49	706.93	5,273.03	26,288.60	357.01	32,791.06
Additions	54.88	62.18	-	-	-	117.06
Balance as at 31 March 2022	220.37	769.11	5,273.03	26,288.60	357.01	32,908.12
Additions	65.05	33.31	-	-	434.78	533.14
Balance as at 31 March 2023	285.42	802.42	5,273.03	26,288.60	791.79	33,441.26
Accumulated depreciation/amortisation						
At 1 April 2021	39.31	553.95	470.17	3,732.94	223.94	5,020.31
Charge for the year	13.33	23.10	61.85	466.94	43.99	609.21
Balance as at 31 March 2022	52.64	577.05	532.02	4,199.88	267.93	5,629.52
Charge for the year	16.19	24.28	61.83	466.94	44.72	613.96
Balance as at 31 March 2023	68.83	601.33	593.85	4,666.82	312.65	6,243.48
Net block as at 31 March 2022	167.73	192.06	4,741.01	22,088.72	89.08	27,278.60
Net block as at 31 March 2023	216.59	201.09	4,679.18	21,621.78	479.14	27,197.78

[^]On 6 February 2023 the Group has entered into an agreement to sell the investment property situated at B-6, B-7 and B-9, Ecotech-I, Greater Noida, Gautam Budha Nagar (U.P) for total consideration of ₹ 12,850 Lakhs. Out of total consideration ₹ 3,700 Lakhs would be required to meet the agreement's obligations which includes statutory dues of Greater Noida Authority.

(a) Amounts recognised in profit & loss for investment properties:**(₹ in lakhs)**

Particulars	31 March 2023	31 March 2022
Rental income	3,351.29	3,476.48
Direct operating expenses generating rental income (including repair and maintenance)	1,649.64	1,539.63
Direct operating expenses that did not generate rental income (including repair and maintenance)	-	-
Profit from investment properties before depreciation	1,701.65	1,936.85
Depreciation	613.96	609.21
Profit from investment properties	1,087.69	1,327.64

(b) 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 ₹ 14,227.21 lakhs (31 March 2022: ₹ 10,493.36 lakhs) and for each of the following period:

Particulars	31 March 2023	31 March 2022
Within one year	3,197.35	2,642.44
Later than one year but not later than 5 years	9,859.26	6,548.67
Later than 5 years	1,170.60	1,302.24

(c) Fair value**(₹ in lakhs)**

Particulars	31 March 2023	31 March 2022
Fair value	49,304.14	49,842.33

(d) Fair value hierarchy and valuation technique:

The fair value of investment property has been determined by external, independent property valuers, having appropriate recognised professional qualification and recent experience in the location and category of the property being valued. The Company obtains independent valuations for its investment properties annually and fair value measurement has been categorised as Level 3. The fair valuation has been carried out using the Market & Circul rate approach for land and Cost approach for building.

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2023

Note - 4

Intangible assets

(₹ in lakhs)

Particulars	Intangible assets	Softwares	Total	Goodwill
Gross block				
At 1 April 2021	762.29	47.83	810.12	4,087.37
Additions	-	-	-	-
Balance as at 31 March 2022	762.29	47.83	810.12	4,087.37
Additions	-	-	-	-
Balance as at 31 March 2023	762.29	47.83	810.12	4,087.37
Accumulated amortisation				
At 1 April 2021	633.76	43.23	676.99	-
Charge for the year	70.10	0.83	70.93	-
Balance as at 31 March 2022	703.86	44.06	747.92	-
Charge for the year	58.39	2.98	61.37	-
Balance as at 31 March 2023	762.25	47.04	809.29	-
Net block as at 31 March 2022	58.43	3.77	62.20	4,087.37
Net block as at 31 March 2023	0.04	0.79	0.83	4,087.37

Note - 5

(₹ in lakhs)

	31 March 2023	31 March 2022
A Investments		
Investment in equity instruments		
Equity investment in others (quoted, at market value)		
Fair value through other comprehensive income		
875,000 (31 March 2022: 900,000) equity shares of Hero Moto Corp Ltd.	20,539.31	20,671.20
	20,539.31	20,671.20
Aggregate amount of quoted investments	1,797.37	1,848.72
Aggregate market value of quoted investments	20,539.31	20,671.20
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 - 37		
B Investments - current		
Investments held for sale (Fair value through profit loss)		
Investment in Mutual Fund (Quoted, market rate)	-	142.29
Investment in Equity of other entity (Quoted, market rate)	1,090.34	328.38
Investment in Derivatives (Quoted, market rate)	-	3.21
	1,090.34	473.88
Aggregate amount of quoted investments	1,107.27	444.94
Aggregate market value of quoted investments	1,090.34	473.88

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2023

	(₹ in lakhs)	
	31 March 2023	31 March 2022
Note - 6		
A Other financial assets - non-current		
(Unsecured, considered good)		
Unbilled receivables	68.47	85.25
Balance with banks in fixed deposit [^]	892.91	314.07
Security deposits	287.61	286.36
	1,248.99	685.68
^Lien marked for OD facility against Fixed deposit of Rs. 175 Lakhs		
B Other financial assets - current		
(Unsecured, considered good)		
Unbilled receivables	96.91	35.55
Balance with banks in fixed deposit [^]	1,580.95	2,282.54
Advances recoverable in cash	4.95	9.19
Interest income accrued but not due	21.86	16.60
Interest income receivable on fixed deposits	7.97	17.96
MTM margin	18.77	52.53
Balance with fund manager	170.42	28.83
Balance in Demat account	-	500.85
Security deposits	30.10	30.11
Others	5.94	0.02
(Unsecured, considered doubtful)		
Advances recoverable in cash	-	85.86
Less: Allowance for expected credit loss	-	-85.86
	1,937.87	2,974.18
^Lien marked for Debt Service Reserve Account (DSRA) of ₹ 391.14 Lakhs (31 March 2022 - ₹ Nil)		

Note - 7

Deferred tax assets (net)		
Deferred tax asset arising on account of :		
Minimum alternative tax credit	-	-
Financial instruments measured at amortised cost	0.55	0.38
Employee benefits	12.95	20.88
Allowances for expected credit loss	17.52	71.44
Conversion of capital assets into stock in trade	1,511.62	1,483.81
Deferred tax assets on account of Ind AS-116 "Leases"	17.40	7.70
Property, plant and equipment and other intangible assets	(33.35)	(26.63)
Unabsorbed business losses and depreciation	2,920.24	3,660.01
Deferred tax liabilities arising on account of :		
Financial instruments measured at amortised cost	(3.51)	(2.98)
Straightlining of rental income	(16.43)	(19.54)
Investments carried at FVTPL	14.67	(10.32)
Investment in fair value instruments measured at FVOCI	-	-
	4,441.66	5,184.75

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2023

Movement in deferred tax assets (net)

Particulars	31 March 2022	Recognised in statement of profit and loss	Recognised in other comprehensive income	31 March 2023
Assets				
Minimum alternative tax credit	-	-	-	-
Financial instruments measured at amortised cost	0.38	0.17	-	0.55
Employee benefits	20.88	(10.75)	2.82	12.95
Allowances for expected credit loss	71.44	(53.92)	-	17.52
Conversion of capital assets into stock in trade	1,483.81	27.81	-	1,511.62
Deferred tax assets on account of Ind AS-116 "Leases"	7.70	9.70	-	17.40
Property, plant and equipment and other intangible assets	(26.63)	(6.72)	-	(33.35)
Unabsorbed business losses and depreciation**	3,660.01	(739.77)	-	2,920.24
Liabilities				
Financial instruments measured at amortised cost	(2.98)	(0.53)	-	(3.51)
Straightlining of rental income	(19.54)	3.11	-	(16.43)
Investments carried at FVTPL	(10.32)	24.99	-	14.67
Investment in fair value instruments measured at FVOCI	-	-	-	-
Total	5,184.75	(745.91)	2.82	4,441.66

Particulars	1 April 2021	Recognised in statement of profit and loss	Recognised in other comprehensive income	31 March 2022
Assets				
Minimum alternative tax credit	1,729.93	(1,729.93)	-	-
Financial instruments measured at amortised cost	0.13	0.25	-	0.38
Employee benefits	4.09	16.06	0.73	20.88
Allowances for doubtful debts	9.25	62.19	-	71.44
Conversion of capital assets into stock in trade	894.29	589.52	-	1,483.81
Deferred tax assets on account of Ind AS-116 "Leases"	2.66	5.04	-	7.70
Property, plant and equipment and other intangible assets	(1.06)	(25.57)	-	(26.63)
Unabsorbed business losses and depreciation**	3,134.12	525.89	-	3,660.01
Liabilities				
Financial instruments measured at amortised cost	(1.44)	(1.54)	-	(2.98)
Straightlining of rental income	(15.02)	(4.52)	-	(19.54)
Investments carried at FVTPL	-	(10.32)	-	(10.32)
Investment in fair value instruments measured at FVOCI	(5,009.22)	-	5,009.22	-
Total	747.73	(572.93)	5,009.95	5,184.75

Expiry date of unused tax losses and depreciation:

(₹ in lakhs)

Expiry year	31 March 2023	31 March 2022
Unused tax losses		
1 April 2022 - 31 March 2023	-	2,550.81
1 April 2023 - 31 March 2024	903.84	903.84
1 April 2024 - 31 March 2025	1,541.39	1,541.39
1 April 2025 - 31 March 2026	1,291.46	1,291.46
1 April 2026 - 31 March 2027	1,263.23	1,263.23
1 April 2030 - 31 March 2031	4.51	-
Unabsorbed depreciation for indefinite period	6,598.58	6,991.59
Total	11,603.01	14,542.32

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2023

	(₹ in lakhs)	
	31 March 2023	31 March 2022
Note - 8		
Non - current tax assets (net)		
Advance income tax	698.44	868.88
Less: Provision for taxation	(120.55)	(224.44)
	577.89	644.44
Note - 9		
B Other non-current assets		
(Unsecured, considered good)		
Prepaid expenses	21.76	25.78
	21.76	25.78
B Other current assets		
(Unsecured, considered good)		
Advances to suppliers	345.77	46.78
Prepaid expenses	117.05	36.05
Balance with government authorities		
-GST input	71.31	11.24
-TDS	0.08	0.10
-Sales tax paid under dispute	-	0.66
-ESIC paid under dispute	0.06	-
-UP Pollution Board for advance license fee	-	1.00
Others	0.60	0.95
	534.87	96.78
Note - 10		
Inventories		
(Lower of cost or net realizable value)		
Raw materials and components	20.00	20.00
Stores and spares	42.04	38.93
Stock in Diesel	24.22	47.56
Real Estate		
Land	128.15	128.15
	214.41	234.64
Note - 11		
Trade receivables		
(Unsecured)		
Considered good	18.35	186.40
Considered doubtful	74.63	188.94
	92.98	375.34
Less: Allowance for expected credit loss	(74.63)	(188.94)
	18.35	186.40

*for related party balances (refer Note - 34)

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2023

Aging for trade receivable as at 31 March 2023

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivable - considered good	20.46	0.93	1.31	-	-	22.70
Undisputed trade receivable - considered doubtful	-	-	-	29.16	5.02	34.18
Disputed trade receivable - considered good	-	-	-	-	-	-
Disputed trade receivable - considered doubtful	-	-	-	-	36.10	36.10
Total	20.46	0.93	1.31	29.16	41.12	92.98

Aging for trade receivable as at 31 March 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivable - considered good	145.53	29.66	1.61	0.46	5.44	182.70
Undisputed trade receivable - considered doubtful	-	2.59	2.22	2.34	132.62	139.77
Disputed trade receivable - considered good	-	3.71	-	-	-	3.71
Disputed trade receivable - considered doubtful	-	-	-	-	49.17	49.17
Total	145.53	35.96	3.83	2.80	187.23	375.34

	31 March 2023	31 March 2022
Note - 12		
Cash and cash equivalents		
Cash on hand	7.32	8.80
Balances with banks		
In current accounts	2.98	18.07
	10.30	26.87

Note - 13		
Other bank balances		
Margin money *	67.91	65.63
In dividend current accounts (earmarked accounts)	10.99	10.99
	78.90	76.62

* Pledged as security for letters of credit/bank guarantees, for details refer Note - 37.

Equity share capital	31 March 2023		31 March 2022	
	Number	Amount	Number	Amount
i Authorised				
15,000,000 Equity shares of ₹ 10/- each with voting rights	1,50,00,000	1,500.00	1,50,00,000	1,500.00
25,000,000 Preference shares of ₹ 10/- each	2,50,00,000	2,500.00	2,50,00,000	2,500.00
		4,000.00		4,000.00
ii Issued share capital				
Equity share capital of face value of ₹ 10 each	1,03,98,978	1,039.90	1,03,98,978	1,039.90
		1,039.90		1,039.90
iii Subscribed and fully paid up				
Equity share capital of face value of ₹ 10/- each	1,03,97,478	1,039.82	1,03,97,478	1,039.82
Add: Shares forfeited (amount paid up)	-	-	-	-
		1,039.82		1,039.82

Majestic Auto Limited**Notes to the consolidated financial statements for the year ended 31 March 2023****iv Reconciliation of number of equity shares outstanding at the beginning and at the end of the year**

Equity shares	Number	Amount	Number	Amount
Balance at the beginning of the year	1,03,97,478	1,039.82	1,03,97,478	1,039.82
Add : Shares forfeited during the year	-	-	-	-
Balance at the end of the year	1,03,97,478	1,039.82	1,03,97,478	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 ₹ 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	%
M/s Anadi Investments Private Limited	77,57,687	74.61%	77,57,687	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 ₹ 10 per share were forfeited by Group against unpaid call money of ₹ 5 per equity share.

viii Details of shareholding of promoters**Shares held by promoters at the end of 31 March 2023**

Promoter name	No. of shares	%	% change during the year
Anadi Investments Private Limited	77,57,687	74.61%	-
Renuka Munjal	40,421	0.39%	-
Total	77,98,108	75.00%	-

Shares held by promoters at the end of 31 March 2022

Promoter name	No. of shares	%	% change during the year
Anadi Investments Private Limited	77,57,687	74.61%	-
Renuka Munjal	40,421	0.39%	-
Total	77,98,108	75.00%	-

Note - 15**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.

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2023

(₹ in lakhs)

	31 March 2023	31 March 2022
Note - 16		
A Borrowings		
Secured		
Term loans		
From bank	12,606.13	14,529.31
Vehicle loan	3.83	8.98
	12,609.96	14,538.29

Particulars	Nature of Security	Terms of repayment	Interest rate	31 March 2023	31 March 2022
Secured					
HDFC Bank - Overdraft	'Primary hypothecate by way of subservient charges on all movable plant and machinery, fixed assets both present and future of the Company 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 8% to 8.75%.	112.85	76.75
Deutsche Bank				2,107.97	3,021.71
HDFC Bank - Term Loan	Assignment of lease rental receivables from lessee, equitable mortgage on land and building, personal guarantee of Mahesh Munjal and Aayush Munjal	Equal monthly instalment for 12 years	The rate of interest ranges from 7.75% to 8.25%	11,954.60	12,736.38
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 ₹ 11.05 lakhs each.	The rate of interest ranges from 7.60% to 8.10%.	524.60	613.57
Vehicle loan					
Canara Bank	Vehicle loan is secured by mortgage of vehicle of the Company	84 EMI of ₹ 0.47 lakhs each	The rate of interest ranges from 9.20% to 9.45%.	9.04	13.74
				14,709.07	16,462.15

The carrying amounts of financial and non-financial assets pledged as security for current and non-current borrowings are disclosed in Note - 37.

(₹ in lakhs)

	31 March 2023	31 March 2022
B Borrowings - current		
Secured		
Overdraft facility:		
From banks	18.58	0.24
Current maturity of long-term borrowings	2,099.11	1,923.86
Margin trading facility (MTF)	61.86	-
	2,179.55	1,924.10

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2023

Particulars	Nature of Security	Terms of repayment	Interest rate	31 March 2023	31 March 2022
Secured					
ODFD facility from AU small finance bank	Lien on Fixed deposits of ₹ 175 lakh with bank	On demand	7.35%	18.58	0.24
Margin trading facility (MTF)	By way of pledge on securities purchased through margin trading facility (MTF).		The rate of interest ranges from 10.00% to 11.00%.	61.86	-
				80.44	0.24

Reconciliation of liabilities arising from financing activities

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

(₹ in lakhs)

Particulars	Borrowings	Lease liabilities	Total
1 April 2021	17,578.58	705.30	18,283.88
Cash flows:			
- Repayment	(1,116.19)	(110.62)	(1,226.81)
- Proceeds	-	-	-
Non-cash:			
- Acquisitions - lease liabilities	-	636.55	636.55
- Interest expense	-	81.76	81.76
31 March 2022	16,462.39	1,313.00	17,775.39
Cash flows:			
- Repayment	(1,753.08)	(175.51)	(1,928.59)
- Proceeds	80.20	-	80.20
Non-cash:			
- Acquisitions - lease liabilities	-	-	-
- Interest expense	-	129.12	129.12
31 March 2023	14,789.51	1,266.61	16,056.12

(₹ in lakhs)

	31 March 2023	31 March 2022
Note - 17		
A Lease liabilities non-current		
Lease liabilities	502.61	558.66
Long-term maturities of finance lease obligation	587.28	560.13
	1,089.89	1,118.79
B Lease liabilities- current		
Lease liabilities	128.87	146.35
Current maturities of finance lease obligations	28.86	28.86
	157.73	175.21

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2023

(₹ in lakhs)

	31 March 2023	31 March 2022
Note - 18		
A Other financial liabilities - non-current		
Security deposits	1,057.88	659.68
	1,057.88	659.68
B Other financial liabilities - current		
Security deposits	145.82	445.24
Salary payable	9.74	15.03
Interest accrued but not due	33.35	39.01
Unclaimed dividend [^]	10.99	10.99
Other payables*	239.50	256.48
	439.40	766.75

[^]Does not include any amounts outstanding as at 31 March 2023 which are required to be credited to Investor Education and Protection Fund.

*Other payables represents provision for expenses at the end of the year.

Note - 19

Deferred tax liabilities (net)		
Deferred tax liabilities arising on account of :		
Property, plant and equipment, investment property and other intangible assets	3,583.49	3,474.18
Financial instruments measured at amortised cost	15.26	14.15
Straightlining of rental income	5.55	7.04
Deferred tax asset arising on account of :		
Minimum alternative tax credit	(253.06)	(213.53)
Allowances for expected credit loss	(1.40)	-
Employee benefits	(2.73)	(0.98)
Deferred tax assets on account of Ind AS-116 "Leases"	(52.40)	(0.33)
	3,294.71	3,280.53

(i) Movement in deferred tax liabilities (net)

(₹ in lakhs)

Particulars	31 March 2022	Recognised in statement of profit and loss	Minimum alternative tax credit utilised	31 March 2023
Liabilities				
Property, plant and equipment, investment property and other intangible assets	3,474.18	109.31	-	3,583.49
Financial liabilities measured at amortised cost	14.15	1.11	-	15.26
Investments carried at FVTPL	-	-	-	-
Straightlining of rental income	7.04	(1.49)	-	5.55
Assets				
Minimum alternative tax credit *	(213.53)	(39.52)	-	(253.06)
Employee benefits	(0.98)	(1.75)	-	(2.73)
Financial instruments measured at amortised cost	-	-	-	-
Deferred tax assets on account of Ind AS-116 "Leases"	(0.33)	(52.07)	-	(52.40)
Total	3,280.53	15.59	-	3,296.11

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2023

Particulars	1 April 2021	Recognised in statement of profit and loss	Minimum alternative tax credit utilised	31 March 2022
Liabilities				
Property, plant and equipment, investment property and other intangible assets	3,346.72	127.46	-	3,474.18
Financial liabilities measured at amortised cost	12.40	1.75	-	14.15
Straightlining of rental income	13.25	(6.21)	-	7.04
Assets				
Minimum alternative tax credit *	(216.52)	-	2.98	(213.53)
Employee benefits	-	(0.98)	-	(0.98)
Deferred tax assets on account of Ind AS-116 "Leases"	-	(0.33)	-	(0.33)
Total	3,155.85	121.69	2.98	3,280.53

* Expiry date of minimum alternative tax credit

Expiry year	31 March 2023	31 March 2022
1 April 2029 - 31 March 2029	196.02	178.48
1 April 2034 - 31 March 2035	35.05	35.05
1 April 2037 - 31 March 2038	21.99	-
Total	253.06	213.53

Note - 20

A Provisions - non-current		
Employees' post retirement/long-term benefits		
Gratuity	27.00	30.85
	27.00	30.85
B Provisions - current		
Employees' post retirement/long-term benefits		
Gratuity	11.77	7.44
Compensated absences	7.89	7.08
Provision for expenses	3.90	1.02
Provision for taxation	11.10	8.10
	34.66	23.64

Note - 21

A Other non - current liabilities		
Deferred income	320.93	237.52
	320.93	237.52
B Other current liabilities		
Statutory taxes payable	65.57	85.32
Advance received from customers	500.03	12.90
Deferred income	73.85	83.99
Others	11.83	18.44
	651.28	200.65

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2023

(₹ in lakhs)

	31 March 2023	31 March 2022
Note - 22		
Trade payables		
Due to micro and small enterprises	-	-
Due to others	74.64	114.42
	74.64	114.42

*Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006") as at 31 March 2023 and 31 March 2022:

Particulars	31 March 2023	31 March 2022
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.

Aging for trade payables as at 31 March 2023

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	30.44	-	-	-	30.44
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	44.20	44.20
Total	30.44	-	-	44.20	74.64

Aging for trade payables as at 31 March 2022

Particulars	Outstanding for following periods from due date of payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) MSME	-	-	-	-	-
(ii) Others	38.84	17.68	12.13	1.57	70.22
(iii) Disputed dues - MSME	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	44.20	44.20
Total	38.84	17.68	12.13	45.77	114.42

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2023

(₹ in lakhs)

	31 March 2023	31 March 2022
Note - 23		
Income from operations		
Sale of services		
Rental income	3,351.29	3,476.48
Real estate & management services	1,606.59	1,416.68
	4,957.88	4,893.16
Note - 24		
Other income		
Interest income		
- Income Tax Refunds	29.58	4.93
- Others	9.70	7.74
- Bank deposits	148.15	149.41
- Financial assets carried at amortised cost	3.41	2.93
Dividend received	875.26	874.95
Liabilities written back	41.60	61.24
Provision written back	8.60	-
Balance written-off recovered	-	12.11
Bad debts written-off recovered	0.70	-
Dividend on investment classified as FVTPL	3.01	0.44
Gain on investment classified as FVTPL	-	182.02
Allowances for doubtful debts written back	1.79	-
Insurance claim received	0.82	-
Miscellaneous receipts	22.51	11.87
	1,145.13	1,307.64
Note - 25		
Employee benefits expense		
Salaries and incentives	553.99	478.13
Contributions to provident and other fund	49.81	39.46
Staff welfare expenses	7.95	3.16
	611.75	520.75
Note - 26		
Finance costs		
Interest on:		
- Term loan from banks	1,148.13	1,259.46
- Overdraft from banks	3.69	6.22
- Finance lease	56.31	53.54
- Financial instruments carried at amortised cost	84.68	87.85
- Lease liabilities	72.81	28.22
Bank commission and charges	5.83	1.94
	1,371.45	1,437.23
Note - 27		
Depreciation and amortisation expense		
Depreciation on:		
Property, plant and equipment	94.30	95.53
Investment property	613.96	609.21
Amortisation on:		
Intangible assets	61.37	70.93
Right-of-use assets	110.34	84.39
	879.97	860.06

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2023

(₹ in lakhs)

	31 March 2023	31 March 2022
Note - 28		
Other expenses		
Rent	0.08	0.08
House keeping and security	53.30	40.68
Business promotion	11.73	30.89
Repairs and maintenance		
- Buildings	79.55	58.51
- Plant and Machinery	17.73	10.75
- Others	7.58	3.82
Legal and professional	316.75	181.74
Printing and stationery	2.33	1.39
Auditor's remuneration		
- Statutory audit fee	4.75	4.75
- Tax audit fee	1.25	1.25
- Others	10.00	-
Insurance	27.62	32.63
Commission and brokerage	120.15	9.57
Annual maintenance charge	39.34	32.12
Festival Expenses	1.68	1.81
Corporate social responsibility	24.40	53.06
Travelling and conveyance	26.88	13.00
Water, electricity and fuel	24.67	22.54
Fine and penalties	0.38	1.00
Director's sitting fees	17.00	19.55
Balances written off	15.74	3.88
Rates and taxes	36.68	31.75
Listing and depository charges	4.40	3.91
Bad Debts written-off	-	9.78
Allowances for expected credit loss	38.53	219.39
Fees and subscriptions	5.71	3.84
Electrical and mechanical	4.86	0.06
Telephone and communication	8.47	7.49
Loss on investment classified as FVTPL	31.84	-
Postage & Courier	0.24	0.20
Web hosting and data feeding	0.88	0.80
Software expenses	1.24	0.23
Prior period expenses	2.46	-
Miscellaneous expenses	3.52	0.27
	941.74	800.74

* **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.

- Gross amount required to be spent by the company during the year is ₹ 24.40 lakhs (previous year ₹ 40.28 lakhs).
- Amount spent during the financial year ended 31 March 2023 and 31 March 2022 on:

(₹ in lakhs)

Particulars		In cash	Yet to be paid in cash	Total
Construction/acquisition of any asset	31 March 2023	-	-	-
	31 March 2022	-	-	-
On purpose other than above	31 March 2023	21.49	-	21.49
	31 March 2022	58.26	-	58.26

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2023

(₹ in lakhs)

*Corporate social responsibility (CSR) expenses	31 March 2023	31 March 2022
1. Amount required to be spent by the company during the year	24.40	40.28
2. Amount of expenditure incurred [^]	21.49	58.26
3. Shortfall/(excess) at the end of the year	2.91	(6.99)
4. Total of previous years shortfall/(excess)	(5.21)	12.77
5. Reason for shortfall	NA	NA
6. Nature of CSR activities	Disaster Relief, Education, Skilling, Water, Sanitation and Hygiene	
7. details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	-	-

*CSR expenses of ₹ 12.77 Lakhs required to be spent/recognised in FY 2020-21 but were spent/recognised during the FY 2021-22.

[^]Amount of expenditure incurred also include unspent amount of ₹ 7.76 Laksh (31 March 2022: ₹ 12.75 Lakhs) transferred to Unspent CSR Bank Account within stipulated time.

(₹ in lakhs)

	31 March 2023	31 March 2022
Note - 29		
Income tax		
Tax expense comprises of:		
Current tax	131.65	256.81
Less : MAT Credit	(21.99)	-
Deferred tax charge	799.65	688.44
MAT credit reversal on account of adoption of new tax rate	-	1,729.93
DTA on account of adoption of new tax rate	-	(1,743.41)
Earlier years tax adjustments (net)	(21.34)	2.75
Income tax expense reported in the statement of profit and loss	887.97	934.52

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 25.168% (31 March 2022: 25.168%) and the reported tax expense in profit or loss are as follows:

Accounting profit before income tax	1,360.44	1,990.29
At India's statutory income tax rate of 25.168%(31 March 2022: 25.168%)	342.40	500.92
Tax effect of amounts which are not deductible (taxable) in calculating taxable income:		
Tax impact of expenses which will never be allowed	12.92	14.24
Earlier years tax adjustments (net)	(21.34)	2.75
Effect of changes in tax rate	-	13.48
Tax on income at different rates	15.72	32.67
Others	538.28	370.46
Income tax expense	887.97	934.52

Note - 30

Earnings per share		
Net profit attributable to equity shareholders		
Profit/(Loss) for the period (A) (₹ in lakhs)	472.47	1,055.77
Weighted average number of equity shares for basic EPS (B)	1,03,97,478.00	1,03,97,478.00
Effect of dilution	-	-
Weighted average number of equity shares adjusted for the effect of dilution (C)	1,03,97,478.00	1,03,97,478.00
Basic EPS (₹) (A/B)	4.54	10.15
Diluted EPS (₹) (A/C)	4.54	10.15

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2023

Note - 31

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

(₹ in lakhs)

Particulars	31 March 2023			31 March 2022		
	FVTPL	FVOCI*	Amortised cost	FVTPL	FVOCI*	Amortised cost
Financial assets						
Investments						
Equity instruments	1,090.34	20,539.31	-	328.38	20,671.20	-
Mutual Fund	-	-	-	142.29	-	-
Derivatives	-	-	-	3.21	-	-
Trade receivables	-	-	18.35	-	-	186.40
Cash and cash equivalents	-	-	10.30	-	-	26.87
Other bank balances	-	-	78.90	-	-	76.62
Other financial assets	-	-	2,869.15	-	-	3,343.39
Security deposits	-	-	317.71	-	-	316.47
Total financial assets	1,090.34	20,539.31	3,294.41	473.88	20,671.20	3,949.75
Financial liabilities						
Borrowings	-	-	14,789.51	-	-	16,462.39
Lease liabilities	-	-	1,247.62	-	-	1,294.00
Trade payables	-	-	74.64	-	-	114.42
Other financial liabilities	-	-	1,497.28	-	-	1,426.43
Total financial liabilities	-	-	17,609.05	-	-	19,297.24

* 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 2023 and 31 March 2022:

Particulars	Period	Level 1	Level 2	Level 3	Total
Financial assets					
Investments at fair value through other comprehensive income (quoted)					
Equity investments	31 March 2023	20,539.31	-	-	20,539.31
	31 March 2022	20,671.20	-	-	20,671.20
Investments held for sale (fair value through profit or loss)					
Mutual Fund	31 March 2023	-	-	-	-
	31 March 2022	142.29	-	-	142.29
Equity investments	31 March 2023	1,090.34	-	-	1,090.34
	31 March 2022	328.38	-	-	328.38
Derivatives	31 March 2023	-	-	-	-
	31 March 2022	3.21	-	-	3.21

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2023

(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:

(₹ in lakhs)

Particulars	Level	31 March 2023		31 March 2022	
		Carrying value	Fair value	Carrying value	Fair value
Financial assets					
Security deposits	Level 3	317.71	317.12	316.47	316.67
Other financial assets	Level 3	2,869.15	2,869.15	3,343.39	3,343.39
Total financial assets		3,186.86	3,186.27	3,659.86	3,660.06
Financial liabilities					
Borrowings	Level 3	14,173.37	14,173.37	15,873.40	15,873.40
Finance lease obligations	Level 3	616.14	503.40	588.99	547.82
Lease liabilities	Level 3	631.48	636.77	705.01	718.07
Other financial liabilities	Level 3	1,497.28	1,467.50	1,426.43	1,419.94
Total financial liabilities		16,918.27	16,781.04	18,593.83	18,559.22

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:

- 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.
- 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 2023 was assessed to be insignificant.

Note - 32

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 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.

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2023

(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 loss fully provided for

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.

(₹ in lakhs)

Credit rating	Particulars	31 March 2023	31 March 2022
A: Low	Cash and cash equivalents, other bank balances, loans and other financial assets	3,276.06	3,763.35
B: Medium	Trade receivables	92.98	375.34

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.

(₹ in lakhs)

Particulars	31 March 2023	31 March 2022
Auto components	-	61.38
Consumer electronics	-	42.33
IT Industry	22.20	139.53
Telecom industry	0.48	1.09
Others	70.30	131.01
Total	92.98	375.34

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 –

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2023

As at 31 March 2023		(₹ in lakhs)	
Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	10.30	-	10.30
Trade receivables	92.98	(74.63)	18.35
Other bank balances	78.90	-	78.90
Loans	-	-	-
Other financial assets	3,186.86	-	3,186.86

As at 31 March 2022		(₹ in lakhs)	
Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Cash and cash equivalents	26.87	-	26.87
Trade receivables	375.34	(188.94)	186.40
Other bank balances	76.62	-	76.62
Loans	-	-	-
Other financial assets	3,659.86	-	3,659.86

(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.

		(₹ in lakhs)	
Particulars		31 March 2023	31 March 2022
Gross amount of trade receivables		92.98	375.34
Expected loss rate		80.26%	50.34%
Expected credit loss (loss allowance provision)		74.63	188.94

Reconciliation of loss provision – lifetime expected credit losses		(₹ in lakhs)
Reconciliation of loss allowance		Trade receivables
Loss allowance as on 1 April 2021		55.42
Impairment loss recognised/reversed during the year		133.53
Amounts written off		-
Loss allowance on 31 March 2022		188.95
Impairment loss recognised/reversed during the year		38.53
Amounts written off		(152.85)
Loss allowance on 31 March 2023		74.63

(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.

Maturities of financial liabilities

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

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2023

(₹ in lakhs)

31 March 2023	Less than 1 year	1 - 2 years	2 - 5 years	More than 5 years	Total
Non-derivative					
Borrowings	2,966.25	3,195.27	9,182.35	-	15,343.87
Obligations under finance lease	28.86	28.86	129.87	13,797.33	13,984.92
Trade payable	74.64	-	-	-	74.64
Security deposits	448.29	138.60	614.72	460.73	1,662.34
Lease liabilities	129.25	118.95	358.82	316.08	923.10
Other financial liabilities	138.64	-	-	-	138.64
Total	3,785.93	3,481.68	10,285.76	14,574.15	32,127.51

(₹ in lakhs)

31 March 2022	Less than 1 year	1 - 2 years	2 - 5 years	More than 5 years	Total
Non-derivative					
Borrowings	2,923.92	2,879.64	9,694.91	3,359.79	18,858.26
Obligations under finance lease	28.86	28.86	115.44	13,840.62	14,013.78
Trade payable	114.42	-	-	-	114.42
Security deposits	474.89	104.05	40.69	869.53	1,489.16
Lease liabilities	146.36	129.25	371.64	422.22	1,069.46
Other financial liabilities	145.88	-	-	-	145.88
Total	3,834.33	3,141.80	10,222.68	18,492.16	35,690.97

The Group had access to following funding facilities :

As at 31 March 2023

(₹ in lakhs)

Particulars	Total Facility	Drawn	Undrawn
Less than 1 year	4,118.91	2,375.82	1,743.09
1-2 years	2,451.21	2,451.21	-
Above 2 years	12,158.59	10,428.84	1,729.75
Total	18,728.71	15,255.87	3,472.84

As at 31 March 2022

(₹ in lakhs)

Particulars	Total Facility	Drawn	Undrawn
Less than 1 year	3,897.47	2,743.25	1,154.22
1-2 years	1,992.45	1,992.45	-
Above 2 years	12,311.50	12,099.38	212.12
Total	18,201.42	16,835.08	1,366.34

(C) Market risk

(i) 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:

(₹ in lakhs)

Particulars	31 March 2023	31 March 2022
Variable rate borrowing	14,789.51	16,462.39
Fixed rate borrowing	-	-
Total borrowings	14,789.51	16,462.39

Majestic Auto Limited**Notes to the consolidated financial statements for the year ended 31 March 2023****Sensitivity**

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

(₹ in lakhs)

Particulars	31 March 2023	31 March 2022
Interest rates – increase by 25 basis points	(36.97)	(41.16)
Interest rates – decrease by 25 basis points	36.97	41.16

(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 -

(₹ in lakhs)

Particulars	31 March 2023	31 March 2022
Price sensitivity		
Price increase by (5%) - FVOCI	1,026.97	1,033.56
Price decrease by (5%) - FVOCI	(1,026.97)	(1,033.56)
Price increase by (5%) - FVTPL	54.52	23.69
Price decrease by (5%) - FVTPL	(54.52)	(23.69)

Note - 33**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.

(₹ in lakhs)

Particulars	31 March 2023	31 March 2022
Net debts*	15,981.28	17,691.91
Total equity	42,799.15	42,569.05
Net debt to equity ratio	0.37	0.42

*Net debt = long-term borrowings + short-term borrowings + current maturities of long-term borrowings + bank 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

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2023

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

- Mr. Mahesh Munjal (Managing Director)
- Mr. Aayush Munjal (Joint Managing director)
- Ms. Ashima Munjal (Director) retired w.e.f. 23rd September 2022
- Mr. Anil Kumar Sharma (Independent Director)
- Mr. Rajesh Kumar Yaduvanshi (Independent Director) w.e.f 12th October 2021
- Mr. Prateek Garg (Independent Director) w.e.f 23rd December 2022
- Ms. Ayushi Jain (Director) w.e.f 07th November 2022
- Mr. Pradip Kumar Mittal (Independent Director) resign w.e.f 5th November 2022
- Mr. Vikas Nanda (Independent Director) resign w.e.f 02nd September 2021
- Mr. Naveen Jain (Independent Director) resign w.e.f 02nd September 2021
- Mr. Sham Lal Mohan (Independent Director) resign w.e.f 02nd September 2021
- Mr. Rajpal Singh Negi (Chief Financial Officer)
- Ms. Parul Chadha (Company Secretary) w.e.f. 25th May 2022
- Ms. Juhi Garg (Company Secretary) till 03rd August 2021
- Mr. Dinesh Pandey (Company Secretary) from 01st February 2022 to 02nd February 2022
- Mrs. Renuka Munjal (wife of Managing Director)

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

- M/s OK Hosiery Mills Private Limited

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

S.No	Particulars	Year	Related Parties			Total
			Holding Company	Key Management Personnel and their relatives	Enterprise over which KMP exercise significant influence	
1	Dividend paid	31 March 2023	581.83	3.03	-	584.86
		31 March 2022	581.83	3.03	-	584.86
2	Electricity expenses	31 March 2023	-	-	11.72	11.72
		31 March 2022	-	-	8.99	8.99
3	Maintenance and management expenses	31 March 2023	-	-	18.59	18.59
		31 March 2022	-	-	9.36	9.36
4	Remuneration paid*	31 March 2023	-	433.20	-	433.20
		31 March 2022	-	372.20	-	372.20
5	Rent paid	31 March 2023	-	-	111.55	111.55
		31 March 2022	-	-	83.34	83.34
6	Sitting Fees	31 March 2023	-	17.00	-	17.00
		31 March 2022	-	19.55	-	19.55
7	Security deposit given	31 March 2023	-	-	-	-
		31 March 2022	-	-	24.94	24.94

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2023

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

Particulars	(₹ in lakhs)	
	31 March 2023	31 March 2022
Salaries and incentives	433.20	372.20
	433.20	372.20

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

S.No	Particulars	Year	Related Parties			Total
			Holding Company	Key Management Personnel and their relatives	Enterprise over which KMP exercise significant influence	
1	Security deposit	31 March 2023	-	-	54.26	54.26
		31 March 2022	-	-	54.26	54.26
2	Trade Payable	31 March 2023	-	-	-	-
		31 March 2022	-	-	0.47	0.47
3	Remuneration payable	31 March 2023	-	14.68	-	14.68
		31 March 2022	-	19.44	-	19.44

Note - 35

Contingent liabilities and commitments (to the extent not provided for)

Contingent liabilities shall be classified as under:-

Particulars	(₹ in lakhs)	
	31 March 2023	31 March 2022
(b) Guarantees excluding financial guarantees;		
Bank Guarantees	44.20	44.20
Total	44.20	44.20

(a) The Group does not expect any reimbursement in respect of the above contingent liabilities.

Note - 36

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.

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2023

i) Amounts recognized in the balance sheet		(₹ in lakhs)	
Particulars	31 March 2023	31 March 2022	
Present value of the obligation	43.83	43.01	
Fair value of plan assets	5.05	4.72	
Net obligation recognised in balance sheet as provision	38.78	38.29	
Current liability (amount due within one year)	11.77	7.44	
Non-current liability (amount due over one year)	27.01	30.85	
ii) Expenses recognized in other comprehensive income		(₹ in lakhs)	
Particulars	31 March 2023	31 March 2022	
Actuarial gain/(loss) on asset	(0.01)	0.01	
Actuarial gain/(loss) on present benefit obligation	(10.02)	(2.96)	
Unrecognised actuarial gain at the end of the year	(10.03)	(2.95)	
iii) Actuarial (gain)/loss on obligation		(₹ in lakhs)	
Particulars	31 March 2023	31 March 2022	
Actuarial (gain)/loss net on account of:			
- Changes in demographic assumptions	-	-	
- Changes in financial assumptions	(0.48)	(1.55)	
- Changes in experience adjustment	10.51	4.51	
iv) Expenses recognised in statement of profit and loss		(₹ in lakhs)	
Particulars	31 March 2023	31 March 2022	
Current service cost	8.02	6.24	
Interest cost	2.76	2.60	
Cost recognised during the year	10.79	8.84	
v) Movement in the liability recognised in the balance sheet is as under:		(₹ in lakhs)	
Particulars	31 March 2023	31 March 2022	
Present value of defined benefit obligation at the beginning of the year	38.29	38.16	
Current service cost	8.02	6.24	
Interest cost	2.76	2.60	
Actuarial gain on obligation	10.03	2.95	
Benefits paid	(20.33)	(11.66)	
Present value of defined benefit obligation at the end of the year	38.77	38.29	
vi) Change in plan assets is as under:		(₹ in lakhs)	
Particulars	31 March 2023	31 March 2022	
Fair value of plan assets at the beginning of the period	4.72	4.41	
Actual return on plan assets	0.33	0.31	
Employer contribution	-	-	
Benefits paid	-	-	
Fair value of plan assets at the end of the period	5.05	4.72	
vii) Major categories of plan assets (as percentage of total plan assets)			
Particulars	31 March 2023	31 March 2022	
Funds managed by insurer	100%	100%	
Total	100%	100%	

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2023

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

Particulars	31 March 2023	31 March 2022
Discount rate	7.34%	7.22%
Salary escalation rate	5.50% - 9.00%	5.50% - 9.00%
Retirement Age (years)	58.00	58.00
Withdrawal rate		
Up to 30 years	3.00%	3.00%
From 31 to 44 years	2.00%	2.00%
Above 44 years	1.00%	1.00%

Mortality rates inclusive of provision for disability -100% of IALM (2012-14) (31 March 2022: IALM (20012-14))

viii) (b) Maturity profile of defined benefit obligation

(₹ in lakhs)

Particulars	31 March 2023	31 March 2022
0 to 1 year	11.77	7.45
1 to 2 year	2.72	4.70
2 to 3 year	0.78	2.00
3 to 4 year	0.77	0.77
4 to 5 year	2.95	0.55
5 to 6 year	0.45	2.72
6 year onwards	24.39	24.83

ix) Sensitivity analysis for gratuity liability

(₹ in lakhs)

Particulars	31 March 2023	31 March 2022
a) Impact of the change in discount rate		
Present value of obligation at the end of the year	43.83	43.01
Impact due to increase of 0.50 %	(1.93)	(1.93)
Impact due to decrease of 0.50 %	2.10	2.10
b) Impact of the change in salary increase		
Present value of obligation at the end of the year	43.83	43.01
Impact due to increase of 0.50 %	2.09	1.61
Impact due to decrease of 0.50 %	(1.93)	(1.49)

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.

Note - 37

Assets pledged as security

The carrying amounts of assets pledged as security are:

(₹ in lakhs)

Particulars	31 March 2023	31 March 2022
Non-current		
Second charge		
Investment in equity instruments valued through OCI	18,670.12	18,282.53
Total non-current assets pledged as security	18,670.12	18,282.53
Current		
First charge		
Margin money	67.91	65.63
Investment in equity instrument valued through profit and loss	307.28	
Total current assets pledged as security	375.19	65.63
Total assets pledged as security	19,045.31	18,348.16

Majestic Auto Limited

Notes to the consolidated financial statements for the year ended 31 March 2023

Note - 38

Dividend

Dividends paid during the year ended March 31, 2023 ₹ 7.50 per equity share (March 31, 2022 ₹ 7.50 per equity share).

Note - 39

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

Based on guiding principles given in Ind AS-108 on "Operating segments", the Company's business activity fall within a single operating segment namely real estate and management services. Accordingly, the disclosure requirements of Ind AS-108 are not applicable.

Information about major customer

During the year ended 31 March 2023 revenue of approximately 75.90% (previous year 31 March 2022: 82.98%) are derived from two external customer under 'Real Estate & Management Service'.

Note - 40

Interest in other entities

Subsidiaries

The Group's subsidiaries at 31 March 2023 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 2023	31 March 2022	
Majestic IT Services Limited	India	INR	100%	100%	Facility management services
Emirates Technologies Private Limited	India	INR	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 2023	31 March 2022	31 March 2023	31 March 2022
Emirates Technologies Private Limited	20%	20%	94.12	150.59

Summarised financial information for Emirates Technologies Private Limited is set out below:

(₹ in lakhs)

Particulars	31 March 2023	31 March 2022
Non-current assets	23,596.82	23,359.27
Current assets	826.70	1,263.94
Total assets	24,423.52	24,623.21
Non-current liabilities	16,713.04	17,151.55
Current liabilities	2,108.14	2,339.96
Total liabilities	18,821.18	19,491.51
Equity attributable to the owners of the parent Company	4,481.89	4,105.36
Non-controlling interests	1,120.45	1,026.34

Majestic Auto Limited**Notes to the consolidated financial statements for the year ended 31 March 2023**

(₹ in lakhs)

Particulars	31 March 2023	31 March 2022
Profit for the year	470.57	752.94
Profit for the year attributable to the owners of the Parent	376.46	602.35
Profit for the year attributable to non-controlling interest	94.11	150.59
Profit for the year	470.57	752.94
Other comprehensive income	0.07	-
Total comprehensive income attributable to the owners of the Parent	376.51	602.35
Total comprehensive income attributable to non-controlling interest	94.12	150.59
Total comprehensive income	470.64	752.94

Note - 41**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	78.88%	33,758.46	45.92%	216.96	99.97%	545.47	75.49%	762.43
Indian subsidiaries								
Majestic IT Services Limited	4.44%	1,900.66	-78.88%	(372.67)	0.03%	(8.10)	-37.70%	(380.77)
Emirates Technologies Private Limited	14.06%	6,019.58	113.04%	534.07	0.00%	0.06	52.89%	534.13
Non-controlling interest in subsidiary								
	2.62%	1,120.45	19.92%	94.11	0.00%	0.01	9.32%	94.12
Total	100.00%	42,799.15	100.00%	472.47	100.00%	537.44	100.00%	1,009.91

For MKRS & Associates LLP

Chartered Accountants

Firm Registration No. 104857W/W100216

For and on behalf of **Majestic Auto Limited****CA Anubhav Goyal**

Partner

Membership No. 123328

Place: Delhi

(Rajpal Singh Negi)

Chief Financial Officer

Place: Noida

(Mahesh Munjal)

Managing Director

DIN 00002990

Place: Delhi

(Parul Chadha)

Company Secretary

M. No. A50171

Place: Delhi

(Dr. Rajesh Kumar Yaduvanshi)

Director

DIN-07206654

Place: Delhi

Date : 27 May 2023

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014 read with Companies (Accounts) Amendment Rules, 2016)

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

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

S. No.	Particulars	Details	Details
1	Sl. No.	1	2
2	Name of the subsidiary	Majestic IT Services Limited	Emirates Technologies Private Limited
3	The date since when subsidiary was acquired	12/12/2009	23/09/2015
4	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	2022-23	2022-23
5	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA	NA
6	Share capital	169,765,000	200,000,000
7	Reserves and surplus	23,710,000	360,234,000
8	Total assets	230,139,000	2,442,352,000
9	Total Liabilities	36,664,000	1,882,118,000
10	Investments	65,332,000	0
11	Turnover	36,000,000	285,961,000
12	Profit before taxation	867,000	58,412,000
13	Provision for taxation	3,331,000	98,340,000
14	Profit after taxation	-1,267,000	47,057,000
15	Proposed Dividend	0	0
16	Extent of shareholding (in percentage)	100%	80%

Note:

1. Name of subsidiaries which are yet to commence operations-
2. Name of subsidiaries which have been liquidated or sold during the year-

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of associates/Joint Ventures	Not Applicable	Not Applicable
1. Latest audited Balance Sheet Date	———— NA ————	
2. Date on which the Associate or Joint Venture was associated or acquired		
3. Shares of Associate or Joint Ventures held by the company on the year end		
No.		
Amount of Investment in Associates/Joint Venture		
Extend of Holding %		
4. Description of how there is significant influence		
5. Reason why the associate/joint venture is not consolidated		
6. Net worth attributable to shareholding as per latest audited Balance Sheet		
7. Profit or Loss for the year		
i. Considered in Consolidation		
ii. Not Considered in Consolidation		

Note:

- Name of associates/joint ventures which are yet to commence operations-
- Name of associates/joint ventures which have been liquidated or sold during the year-

For MKRS & Associates LLP

Chartered Accountants

Firm Registration No. 104857W/W100216

CA Anubhav Goyal

Partner

Membership No. 123328

Place: Delhi

Date : 27 May 2023**Place : Delhi****By Order of the Board of Directors
For and on behalf of Majestic Auto Limited****(Rajpal Singh Negi)**

Chief Financial Officer

Place: Noida

(Parul Chadha)

Company Secretary

M. No. A50171

Place: Delhi

(Mahesh Munjal)

Managing Director

DIN 00002990

Place: Delhi

(Dr. Rajesh Kumar Yaduvanshi)

Director

DIN-07206654

Place: Delhi



MAJESTIC

MAJESTIC AUTO LIMITED

CORPORATE OFFICE:

A-110, Sector-4, Noida-201301

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