

NOTICE

Notice is hereby given that the 6th Annual General Meeting of the members of Majestic IT Services Limited will be held on Tuesday, the 29th September, 2015 at 11.30 a.m. at Registered office of the Company at N-12, First Floor, Kailash Colony, New Delhi-110048 to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2015 and the Statement of Profit and Loss for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint a director in place of Sh. Mahesh Munjal (DIN No.00002990), who retires by rotation and being eligible, offers himself for reappointment.
3. **TO CONSIDER AND IF THOUGH FIT, TO PASS, THE FOLLOWING RESOLUTION AS ORDINARY**

RESOLUTION:

"RESOLVED THAT pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, the appointment of M/s. B.D. Bansal & Co., Chartered Accountants (ICAI Firm Registration No. 000621N), as Auditors of the Company for a term of three years i.e. till the conclusion of the 08th Annual General Meeting to be held in the year 2017, which was subject to ratification at every Annual General Meeting, be and is hereby ratified to hold the office from the conclusion of this Annual General Meeting till the conclusion of 07th Annual General Meeting of the Company to be held in the year 2016, at such remuneration, reimbursement of out-of-pocket expenses, travelling and other expenses incurred in connection with audit to be carried out by them, as may be mutually agreed between the Board of Directors of the Company and the Auditors.

SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to the provisions of Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and Articles of Association of the Company and subject to the such approval as may be necessary under the provisions of Act, if any, the consent of the shareholders of the Company be and is hereby accorded to re-appoint Ms. Aashima Munjal as Managing Director of the Company for a period of three years w.e.f. December 12, 2015."

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

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

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

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

**By Order of the Board of Directors
For Majestic IT Services Limited**

Place: Noida

Date : 12.08.2015

**(Aashima Munjal)
Managing Director**

NOTES

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING. A BLANK PROXY FORM IS ENCLOSED.**
2. All documents referred to in the accompanying notice are open for inspection at the Registered Office of the Company during office hours upto the date of Annual General Meeting.

Majestic IT Services Limited

Registered Office: N-12, First Floor, Kailash Colony, New Delhi, **Corporate Office:** A-110, Ground Floor, Sector 4, Noida (UP)-201 301, **Ph.:** 0120-4582000

3. Members are requested to bring their copy of the Annual Report alongwith them to the Annual General Meeting.
4. Members / Proxies should bring the attendance slip sent herewith, duly filled in, for attending the Annual General Meeting.
5. Pursuant to the provisions of Section 109A of the Companies Act, 1956, every shareholder or joint holders 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.
6. Members are requested to notify the Company of any change in their addresses so as to enable the Company to address future communication to their correct addresses.

EXPLANTATORY STATEMENT PURSUANT TO SECTION 102(2) OF THE COMPANIES ACT, 2013 FORMING PART OF NOTICE OF ANNUAL GENERAL MEETING

Item No.4

The Board of Directors of the Company in its meeting held on 12.08.2015, has re-appointed Ms. Ashima Munjal as Managing Director of the Company subject to the approval of shareholders for a period of 3 years w.e.f. 12.12.2015 to 11.12.2018 at the remuneration in accordance with the norms laid down in Schedule V and all other applicable provisions of the Companies Act, 2013, as reproduced herein below:-

1. Basic Salary

Salary @ Rs.1,30,000/- per month in the scale of 1,30,000 – 10,000 – 1,50,000/- per month.

2. HRA

HRA at 50% of Basic Salary.

3. Medical

Medical Rs.1250/- (P.M.)

4. Special Allowance

Special Allowance @ 40% of Basic Salary. (P.M.).

5. Perquisites and allowances

In addition to the above she shall be entitled to be reimbursed the following perquisites and allowances:-

i) **Car** : Facility of Car with driver to be used for the business of the Company ;

ii) **Telephone** : Free telephone facility including Mobile Phone and landline at residence to be used for the business of the Company ;

iii) **Reimbursement of expenses**: Reimbursement of entertainment, traveling, hotel and other expenses actually and properly incurred for the business of the Company;

iv) **Contribution to Provident Fund**:

Company's contribution to Provident Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961.

v) **Gratuity**: Not exceeding half month's salary for each completed year of service.

vi) Encashment of leave at the end of the financial year.

6. Leave Travel Concession:

For the appointee and his family once in a year incurred in accordance with the rules specified by the Company..

- 7. Minimum Remuneration:** If in any financial year during the tenure of the appointee, the Company has no profits or its profits are inadequate, the appointee shall be entitled to remuneration by way of salary, perquisites, allowances, specified above as minimum remuneration subject to the ceilings as prescribed under Section II of Part II of Schedule V to the Companies Act, 2013 as minimum remuneration or such other limits as may be prescribed by the Government from time to time as minimum remuneration. For the purpose of computation of minimum remuneration, the following shall not be included:-
- i) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent of these either singly or put together are not taxable under the Income Tax Act, 1961.
 - ii) Gratuity at the rate not exceeding half a month's salary for each completed year of service, and
 - iii) Encashment of leave at the end of the financial year.
- 8. Sitting Fees:** The Managing Director shall not be paid any sitting fees for attending the meetings of the Board or Committee thereof.

The document referred to in the proposed resolution is available for inspection at the Registered Office of the Company during working hours between 9.30 a.m. to 6.00 p.m. except on holidays.

The aforesaid terms and conditions may be treated as an abstract of the terms of the contract and memorandum of the nature of the concern or interest of Directors pursuant to Section 102 of the Companies Act, 1956. The Board of Directors of your Company recommends passing of the Special Resolution as contained under Item No.4 above.

Memorandum of Interest:

None of the Directors except Sh. Mahesh Munjal the Chairman of the Company being the relatives of the appointee and the appointee herself are concerned or interested in passing of this resolution.

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

I. General Information:

1	Nature of Industry	The Company is engaged in the business of providing information and technology related services.
2	Date of commencement of commercial production	03.02.2010
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions	N.A

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	appearing in the prospectus		
4	Financial performance based on given indicators	2014-15 (In lac)	2013-14 (In lac)
	Revenue	237.05	149.07
	Net Profit	(264.89)	(385.41)
5.	Foreign investments or collaborators, if any	None	

II. Information about the appointee:

1.	Background details	Ms. Ashima Munjal was appointed as a Managing Director of the Company w.e.f. 12.12.2009 in pursuant to the provisions of the Articles of Association of the Company. She was subsequently re-appointed as Managing Director w.e.f. 12.12.2012 with the approval of shareholders of the Company. She has Masters of Science in Engineering Degree and Bachelors in Computer Science from the Johns Hopkins University USA. Previously, She has worked with the Centre for Networking and Distributed Systems at Johns Hopkins University, Unisys Corporation and the Veteran Health Administration in the United States of America. She is also having good experience of the business process outsourcing industry.
2.	Past remuneration	Presently her Basic Salary is Rs.75000/- p.m. Other allowances and perquisites are as per resolution passed by Shareholders in their AGM held on 27.09.2012
3.	Recognition or awards	-
4.	Job profile and his suitability	Job Profile: Ms. Aashima Munjal is having rich experience of running service Industries and shall be responsible for the overall affairs of the Company. Suitability : Your Board considers that the re-appointment of Ms. Aashima Munjal having such experience will be in the best interests of the Company and therefore, Recommends passing of the Special Resolution as stated Above
5.	Remuneration proposed	As per Resolution
6.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin	Keeping in view the type of the industry, size of the Company, the responsibilities and capabilities of Ms. Aashima Munjal, the proposed remuneration is competitive with remuneration paid by other Companies to such similar positions.

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7.	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	Except remuneration as mentioned above, she has no other pecuniary relationship directly or indirectly with the Company. She is the daughter of Mr. Mahesh Munjal, the Chairman of the Company
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III. Other Information

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

IV. Disclosures:

The disclosure regarding remuneration of all directors are given in Director's Report

**By Order of the Board of Directors
For Majestic IT Services Limited**

Place: Noida

Date : 12.08.2015

(Aashima Munjal)

Managing Director

DIRECTORS' REPORT

Dear Members

Your Directors have pleasure in presenting the Sixth Annual Report and Audited Statement of Accounts for the financial year ended March 31, 2015.

STATEMENT OF THE COMPANY'S AFFAIRS

The salient features of the Company's financial results are shown below:

	For the Financial ended,	
	31.03.2015	31.03.2014
	Amount (INR)	Amount (INR)
Gross Revenue	2,37,05,777	1,49,07,146
	=====	=====
Profit/(Loss) before Depreciation & Tax	(1,89,28,351)	(2,60,21,444)
Less: Depreciation	75,61,367	1,25,19,972
	-----	-----
Profit/(Loss) before Tax	(2,64,89,717)	(3,85,41,416)
Provision for Taxation	NIL	NIL
	-----	-----
Profit after Tax	(2,64,89,717)	(3,85,41,416)
Add/less: Previous year adjustments	NIL	Nil
	-----	-----
Surplus (loss) carried forward	(2,64,89,717)	(3,85,41,416)
	=====	=====

During the year under review, your company has suffered a loss of Rs. 2.64 crores as compared to loss of Rs. 3.85 crores of previous year. The Audited statement of accounts for the year ended March 31, 2015 is attached along with the Report.

DIVIDEND

The Company had is still in its product development phase and expansion. It did not earn any profits from operations. The Directors do not recommend any dividend for the period

MATERIAL CHANGES AND COMMITMENTS

There were no material changes and commitments affecting the financial position of the Company that have occurred between the end of the financial year of the Company and the date of signing of this report. Further there is no change in the nature of business of Company.

TRANSFER TO RESERVE IN TERMS OF SECTION 134(3)(j) OF THE COMPANIES ACT, 2013

For the Financial Year ended March 31, 2015, the Company has not transferred any sum to reserves.

EXTRACT OF ANNUAL RETURN

In accordance with Section 134(3) (a) of the Companies Act 2013, an extract of the annual return in the prescribed format is appended as an **Annexure I** to the Board's report

CIN No. U72900DL2009PLC196844

Majestic IT Services Limited

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RELATED PARTY TRANSACTIONS

There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the company at large. Thus, disclosure in form AOC-2 is not required

DIRECTORS

At the ensuing Annual General Meeting (AGM), Sh. Mahesh Munjal retires by rotation and being eligible, offers himself for reelection. The notice convening the ensuing AGM includes the proposal for his re-appointment as director.

The Board of Directors in its meeting held on 12.08.2015 has accorded its approval to re-appoint Ms. Aashima Munjal as Managing Director of the Company w.e.f. 12.12.2015 subject to the approval of the shareholders in the forthcoming Annual General Meeting. A resolution to the above effect has been set out in the notice of the 6th Annual General Meeting.

DIRECTOR'S RESPONSIBILITY STATEMENT:

In terms of Section 134 (5) of the Companies Act, 2013, the directors would like to state that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- ii) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.
- iii) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) The directors have prepared the annual accounts on a going concern basis.
- v) Being non-listed Company, laying down of internal financial controls are not applicable to company.
- 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

MEETINGS:

During the year, five Board Meetings were held on 27.05.2014, 13.08.2014, 07.11.2014, 06.02.2015 and 07.03.2015 respectively. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

STATEMENT ON DECLARATION BY INDEPENDENT DIRECTORS

All the independent directors have affirmed that they satisfy the criteria laid down under section 149 (6) of the Companies Act, 2013.

FIXED DEPOSITS

During the year under review, the Company has not accepted any deposit under Section 58A and 58AA of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975.

INTERNAL CONTROL SYSTEMS

The Company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that the transactions are authorized, recorded and reported correctly. The internal control system has been designed to ensure that the financial and other records are reliable for preparing financial and other statements and for maintaining accountability of assets.

AUDITORS

At the Annual General Meeting held on 30th September, 2014 M/s B.D. Bansal and Co., Amritsar were appointed as statutory auditors of the Company to hold office till the conclusion of the 08th Annual General Meeting. In terms of the first proviso to Section 139 of the Companies Act, 2013 the appointment of the auditors shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of M/s B.D. Bansal and Co., Amritsar as statutory auditors of the Company, is placed for ratification by the shareholders. In this regard, the Company has received a certificate from the auditors to the effect that their appointment is in accordance with the provisions of Section 141 of the Companies Act, 2013. The auditors' report on the accounts of the Company for the year under review requires no comments.

AUDITORS' REPORT

As regards the Auditors' Report, the respective notes to the accounts are self-explanatory and therefore do not call for any comments.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

No loan, investment was made and guarantee was provided by the Company within the provisions of Section 186 of the Companies Act, 2013.

HOLDING COMPANY

The Holding Company, Majestic Auto Limited is holding 1,64,39,500 equity shares in the company of Rs. 10/- each equivalent to 98.80% of the paid up capital of the company as on 31st March 2015.

PARTICULARS OF EMPLOYEES

Since company is not a listed company, the information required pursuant to Section 197 read with Rule 5 of the Companies Appointment and Remuneration of Managerial Personnel) Rules, 2014 is not required to furnish. Further during the year under review there was no employee drawing remuneration exceeding the limits as specified under section 197(12) read with Rule 5(2) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014

REMUNERATION POLICY

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed a policy for selection and appointment of Directors, Key Managerial Personnel, Senior Management and their Remuneration. The Key provisions of Nomination and Remuneration policy are appended as an **Annexure II** to the Board's report

Further the detail of the remuneration paid to Managing Director during the year under review is mentioned here under:-

Name of the Managing Director	Salary	Bonus	Commission	Other benefit and perquisites	Cont. to P.F. and Superannuation Fund	Performance linked incentives	Total	Service Contract
Ms. Aashima Munjal	9,00,000	-	-	9,00,000	-	-	18,00,000	3 years

The company has re-appointed Ms. Aashima Munjal for a period of 3 years w.e.f.12.12.2015. There is no severance fee or notice period payable to Managing Director. Non-executive Directors has been not been any remuneration

AUDIT COMMITTEE

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

1. Sh. Vikas Nanda, Chairman (Non- Executive Independent)
2. Sh. Deepak Loomba Member (Non- Executive Independent)
3. Sh. Mahesh Munjal Members (Non-Executive Independent)

During the year there was no such recommendation of the Audit Committee which was not accepted by the Board. Hence, disclosure of the same is not required in this Report.

DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY

The Company has been addressing various risks through well-defined risk management Policy/ procedures, which are in the opinion of the Board may threaten the existence of the company

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Being the company do not fall under the purview of section 135 of the Companies Act, 2013, provisions regarding constitution of CSR committee, framing policy on CSR or spend any money on CSR are not applicable to company.

DETAIL OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURT OR TRIBUNALS

No such orders have been passed impacting the going concern status and company's operation in future.

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

(A) Conservation of energy

1. The company has taken adequate step to conserve the energy including organizing training programme for employees.
2. Steps taken for utilising alternate sources of energy: The Company is exploring petential of using alternate source
3. Capital investment on energy conservation equipment during the year: NIL

- (B) Technology Absorption: During the year under review no expenditure was incurred toward import of technology and research and development.
- (C) Foreign Exchange earning and outgo: During the year under review, the Company has neither earned nor used any foreign exchange.

ACKNOWLEDGEMENTS

Your Directors place on record their gratitude for the continuing support of Shareholders, bankers and Business associates at all levels.

For and on behalf of the Board

Place: Noida,
Date: August 12, 2015

(Mahesh Munjal)
Chairman

Annexure I

**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2015
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.**

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U72900DL2009PLC196844
2.	Registration Date	12/12/2009
3.	Name of the Company	MAJESTIC IT SERVICES LTD.
4.	Category/Sub-category of the Company	Company having share capital
5.	Address of the Registered office & contact details	N-12, First Floor, Kailash Colony, New Delhi-110048.
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	N.A.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10% or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Information and communication	J8	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	Majestic Auto Limited, C-48, Focal Point, Ludhiana.	L35911PB1973PLC003264	Holding Company	99.98	2(46)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	De mat	Physical	Total	% of Total Shares	De mat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-

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d) Bodies Corp.	-	14500000	14500000	98.64	-	16439500-	16439500	98.80	0.16
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-Total A(1)	-	14500000	14500000	98.64	-	16439500	16439500	98.80	0.16
(2) Foreign									
a) NRI-Individual	-	-	-	-	-	-	-	-	-
b)other individual	-	-	-	-	-	-	-	-	-
c) Bodies Corp	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub-Total A(2)	-	-	-	-	-	-	-	-	-
Total shareholding of Promoters A=A(1)+A(2)	-	14500000	14500000	98.64	-	16439500	16439500	98.80	0.16
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.									
Indian	-	-	-	-	-	-	-	-	-
Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)									
Non Resident Indians	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
HUF	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	14500000	14500000	98.64	-	16439500	16439500	98.80	0.16

CIN No. U72900DL2009PLC196844

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B) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Majestic Auto Limited	14500000	98.64	-	16439500	98.80	-	0.16

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

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year Majestic Auto Limited	14500000	98.64	14500000	98.64
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):				
	<u>Date:</u> <u>Reason for increase</u>				
	27.05.2014 Allotment	752000	4.87	15252000	98.71
	13.08.2014 Allotment	425000	2.81	15677000	98.74
	07.11.2014 Allotment	390000	2.58	16067000	98.77
	06.02.2015 Allotment	192500	1.29	16259500	98.78
	07.03.2015 Allotment	<u>180000</u>	1.21	16439500	98.80
	At the end of the year	16439500	98.80	16439500	98.80

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

SN	For Each of the Top 10 Shareholders	No. of Shares held at the beginning of the year (as at 31.03.2014)		No. of shares held at the end of the year as on 31.03.2015		% Change in shareholding during the year
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
-	-	-	-	-	-	-

CIN No. U72900DL2009PLC196844

Majestic IT Services Limited

Registered Office: N-12, First Floor, Kailash Colony, New Delhi, Corporate Office: A-110, Ground Floor, Sector 4, Noida (UP)-201 301, Ph.: 0120-4582000

E) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Sh. Aashima Munjal, Managing Director				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	-	-	-	-
2.	Sh. Mahesh Munjal, Director				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	-	-	-	-
3.	Sh. Vikas Nanda, Director				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	-	-	-	-
4.	Sh. Deepak Loomba, Director				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	-	-	-	-
5.	Sh. Prakash Chander Patro, CFO				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters	-	-	-	-

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	Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):				
	At the end of the year	-	-	-	-
6.	Sh. Rajesh Saini, Co. Secy.				
	At the beginning of the year	-	-	-	-
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	-	-
	At the end of the year	-	-	-	-

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-
A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (In lac)

SN.	Particulars of Remuneration	Managing Director	Total Amount
		Aashima Munjal	
1	Gross salary	18,00,000.00	18,00,000.00
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	9,00,000.00	9,00,000.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	9,00,000.00	9,00,000.00
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit - others, specify...	-	-
5	Others, please specify	-	-
	TOTAL	18,00,000	18,00,000
	Ceiling	Rs.60 lac as per Section II part II of schedule V of the Companies Act, 2013	

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors				Total Amount
		----	----	----	---	
1	Independent Directors					
	Fee for attending board committee meetings					
	Commission					
	Others, please specify					
	Total (1)					
2	Other Non-Executive Directors					
	Fee for attending board committee meetings					
	Commission					
	Others, please specify					
	Total (2)					
	Total (B)=(1+2)					
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD (In lac)

SN	Particulars of Remuneration	Key Managerial Personnel		
		CS: Sh. Rajesh Saini	CFO: Sh. Prakash Chander Patro	Total
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961			
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2	Stock Option			
3	Sweat Equity			
4	Commission			
	- as % of profit			
	others, specify...			
5	Others, please specify			
	Total			

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

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

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Annexure II

NOMINATION AND REMUNERATION POLICY

The Key provisions of the Nomination and Remuneration policy are given below:

- The guiding principle is that the remuneration and the other terms of employment shall be competitive in order to ensure that the Company can attract and retain competent Executives.
- When determining the remuneration policy and arrangements for Executive Directors/KMP's, the Nomination and Remuneration Committee shall consider pay and employment conditions with peers/ elsewhere in the competitive market to ensure that pay structures are appropriately aligned and that level of remuneration remain appropriate in this context.
- The Committee while designing the remuneration package considers the level and composition of remuneration to be reasonable and sufficient to attract, retain and motivate the person to ensure the quality required to run the company successfully.
- The Nomination and Remuneration Committee while considering a remuneration package must ensure a balanced approach reflecting short and long term performance objectives appropriate to the working of the company and its goals.
- The Committee shall consider that a successful remuneration policy must ensure that any increase in the remuneration package is linked to the achievement of corporate performance targets and a strong alignment of interest with stakeholders.
- The Nomination and Remuneration policy is guided by a common reward framework and set of principles and objectives as particularly envisaged under section 178 of the Companies Act 2013, inter alia principles pertaining to determining qualifications, positives attributes, integrity and independence etc.
- Remuneration packages are designed to attract high-caliber executives in a competitive market and remunerate executives fairly and responsibly. The remuneration shall be competitive and based on the individual responsibilities and performance.
- Remuneration is designed to motivate delivery of our key business strategies, create a strong performance-orientated environment and reward achievement of meaningful targets over the short- and long-term.
- Executive remuneration shall be proposed by the Committee and subsequently approved by the Board of Directors. Executive remuneration is evaluated annually against performance and a benchmark of other companies, which in size and complexity are similar to Majestic Auto Ltd. Benchmark information is obtained from recognized compensation service consultancies/other relevant sources. In determining packages of remuneration, the Committee may consult with the Chairman/ Managing Director as appropriate.
- Information on the total remuneration of members of the Company's Board of Directors and KMPs shall be disclosed in the Company's Annual Report.
- The Company may grant any advance salary/loan to employees of the Company at concessional/Nil interest rates as it deems fit subject to tax laws.
- The Board may delegate the appointment and remuneration powers in case of Sr. Management Personnel (except KMPs and Directors) to the Chairman & Managing Director and/or Vice-Chairman & Managing Director and/or Executive Director and CEO by way of Board Resolution.
- The appointment letters of all Sr. Management Personnel, KMPs and Directors shall draw reference to the fact that the appointment and remuneration is in accordance with the Nomination and Remuneration Policy of the Company.

INDEPENDENT AUDITOR'S REPORT
To the Members of M/s. Majestic IT Services Limited

Report on the Financial Statements

We have audited the accompanying standalone financial statements of M/s Majestic IT Services Limited, ("the Company") which comprise of the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. 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; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters, which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements

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.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2015, its losses and its cash flows for the year ended on that date.

Report on the Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable.

As required by sub-section 3 of section 143 of the Act and Companies (Audit & Auditors) Rule 2014, we further 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 appears from our examination of those books;
- c. The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement 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 applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014;
- e. On the basis of written representations received from the directors as on March 31, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of sub-section 2 of Section 164 the Act; and
- f. With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit & Auditors) Rule, 2014, in our opinion and to the best of our information and according to the explanations given to us,
 - (i) The Company does not have any pending litigations which would impact its financial position

- (ii) The Company did not have any long-term contracts including derivative contracts which have any material foreseeable losses.
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For B D Bansal & Co
Chartered Accountants
Firm Regn.No.000621N

(Sushil Kumar Singh)
Partner
M. No. 407682

Place: New Delhi
Date: 29.05.2015

ANNEXURE TO THE INDEPENDENT AUDITORS REPORT
(Referred to in our report of even date)

1. (a) The Company has maintained records showing particulars including quantitative details and situation of fixed assets.

(b) As explained to us, all the fixed assets have not been physically verified by the management during the year but there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. As informed to us, no material discrepancies were noticed on such verification.
2. The company was set up with the main objects of carrying IT and IT enabled services. The company did not hold inventory of any kind. Accordingly sub clause (a), (b) and (c) of clause 2 of the Companies (Auditor's Report) Order, 2015, are not being commented upon.
3. The company has not granted any loans to Companies, Firms or other parties covered in the register maintained u/s 189 of the company's Act, 2013.
4. There has been no purchase of inventory or sale of goods or services during the year. Reference may be made to the clause (2) above. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchase fixed assets. In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weaknesses in internal control system.
5. The company has not accepted any deposits from the public, in accordance with the provisions of section 73 to 76 of the Act and rules framed there under.
6. According to the information and explanations given to us, the Company is not required to maintain cost records as per the provisions of sub section (1) of section 148 of the Companies Act, 2013.
7. a) According to the information and explanation given to us and on the basis of our examination of the records of the company amount deducted/ accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth tax, Service tax, Custom Duty, Excise Duty, Value Added Tax, Cess and any other material statutory dues have been regularly deposited during the year by the company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of the above statutory dues were in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.

- b) According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, Value Added Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess, which have not been deposited with the appropriate authorities on account of any dispute.
- c) According to the information and explanations given to us, the Company is not required to transfer any amount to Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made there under.

8. The Company has accumulated losses at the end of the financial year. The Company has incurred cash losses during the current financial year as well as in the immediately preceding financial year.
9. According to the information and explanations given to us, the company has not availed any loans/ borrowings from the financial institutions or banks or debenture holders accordingly clause 9 of the Companies (Auditor's Report) Order, 2015, is not being commented upon.
10. According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
11. According to the information and explanations given to us, the company has not raised any term loan during the year.
12. According to the information and explanations given to us, no fraud by the company and no material fraud on the company has been noticed or reported during the year.

For B D Bansal & Co
Chartered Accountants
Firm Regn.No.000621N

(Sushil Kumar Singh)
Partner
M. No. 407682

Place: New Delhi
Date: 29.05.2015

MAJESTIC IT SERVICES LIMITED
BALANCE SHEET AS AT 31ST MARCH 2015

	Note	As at 31.03.2015	As at 31.03.2014
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	166,395,000	147,000,000
Reserves and surplus	4	<u>(118,917,502)</u>	<u>(92,427,785)</u>
		<u>47,477,498</u>	<u>54,572,215</u>
Share Application Money Pending Allotment	3A	-	4,470,000
Non-Current liabilities			
Other long term liabilities	5	270,000	270,000
Long-term provisions	6	<u>785,634</u>	<u>636,276</u>
		<u>1,055,634</u>	<u>906,276</u>
Current liabilities			
Short Term Borrowing	7	-	
Trade payables	8	8,407,296	5,838,339
Other current liabilities	9	6,019,756	5,645,804
Short-term provisions	10	<u>330,746</u>	<u>875,692</u>
		<u>14,757,798</u>	<u>12,359,835</u>
Total		<u>63,290,930</u>	<u>72,308,326</u>
ASSETS			
Non-current assets			
Fixed assets			
Net Tangible assets	11	299,550	765,320
Net Intangible assets	12	54,877,501	61,877,691
Long term loans and advances	13	<u>4,231,469</u>	<u>4,054,402</u>
		<u>59,408,520</u>	<u>66,697,413</u>
Current assets			
Trade receivables	14	1,150,872	1,221,504
Cash and Bank Balances	15	1,260,515	913,046
Short-term loans and advances	16	<u>1,471,023</u>	<u>3,476,363</u>
		<u>3,882,410</u>	<u>5,610,914</u>
Total		<u>63,290,930</u>	<u>72,308,327</u>

Significant accounting policies 2

The accompanying notes are an integral part of the financial statements.

For B.D.Bansal & Co.
Chartered Accountants
Firm Regn.No. 000621N

(Sushil Kumar Singh)
Partner
M.No.407682

(Managing Director)

(Director)

Place: Noida
Date : 29th May, 2015

(Chief Financial Officer)

(Co. Secretary)

MAJESTIC IT SERVICES LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31st MARCH 2015

	Note No.	Year Ended 31.03.2015	Year Ended 31.03.2014
Income			
Revenue from operations	17	22,867,285	14,609,088
Other income	18	838,492	298,058
Total Revenue		<u>23,705,777</u>	<u>14,907,146</u>
Expenses:			
Employee benefits expense	19	27,234,319	20,573,146
Finance costs	20	14,993	151,974
Depreciation / Amortization expense	21	7,561,367	12,519,972
Other expenses	22	15,384,815	20,203,470
Total		<u>50,195,494</u>	<u>53,448,563</u>
Profit before tax		<u>(26,489,717)</u>	<u>(38,541,416)</u>
Tax expenses:			
Current tax		-	-
Deferred tax		-	-
Total tax expense		<u>-</u>	<u>-</u>
Profit After Tax		<u>(26,489,717)</u>	<u>(38,541,416)</u>
Add/less: Previous year adjustments		-	-
Profit After Tax/ Transferred to Reserve & Surplus		<u>(26,489,717)</u>	<u>(38,541,416)</u>
Earnings per equity share {nominal value of share Rs. 10 (previous year Rs. 10)}			
Basic EPS (in Rs.)	23	(1.61)	(2.66)
Diluted EPS		(1.70)	(3.62)

Significant accounting policies 2

The accompanying notes are an integral part of the financial statements.

For B.D.Bansal & Co.
Chartered Accountants
Firm Regn.No. 000621N

(Sushil Kumar Singh)
Partner
M.No.407682

(Managing Director)

(Director)

Place: Noida
Date : 29th May 2015

(Chief Financial Officer)

(Co. Secretary)

Note to the financial statements for the period ended 31 March 2015

- 1 **Background**

MAJESTIC IT SERVICES LIMITED was incorporated on 12-12-2009. The company is incorporated to carry out Information Technology and Information Technology enabled services.
- 2 **Statement of Significant Accounting Policies**
 - a) **Accounting Convention**

The Financial Statements are prepared under the historical cost convention on accrual basis in accordance with the Mandatory Accounting Standards issued under the Companies (Accounting Standards) Rules, 2006 and the relevant presentational requirements of the Companies Act,1956.
 - b) **Accounting for Estimates**

The preparation of financial statements in conformity with the generally accepted accounting principles requires estimates and assumptions to be made that effect reportable amount of assets and liabilities on date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the year in which the results are known/ materialized.
 - c) **Lease accounting**

The operating lease payments are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term.
 - d) **Fixed Assets.**

Fixed assets including intangible assets are stated at cost net of cenvat, less accumulated depreciation and / or impairment loss, if any. All cost/expenses until the assets are ready for use are capitalized.
Expenses which are specifically attributable to Project in Progress for making the project for its intended commercial use is included as part of the cost of the development of project.
 - e) **Depreciation**

Depreciation on fixed assets including intangible assets has been provided on straight-line method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956 .
 - f) **Borrowing Costs**

Borrowing Costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets, while other borrowing costs are recognized as expense in the year in which they are incurred. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use.
 - g) **Retirement Benefits**

Short term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit & loss for the year in which the related services are rendered.

The Liabilities of Gratuity in the nature of defined benefit obligation is provided on the basis of actuarial valuation under projected unit credit method as determined by independent actuary.

Other short term employee benefits are recognized as an expense at the undiscounted amount in the Statement of profit & loss for the year in which the related services are rendered

The Employees' State Insurance Act,1948 does not apply to the company hence no provision has been made in respect of employer's contribution for ESI.
 - h) **Foreign Currency Transactions**

Transactions in foreign currencies are generally recorded at the exchange rate prevailing at the date of the transactions/negotiations.

Monetary foreign currency items outstanding at the year end are restated into rupees at the rate of exchange prevailing on the balance sheet date.

Non monetary foreign currency items are carried at cost.

Any income or expenses on account of exchange rate differences either on settlement or on settlement or on translation is recognized in the Statement of profit and loss .
 - i) **Revenue Recognition**

Revenue from Information and Information Technology enabled Services is recognized on accrual basis.
 - j) **Accounting For Taxation**

The Provision for current income tax liability is ascertained on the basis of assessable profits computed in accordance with the provisions of the Income Tax Act,1961.

Deferred tax is recognized subject to the consideration of prudence on timing difference being the difference between taxable income and accounting income that originate in one period and are capable of being reversed in one or more subsequent period.
 - k) **Intangible Assets**

Intangible assets are stated at cost less accumulated amortization and/or impairment loss, if any. Computer (Application) software is being amortized on straight line basis @ 16.21% p.a.
 - l) **Impairment of Assets**

Impairment loss is recognized when the carrying amount of fixed assets exceeds its recoverable amount. Recoverable amount is the greater of an asset's net selling price and its value in use.

Notes to financial statement for the period ended 31st March 2015

	As at 31.03.2015	As at 31.03.2014
Note 3 : Share Capital		
Authorised :		
17000000(Previous year 1,25,00,000) Equity Share of Rs. 10/-each	170,000,000	170,000,000
5,00,000(P.Y. Nil) Non Cumulative Preference Shares of Rs. 10/-each	5,000,000	5,000,000
	<u>175,000,000</u>	<u>175,000,000</u>
Issued, Subscribed and Fully Paid Up :		
16439500(P.Y. 1,45,00,000) Equity Shares of Rs. 10 each fully paid up	164,395,000	145,000,000
200,000 (P.Y. Nil) Non Cumulative Preference Shares of Rs. 10 each fully paid up	2,000,000	2,000,000
	<u>166,395,000</u>	<u>147,000,000</u>

a)- Terms / rights attached to equity shares-

The Company has only two class of shares having a par value of Rs. 10 per share fully paid up. Each holder of equity shares is entitled to one vote per share and will rank pari passu with each other in all respect. In the event of liquidation of the company, the holders of equity shares will be entitled to receive assets of the company. The distribution will be in proportion to the number of equity shares held by the shareholders.

b). Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity Shares

Particulars	31-Mar-15		31-Mar-14	
	Number	Amount(Rs)	Number	Amount(Rs)
Shares outstanding at the beginning of the year	14,500,000	145,000,000	10,000,000	100,000,000
Shares Issued during the year	1,939,500	19,395,000	4,500,000	45,000,000
Shares outstanding at the end of the year	16,439,500	164,395,000	14,500,000	145,000,000

Preference Shares

Particulars	31-Mar-15		31-Mar-14	
	Number	Amount(Rs)	Number	Amount(Rs)
Shares outstanding at the beginning of the year	-	-	-	-
Shares Issued during the year	200,000	2,000,000	-	-
Shares outstanding at the end of the year	200,000	2,000,000	-	-

c). Shares held by holding company

Particulars	31-Mar-15	31-Mar-14
M/s Majestic Auto Limited	164,395,000	145,000,000

d)- Details of shareholders holding more than 5% shares in the Company-

Name	Class of Share	31-Mar-15		31-Mar-14	
		No. of Shares	% holding	No. of Shares	% holding
M/s Majestic Auto Limited	Equity	16,439,500	100%	14,500,000	100%
M/s Graphisads Private Limited	Preference	200,000	100%	-	-

NOTE '3A'

Share application money pending allotment

Category	Particulars	To the extent not exceeding Issued capital and non refundable and disclosed as a separate line item on the face of the Balance Sheet	
		31/03/2015	31/03/2014
Preference Shares	Amount as on reporting date	NIL	4470000
	No. of Shares proposed to be issued	NIL	4470000
	The amount of premium, if any	NIL	NIL
	The period before which, shares are to be allotted	NIL	To be allotted on or before 27.05.2014
	Authorised Share capital	NIL	175,000,000
	Issued Share capital	NIL	145,000,000
	Balance Authorised Share Capital		30,000,000
	Proposed Increase in Share capital post allotment of shares out of share application money		4,470,000

Note 4 : Reserves and Surplus

Surplus in the statement of profit & loss		
Balance as per last financial statements	(92,427,785)	(53,886,369)
Add : Profit/(Loss) for the year	(26,489,717)	(38,541,416)
	<u>(118,917,502)</u>	<u>(92,427,785)</u>

	As at 31.03.2015	As at 31.03.2014
Note 5 : Other long term liabilities		
Security deposits	270,000	270,000
	<u>270,000</u>	<u>270,000</u>
Note 6: Long Term provision		
Gratuity	785,634	636,276
	<u>785,634</u>	<u>636,276</u>
Note 7 : Short Term Borrowing		
Inter Corporate Deposit	-	4,470,000
(Intercompany deposit from Holding Company repayable on demand)	-	-
	<u>-</u>	<u>4,470,000</u>
Note 8 : Trade payables		
Sundry creditors		
Outstanding dues to Micro and Small Enterprises	-	-
Others	8,407,296	5,838,339
	<u>8,407,296</u>	<u>5,838,339</u>
Note 9 : Other Current Liabilities		
Income Received in Advance	375,463	1,465,196
Statutory Obligation Payable	377,375	319,521
Salary Payable	3,381,829	3,298,999
Other liabilities *	1,885,089	562,088
	<u>6,019,756</u>	<u>5,645,804</u>
*Other Liabilities represents provision for expenses at the end of the year		
Note 10 : Short-term Provisions		
Provision for employees benefits		
Gratuity	6,942	6,942
Leave Encashment	323,804	868,750
	<u>330,746</u>	<u>875,692</u>

	As at 31.03.2015	As at 31.03.2014
Note 13 : Long term loans and advances		
(unsecured, considered good)		
Security Deposits	2,171,011	2,171,011
Balances with excise Department	2,060,458	1,883,391
	<u>4,231,469</u>	<u>4,054,402</u>
Note 14 : Trade receivables		
Unsecured, considered good		
Trade Receivables		
More than 6 months	-	-
Less than 6 months	1,150,872	1,221,504
	<u>1,150,872</u>	<u>1,221,504</u>
Note 15 : Cash and Bank Balance		
Cash and Cash Equivalents		
Balances with banks :		
On current accounts	1,181,643	826,048
Cash in hand	78,872	86,998
	<u>1,260,515</u>	<u>913,046</u>
	As at 31.03.2015	As at 31.03.2014
Note 16 : Short-term loans and advances		
(unsecured, considered good)		
Advances recoverable in cash or in kind or for value to be receive	1,169,950	1,530,948
Balances with excise Department	-	1,854,000
TDS Recoverable AY 2012-13		
TDS Recoverable AY 2013-14		38,507
TDS Recoverable AY 2014-15	44,481	52,908
TDS Recoverable AY 2015-16	256,592	
	<u>1,471,023</u>	<u>3,476,363</u>
	Year ended 31.03.2015	Year ended 31.03.2014
Note 17 : Revenue from operations		
Sale of Services	22,867,285	14,609,088
	<u>22,867,285</u>	<u>14,609,088</u>
Note 18 : Other Income		
Interest on		
- Income		-
- Income Tax refund	3,583	383.00
- Others	4,743	-
Foreign exchange variation (Net)	-	-
Liabilities no longer required written back	830,166	297,675
	<u>838,492</u>	<u>298,058</u>
Note 19 : Employee benefit expense		
Salaries, wages and bonus	26,284,946	19,949,790
Contribution to provident and other funds	517,092	261,392
Workmen and staff welfare expenses	432,281	361,964
	<u>27,234,319</u>	<u>20,573,146</u>
Note 20 : Finance costs		
Bank and Other Financial Charges	14,993	151,974

	<u>14,993</u>	<u>151,974</u>
Note 21 : Depreciation		
Depreciation on Tangible Assets	561,177	162,309
Depreciation on Intangible Assets	<u>7,000,190</u>	<u>12,357,663</u>
	<u>7,561,367</u>	<u>12,519,972</u>

	Year Ended 31.03.2015	Year Ended 31.03.2014
Note 22 : Other Expenses		
Electricity Expenses	1,495,859	1,391,329
Rent	4,225,420	4,107,684
Web hosting & Data Feeding Expenses	834,055	1,166,695
Repairs and maintenance :		
- Others	177,553	146,181
Auditor's remuneration		
As auditor:		
- Statutory Audit fee	60,000	37,500
- other services	-	2,500
Legal & Professional Expenses	500,541	1,007,522
Roc filing Fees	-	250,000
Marketing expenses	850,752	2,021,649
Travelling & conveyance Expenses	1,297,321	1,158,811
Printing & Stationery Expenses	99,506	81,258
Telephone & Communication Expenses	1,615,886	1,714,545
Business Promotion	1,779,938	1,147,776
House Keeping & Security Expenses	398,278	373,282
Postage & Courier Expenses	43,757	82,042
Sales Promotion Expense	1,611,327	5,308,398
Miscellaneous expenses	394,622	206,299
	<u>15,384,815</u>	<u>20,203,470</u>
	Year Ended 31.03.2015	Year Ended 31.03.2014

Note 23 : Earning Per Share (EPS)

Net profit as per statement of profit and loss	(26,489,717)	(38,541,416)
Calculation of weighted average number of equity shares		
- Number of share at the beginning of the year	14,500,000	10,000,000
- Total equity shares outstanding at the end of the year	<u>16,439,500</u>	<u>14,500,000</u>
- Weighted avg. number of equity shares outstanding during	<u>15,593,029</u>	<u>10,639,344</u>
Basic Earnings Per Share (In Rs.)	(1.61)	(2.66)
Diluted Earnings Per Share (In Rs.)	(1.70)	(3.62)
Nominal Value of Equity Shares (In Rs.)	10	10