

## CONTENTS

	Page No.
Board of Directors & Other Information Cover Inside	
Financial Highlights	01
Notice	02
Director's Report	15
Corporate Governance Report	20
General Shareholders Information	28
CEO & CFO Certificate & Auditor's Certificate	31
Auditors' Report	35
Balance Sheet, Statement of Profit and Loss	38
Cash Flow Statement	40
Notes to Financial Statements	41
Secretarial Audit Report	70
Attendance Slip	71

### CFO & Company Secretary

### Statutory & Tax Auditors

### Internal Auditors

### Cost Auditors

### Secretarial Auditors

### Bankers

### Technical & Financial Collaborator

### Registered Office & Works

### Share Transfer Agent

## BOARD OF DIRECTORS

Brijmohan Lall Munjal (Chairman)  
 Yogesh Chander Munjal (Managing Director)  
 Isao Ito (Joint Managing Director)  
 Katsuhiko Matsuura  
 Ashok Kumar Munjal  
 Pankaj Munjal  
 Krishan Chand Sethi  
 Vinod Kumar Agarwal  
 Surinder Kumar Mehta  
 Nand Dhameja  
 Devi Singh  
 Charu Munjal

Pankaj Gupta

M/s S R Batliboi & Co. LLP,  
 Chartered Accountants, Gurgaon

M/s Vaish & Associates,  
 Chartered Accountants, New Delhi

M/s Ramanath Iyer & Co., Cost Accountants, Delhi

Chandrasekaran Associates, New Delhi  
 (upto 31.03.2014)

Satyender Kumar & Associates,  
 Gurgaon (w.e.f. 01.04.2014)

The Bank of Tokyo-Mitsubishi UFJ Limited

Standard Chartered Bank

Citi Bank N.A.

State Bank of India

Canara Bank

HDFC Bank Limited

Kotak Mahindra Bank Limited

The Bank of Nova Scotia

### Showa Corporation

1-14-1, Fujiwara-Cho

Gyoda-shi Saitama Ken, Japan

### Gurgaon Plant & Registered Office

9-11, Maruti Industrial Area, Gurgaon-122015

### Manesar Plant

Plot No. 26 E & F, Sector 3, IMT Manesar,  
 Gurgaon - 122 050

### Haridwar Plant

Plot No. 1, Industrial Park-2, Phase-1,  
 Salempur Mehdood, Haridwar- 249403 Uttarakhand

### MCS Limited

F-65, Okhla Industrial Area, Phase-I,  
 New Delhi - 110 020

Tel: 011-41406149-52; Fax: 41709881

Email: [admin@mcsdel.com](mailto:admin@mcsdel.com)

## YEARLY FINANCIAL RESULTS AT A GLANCE

(Rs. in lacs)

	March'14	March'13	March'12	March'11	March'10
Share Capital	799.92	799.92	799.92	799.92	799.92
Reserve & Surplus	34812.93	29480.57	24816.28	19497.88	17254.96
Total Shareholder's Funds	35612.85	30280.49	25616.20	20297.80	18054.88
Unsecured Loans	0.00	0.00	1000.00	500.00	3124.14
Secured Loan	0.00	2110.87	6315.65	8069.95	8878.67
Total Term Liability	0.00	2110.87	7315.65	8569.95	12002.81
Current Liabilities & Provisions	21,814.06	20802.28	21289.90	20637.64	16666.45
Total Assets / Liabilities	57426.91	53193.64	54221.75	49505.39	46724.14
Net Sales	159797.31	158142.66	155688.13	128932.65	100390.87
(% Growth year on year)	1.05%	1.58%	20.75%	28.37%	19.15%
Profit Before Interest Depn. & Tax (PBDIT)	11129.86	10272.47	12414.66	8334.05	7385.35
Profit Before Interest Depn. & Tax (PBDIT)-%	6.97	6.50	7.97	6.46	7.36
Interest	270.32	716.57	1101.91	914.01	1206.84
Depreciation	2840.99	2764.20	2722.88	2624.67	2307.64
Profit Before Tax (PBT)	8018.55	6791.70	8589.87	4793.49	3870.87
Profit After Tax (PAT)	6970.09	6068.06	6712.90	3401.91	2461.00
Earnings per Share (EPS) (Rs.)	17.43	15.17	16.78	8.51	6.15
Book Value per Share (Rs.)	89.03	75.71	64.05	50.75	45.14
Dividend Payout %	# 175.00%	150.00%	150.00%	125.00%	100.00%
Dividend per share	# 3.50	3.00	3.00	2.50	2.00

# Recommended by Board of Directors

## NOTICE

**NOTICE IS HEREBY GIVEN THAT THE TWENTY NINTH ANNUAL GENERAL MEETING OF THE MEMBERS OF MUNJAL SHOWA LIMITED WILL BE HELD ON THURSDAY, THE 28<sup>TH</sup> DAY OF AUGUST, 2014 AT 11:00 AM AT THE COMPANY'S REGISTERED OFFICE SITUATED AT 9-11, MARUTI INDUSTRIAL AREA, SECTOR-18, GURGAON-122015 (HARYANA) TO TRANSACT THE FOLLOWING BUSINESS: -**

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statement of the Company for the year ended March 31, 2014 including Audited Balance Sheet as at March 31, 2014 and the Statement of Profit and Loss for the year ended on that date together with the reports of Directors and Auditors thereon.
2. To declare a dividend of Rs. 3.50/- per equity share on 3,99,95,000 equity shares of Rs. 2 each fully paid up for the financial year 2013-14.
3. To appoint a director in place of Mr. Brijmohan Lall Munjal (DIN 00004134), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint M/s. S R Batliboi & Company LLP, Chartered Accountants, (ICAI Firm registration No. 301003E), Gurgaon the retiring Auditors as Statutory Auditors of the Company for 3 (three) consecutive years from the date of the 29<sup>th</sup> Annual General Meeting for a term upto the conclusion of 32<sup>nd</sup> Annual General Meeting of the Company in the Calendar year 2017 and to fix their remuneration.

### SPECIAL BUSINESS:

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

#### As Ordinary Resolutions

#### 5. Remuneration of the Cost Auditors for the financial year ended March 31, 2015

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications(s) or re-enactment thereof, for the time being in force), the Cost Auditors M/s Ramanath Iyer & Co., Cost Accountants appointed by the Board of Directors of the Company, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2015, be paid remuneration of Rs. 2,25,000/- plus service tax and out-of pocket expenses;

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

#### 6. Appointment of Mrs. Charu Munjal as Director of the company

"RESOLVED THAT Mrs. Charu Munjal (DIN03094545), who was appointed as an additional Director of the Company by the Board of Directors with effect from May 23, 2014 in terms of section 161(1) read with Section 149 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) and Article 89 of the Articles of Association of the Company and whose term of office expires at the Annual General Meeting and in respect of who the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company whose period of office shall be liable to determination by retirement of directors by rotation."

**7. Appointment of Mr. Devi Singh as an Independent Director**

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 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 IV of the Companies Act, 2013, Mr. Devi Singh ( DIN 00015681) director of the Company be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation to hold office for a term of five consecutive years upto 31<sup>st</sup> March 2019.”

**8. Appointment of Mr. Nand Dhameja as Independent Director**

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 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 IV of the Companies Act, 2013, Mr. Nand Dhameja ( DIN 02351762) director of the Company, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation to hold office for a term of five consecutive years upto 31<sup>st</sup> March 2019.”

**9. Appointment of Mr. Krishan Chand Sethi as Independent Director**

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 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 IV of the Companies Act, 2013, Mr. Krishan Chand Sethi (DIN 00004471) director of the Company, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation to hold office for a term of five consecutive years upto 31<sup>st</sup> March 2019.”

**10. Appointment of Mr. Vinod Kumar Agrawal as Independent Director**

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 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 IV of the Companies Act, 2013, Mr. Vinod Kumar Agrawal (DIN 00004463) director of the Company, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation to hold office for a term of five consecutive years upto 31<sup>st</sup> March 2019.”

**11. Appointment of Mr. Surinder Kumar Mehta as Independent Director**

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 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 IV of the Companies Act, 2013, Mr. Surinder Kumar Mehta (DIN 00002888) director of the Company , be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation to hold office for a term of five consecutive years upto 31<sup>st</sup> March 2019.”

**12. Variation in the Terms of Appointment of Mr. Isao Ito-Joint Managing Director**

“RESOLVED THAT pursuant to the recommendations of the Nomination and Remuneration Committee and in partial modification of the earlier Resolution passed in the Twenty Eighth Annual General Meeting held on September 03, 2013, the consent of the Company be and is hereby accorded under Sections 196, 197, and 203 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under, read with schedule –V to the Companies Act, 2013 and subject to the approval of the Central Government, if required the Basic Salary payable to Mr. Isao Ito- Joint Managing Director (DIN 05134031) be increased to Rs. 9,00,000/- per month from Rs. 7,50,000/- per month with effect from September 01, 2014 for the remaining period of his tenure.

RESOLVED FURTHER THAT all other terms and conditions of his appointment including remuneration shall remain unchanged.

RESOLVED FURTHER THAT the aggregate of the remuneration payable to him in any particular Financial Year will be subject to the overall ceiling limit laid down in Section 197 read with Schedule V of the Companies Act, 2013."

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

### **As Special Resolution**

#### **13. Variation in the Terms of Appointment of Mr. Yogesh Chander Munjal- Managing Director**

"RESOLVED THAT pursuant to the recommendations of the Nomination and Remuneration Committee and in partial modification of the earlier Resolution passed in the Twenty Eighth Annual General Meeting held on September 03, 2013, the consent of the Company be and is hereby accorded under Sections 196, 197, and 203 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under, read with schedule –V to the Companies Act, 2013 and subject to the approval of the Central Government, if required the Basic Salary payable to Mr. Yogesh Chander Munjal- Managing Director (DIN 00003491) be increased to Rs. 13,00,000/- per month from Rs. 11,50,000/- per month with effect from September 01, 2014 for the remaining period of his tenure.

RESOLVED FURTHER THAT all other terms and conditions of his appointment including remuneration shall remain unchanged.

RESOLVED FURTHER THAT the aggregate of the remuneration payable to him in any particular Financial Year will be subject to the overall ceiling limit laid down in Section 197 read with Schedule V of the Companies Act, 2013."

Place: New Delhi  
Dated: May 23, 2014

By Order of the Board  
For **MUNJAL SHOWA LTD.**

**Registered Office:**  
9-11, Maruti Industrial Area,  
Sector - 18, Gurgaon, Haryana - 122 015

**PANKAJ GUPTA**  
**CFO & COMPANY SECRETARY**  
Membership No: F5187

Email:msladmin@munjalshowa.net  
Website:www.munjalshowa.net  
CIN:L34101HR1985PLC020934  
Phone No. 0124-4783000 Fax No. 0124-2341359

### **NOTES:-**

**01) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE (ON A POLL ONLY) INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXIES IN ORDER TO BE VALID MUST BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM IS SENT HERewith.**

**A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. IN CASE A PROXY IS PROPOSED TO BE APPOINTED BY A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS, THEN SUCH PROXY SHALL NOT ACT AS A PROXY FOR ANY OTHER MEMBER.**

- 02) Corporate members intending to send their authorised representatives to attend the meeting are advised to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the meeting.
- 03) The Explanatory Statement setting out the material facts concerning Special Business at Item Nos. 5 to 13 of the accompanying notice as required by Section 102 of the Companies Act, 2013, is annexed hereto. The relevant details of persons seeking re-appointment/appointment under Item No. 3, 5 to 11, as required by clause 49 IV (G) (i) of the listing agreement with the Stock Exchanges are also annexed.
- 04) Pursuant to Section 91 of the Companies Act, 2013 and listing agreement, the Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, August 09, 2014 to Thursday, August 28, 2014 (both days inclusive).
- 05) The dividend as recommended by the Board of Directors, if approved at the Twenty Ninth Annual General Meeting, shall be paid to those members, who hold the shares in physical format, whose names appear on the Company's Register of Members of the Company on Thursday, August 28, 2014. In respect of the shares held in electronic form, the dividend shall be paid on the basis of beneficial ownership as per details furnished by the National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL), depositories for this purpose as on close of working hours of Friday, August 08, 2014.
- 06) Pursuant to the provisions of Section 205A of the Companies Act, 1956, dividend for the financial year 2007-08 and thereafter, which remains unclaimed for a period of 7 years would be transferred by the Company to the "Investor Education and Protection Fund (IEPF)" established by the Central Government. Dividends declared for the financial years 1994-95 to 2005-06 remaining unpaid/ unclaimed have already been transferred to the Investor Education and Protection Fund. Dividend declared for the financial year 2006-07 is in the process of transfer to IEPF and the last date of transfer is August 13, 2014.
- 07) Information in respect of unclaimed dividend pertaining to subsequent financial years when due for transfer to the said Fund is given below:

Financial year ended	Date of declaration of Dividend	Last date upto which claim can be lodged for unpaid Dividend
31.03.2008	07.08.2008	13.08.2015
31.03.2009	07.08.2009	13.08.2016
31.03.2010	11.08.2010	17.08.2017
31.03.2011	11.08.2011	17.08.2018
31.03.2012	09.08.2012	16.08.2019
31.03.2013	03.09.2013	09.09.2020

Shareholders who have not so far en-cashed the dividend warrant(s) are requested to seek issue of duplicate warrant(s) by writing to the Company immediately. **Shareholders are requested to note that no claims shall lie against the Company or the said Fund in respect of any amounts which remain unclaimed or unpaid for a period of seven years from the dates that they first became due for payment and no payment shall be made in respect of any such claim.**

The Ministry of Corporate Affairs (MCA) on 10<sup>th</sup> May, 2012 notifies the IEPF (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012 (IEPF Rules), which are applicable to the Company. The objective of the IEPF rules is to help the shareholders ascertain status of the unclaimed amounts and overcome the problems due to misplacement of intimation in transit. Unclaimed dividend information are on the website of IEPF viz. [www.iepf.gov.in](http://www.iepf.gov.in) and also on the website of the company viz. [www.munjalshowa.net](http://www.munjalshowa.net).



- 08) Members are requested to notify immediately any change of address including email IDs.
- To their Depository Participants (DPs) in respect of their electronic share accounts, and
  - To the Company's Registrar, MCS Limited, F-65, Okhla Industrial Area, Phase I, New Delhi 110 020 in respect of their physical share folios, if any, quoting their folio number.
- 09) Electronic Clearing Service (ECS) Facility
- The Company has provided a facility to the Members for remittance of dividend through Electronic Clearing System (ECS). The ECS facility is available at locations identified by Reserve Bank of India from time to time and covers most of the major cities and towns. Members holding shares in the physical form who wish to avail ECS facility may authorize the Company with their ECS mandate in the prescribed Form which can be obtained from the Company upon request.
- 10) Members holding shares in electronic form are hereby informed that bank particulars registered against their respective depository accounts will be used by the Company for payment of dividend. The Company or its Registrar cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the members. Members holding shares in physical form and desirous of either registering bank particulars or changing bank particulars already registered against their respective folios for payment of dividend are requested to write to the Company.
- 11) 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 / transferee(s) are required to furnish a copy of their PAN to the Company / Registrar & Transfer Agent, MCS.
- 12) Members are requested to bring their copy of the Annual Report and Attendance Slip duly filled in to the Annual General Meeting.
- 13) In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.

#### **VOTING THROUGH ELECTRONIC MEANS**

- Pursuant to Section 108 and corresponding Rules of Companies Act, 2013, the Company will provide e voting facility to the members. All business to be transacted at the forthcoming Annual General Meeting can be transacted through the electronic voting system provided by Central Depository Services (India) Limited (CDSL).
- The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members/ depositories as at closing hours of business, on Friday, July 25, 2014.
- 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.
- The Company has appointed Mr. Satyender Kumar, Practicing Company Secretary, as the scrutinizer for conducting the e-voting process in the fair and transparent manner.
- The scrutinizer shall, within a period of not exceeding three working days from the date of conclusion of e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the company and make a final report to Chairman of the Company.
- The Results shall be declared at the Annual General Meeting of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website [www.munjalshowa.net](http://www.munjalshowa.net) and on the website of CDSL within two(2) days of passing of the resolutions at the Annual General Meeting of the Company and communicated to the NSE and BSE Limited.
- The result of the e-voting alongwith Scrutinizer's Report will also be placed at the website of the Company viz. [www.munjalshowa.net](http://www.munjalshowa.net) and also on [www.cdslindia.com](http://www.cdslindia.com).
- The scrutinizer's decision on the validity of e-voting will be final.

### Instructions for Voting through electronic mode

A In case of members receiving e-mail:

- i. If you are holding shares in demat form and have earlier logged on to [www.evotingindia.com](http://www.evotingindia.com) and casted your vote for Electronic Voting Sequence Number (EVSN) of any Company, then your existing login id and password are to be used.
- ii. If you have forgotten the password then enter the User ID and Captcha Code. Then, click on forgot password & enter the details as prompted by the system.

#### **Procedure for shareholders casting their vote electronically for the first time**

- iii. To initiate the voting process, log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- iv. Click on "Shareholders" tab to cast your votes.
- v. Thereafter, select the relevant Electronic Voting Sequence Number (EVSN) alongwith "Company Name" from the drop down menu and click on "SUBMIT" for voting.
- vi. Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form	For Members holding shares in Physical Form
User ID	For NSDL: 8 Character DP ID followed by 8 Digits Client ID For CDSL: 16 digits beneficiary ID	Folio Number registered with the Company
Image Verification	Next enter the image verification as displayed and click on Login.	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department when prompted by the system while e-voting (applicable for both demat shareholders as well as physical shareholders)	Members who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details#	Enter your bank account number for the purpose of dividend as registered with your depository participant in case of electronic shares or with the company in respect of physical shares.	
DOB#	Enter your date of birth as recorded in your demat account or in the company records in respect of your shareholding in the Company.	

# CDSL users can enter any one of the details viz. dividend bank details or date of birth, in order to login; however, NSDL users mandatorily have to mention their bank account number in order to login. In case bank details are not recorded with the depository, please enter the No. of shares held by you as on 25 July, 2014 in the Dividend Bank details field.

- vii. After entering these details appropriately, click on "SUBMIT" tab.
- viii. Members holding shares in physical form will then reach directly to the EVSN selection screen. However, members holding shares in demat form will now reach 'Password Change' menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@ # \$ % & \*). Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.



- ix. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
  - x. Now select the relevant Electronic Voting Sequence Number (EVSN) alongwith "Company Name" on which you choose to vote.
  - xi. On the voting page, you will see "Resolution Description" and against the same the option "YES/NO" for voting. Select the option "YES" or "NO" as desired. The option "YES" implies that you assent to the resolution and option "NO" implies that you dissent to the resolution.
  - xii. Click on the "Resolutions File Link" if you wish to view the entire resolutions.
  - xiii. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
  - xiv. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
  - xv. You can also take out print of the voting done by you by clicking on "Click here to print" option on the voting page.
  - xvi. If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
    - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
    - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
    - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
    - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
    - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
  - B. In case of members receiving the physical copy of notice of the Annual General Meeting (for members whose e-mail ids are not registered with the company/ depository participant(s) or requesting physical copy)
 

Please follow all steps from sl. no. (i) to sl. no. (xvi) above, to cast vote.
  - C. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to [www.evotingindia.co.in](http://www.evotingindia.co.in) and register themselves, link their account which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution in PDF format in the system for the scrutinizer to verify the vote.
  - D. The voting period begins on 9.00 a.m., Thursday, August 21, 2014 and ends on 5.30 p.m., Saturday, August 23, 2014. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of July 25, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
  - E. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under "Help" section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  14. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days except Saturdays and Public Holidays, up to and including the date of the Annual General Meeting of the Company. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
- The Register of Directors and their shareholding, maintained under Section 170 of the Companies Act, 2013 and Register of Contracts or Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.

## ANNEXURE TO THE NOTICE

### A. STATEMENT IN RESPECT OF SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

#### Item No. 5

The Board on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ended March 31, 2015 at a remuneration of Rs. 2,25,000/- plus applicable service taxes and out of pocket expenses, in accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014. The remuneration payable to Cost Auditors has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an Ordinary Resolution as set out in Item No. 5 of the notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2015.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 5.

#### Item No. 6

The Board of Directors of the Company in its meeting held on May 23, 2014 has appointed Mrs. Charu Munjal as an Additional Director of the Company w.e.f. May 23, 2014. A notice under Section 160 of the Companies Act, 2013 has been received from a member proposing the candidature of Mrs. Charu Munjal as a Director of the Company.

Mrs. Charu Munjal aged 42 years has been appointed as the Non Executive Director of the Company w.e.f. May 23, 2014. She holds a Diploma in Textile Designing from Banaras Hindu University and has considerable exposure in creative designing and marketing field.

She is presently holding the membership of the Board/ Committee(s) of the following Companies.

S.No.	Name of Company	Nature of Office
1	Shivam Autotech Limited	Executive Director

Except Mrs. Charu Munjal herself being an appointee and Mr. Yogesh Chander Munjal, being relative of Mrs. Charu Munjal, none of the other Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 6.

This explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

The resolution is accordingly recommended for the approval of the Members as an Ordinary resolution.

Mrs. Charu Munjal does not hold by herself or for any other person on a beneficial basis, any shares in the Company.

#### Item No. 7

Mr. Devi Singh is an Independent Director of the Company. He joined the Board of Director of the Company w.e.f. September 23, 2008. Dr. Singh is the member of the Nomination and Remuneration Committee of the Board of Directors of the Company.