

**MUNJAL  
SHOWA**



**31st Annual Report 2015-16**

## CONTENTS

	Page No.
Board of Directors & Other Information Cover Inside	
Financial Highlights	01
Notice 2	0
Board's Report 4	1
Corporate Governance Report 3	2
General Shareholders Information	32
CEO & CFO Certificate	37
Auditor's Certificate	41
Secretarial Audit Report	41
Auditors' Report	66
Balance Sheet, Statement of Profit and Loss	72
Cash Flow Statement	74
Notes to Financial Statements	75
Attendance Slip	105

### BOARD OF DIRECTORS

Mr. Devi Singh (Chairman)\*  
 Mr. Yogesh Chander Munjal (Managing Director)  
 Mr. Isao Ito (Joint Managing Director)  
 Mr. Matsui Masanao  
 Mr. Ashok Kumar Munjal  
 Mr. Pankaj Munjal  
 Mrs. Charu Munjal  
 Mr. Krishan Chand Sethi\*\*  
 Mr. Vinod Kumar Agrawal  
 Mr. Surinder Kumar Mehta  
 Mr. Nand Dhameja

### AUDIT COMMITTEE

Mr. Vinod Kumar Agrawal-Chairman  
 Mr. Krishan Chand Sethi-Member\*\*  
 Mr. Nand Dhameja-Member  
 Mr. Ashok Kumar Munjal-Member

### SHARETRANSFER/STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Nand Dhameja-Chairman  
 Mr. Yogesh Chander Munjal-Member  
 Mr. Isao Ito-Member  
 Mr. Ashok Kumar Munjal-Member

### NOMINATION AND REMUNERATION COMMITTEE

Mr. Krishan Chand Sethi- Chairman\*\*  
 Mr. Surinder Kumar Mehta-Chairman\*  
 Mr. Vinod Kumar Agrawal-Member  
 Mr. Devi Singh-Member

### CSR COMMITTEE

Mr. Krishan Chand Sethi- Chairman\*\*  
 Mr. Yogesh Chander Munjal- Chairman\*  
 Mr. Vinod Kumar Agrawal- Member  
 Mr. Isao Ito- Member\*

#### Note:

\* w.e.f. May 20, 2016

\*\* Expired on March 29, 2016

### RISK MANAGEMENT COMMITTEE (Non Mandatory)

Mr. Yogesh Chander Munjal-Chairman  
 Mr. Pankaj Gupta-Member  
 Mr. K. Chakravorty-Member

### CHIEF FINANCIAL OFFICER

Mr. Pankaj Gupta

### COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Saurabh Agrawal

### STATUTORY & TAX AUDITORS

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

### INTERNAL AUDITORS

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

### SECRETARIAL AUDITORS

M/s Satyender Kumar & Associates, Gurgaon

### BANKERS

The Bank of Tokyo- Mitsubishi UFJ Limited  
 Standard Chartered Bank  
 State Bank of India  
 Citi Bank N.A.  
 Canara Bank  
 HDFC Bank Limited  
 Kotak Mahindra Bank Limited  
 The Bank of Nova Scotia

### SHARETRANSFER AGENT

MCS Share Transfer Agent Limited  
 F-65, Okhla Industrial Area, Phase I,  
 New Delhi- 110 020  
 Tel: 011-41406149-52; Fax: 41709881  
 Email: helpdeskdelhi@mcsregistrars.com

### TECHNICAL & FINANCIAL COLLABORATOR

Showa Corporation 1-14-1, Fujiwara –Cho Gyoda-  
 shi Saitama Ken, Japan

### REGISTERED OFFICE & WORKS Gurgaon Plant & Registered Office

9-11, Maruti Industrial Area, Sector-18  
 Gurgaon-122015 Haryana

#### Manesar Plant

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

#### Haridwar Plant

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

## YEARLY FINANCIAL RESULTS AT A GLANCE

(Rs. in lacs)

	March'16	March'15	March'14	March'13	March'12
Share Capital	799.92	799.92	799.92	799.92	799.92
Reserve & Surplus	44,492.09	40,272.34	34,812.93	29,480.57	24,816.28
Total Shareholder's Funds	45,292.01	41,072.26	35,612.85	30,280.49	25,616.20
Unsecured Loans	0	0.00	0.00	00.00	1000.00
Secured Loan	0	0.00	0.00	2110.87	6315.65
Total Term Liability	0	0.00	0.00	2110.87	7315.65
Current Liabilities & Provisions	15661.41	20,202.78	21,814.06	20,802.28	21,289.90
Total Assets / Liabilities	60,953.42	61,275.04	57,426.91	53,193.64	54,221.75
Net Sales	150,183.71	164,296.67	159,797.31	158,142.66	155,688.13
(% Growth year on year)	-8.59%	2.82%	1.05%	1.58%	20.75%
Profit Before Interest Depn. & Tax (PBDIT)	11,727.48	13,542.34	11,129.86	10,272.47	12,414.66
Profit Before Interest Depn. & Tax (PBDIT)-%	7.81	8.24	6.97	6.50	7.97
Interest	12.19	44.54	270.32	716.57	1101.91
Depreciation	2929.84	2,867.09	2,840.99	2,764.20	2,722.88
Profit Before Tax (PBT)	8785.45	10,630.71	8,018.55	6,791.70	8,589.87
Profit After Tax (PAT)	6,115.23	7,562.89	6,970.09	6,068.06	6,712.90
Earnings per Share (EPS) (Rs.)	15.29	18.91	17.43	15.17	16.78
Book Value per Share (Rs.)	113.24	102.69	89.03	75.71	64.05
Dividend Payout %	200.00%	200.00%	175.00%	150.00%	150.00%
Dividend per share	4.00	4.00	3.50	3.00	3.00

## NOTICE

**NOTICE IS HEREBY GIVEN THAT THE 31<sup>ST</sup> ANNUAL GENERAL MEETING OF THE MEMBERS OF MUNJAL SHOWA LIMITED WILL BE HELD ON WEDNESDAY, THE 24<sup>TH</sup> DAY OF AUGUST 2016 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 Audited Financial Statements of the Company for the Financial Year ended March 31, 2016 including Audited Balance Sheet as at March 31, 2016 and the Statement of Profit and Loss for the Financial Year ended on that date together with the reports of the Board and Auditors thereon.

**“RESOLVED THAT** the audited Financial Statements of the Company including Balance Sheet as at 31 March, 2016 and the Statement of Profit and Loss, the Cash Flow Statement for the year ended on that date and the reports of the Board of Directors (“the Board”) and Auditors thereon be and are hereby received, considered and adopted.”

2. To confirm the payment of Interim Dividend of Rs. 4.00/- per equity share (i.e. 200%) of Rs 2/- each, fully paid up for the Financial Year ended March 31, 2016.
3. To appoint Mrs. Charu Munjal (DIN 03094545), as Director liable to retire by rotation.

**“RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof), Mrs. Charu Munjal, who retires by rotation and being eligible offers herself for re-appointment, be and is hereby re-appointed as a Director of the Company liable to retire by rotation.”

4. Ratification of Appointment of Statutory Auditors.

**“RESOLVED THAT** pursuant to the provisions of Section 139, 141 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, and pursuant to the recommendations of the Audit Committee, the appointment of M/s S R Batliboi & Company LLP, Chartered Accountants, Gurgaon (ICAI Firm registration No. 301003E/E300005), as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the thirty-second AGM of the Company to be held in the year 2017 be and is hereby ratified at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.

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

### SPECIAL BUSINESS:

To consider and, if thought fit, to pass the following Resolutions as Special Resolutions:

5. **Amendment to Memorandum of Association of the Company**

**“RESOLVED THAT** pursuant to the provisions of Sections 4, 13 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to the necessary approval(s) required under all other applicable laws and regulations, if any, consent of the members be and is hereby accorded to amend / alter the Memorandum of Association of the Company and to align the same with the provisions of the Companies Act, 2013 and Rules made thereunder.

**RESOLVED FURTHER THAT** the heading of the existing Clause III A, “THE MAIN OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:” be and is hereby substituted with the heading “The Objects to be pursued by the Company on its Incorporation are:”

**RESOLVED FURTHER THAT** the heading of the existing Clause III B, “THE OBJECTS INCIDENTAL OR ANCILLIARY TO THE ATTAINMENT OF MAIN OBJECTS ARE:” along with its clause 1 to 27 be and is hereby replaced with the heading “The Matters which are necessary for furtherance of the objects specified in Clause III A are:” along with new clauses 1 to 39.

**RESOLVED FURTHER THAT** Clause III C (the Other Objects 1 to 70) of the Memorandum of Association of the Company be and is hereby completely deleted.

**RESOLVED FURTHER THAT** the existing Clause IV of Memorandum of Association of the Company be and is hereby substituted with the new Clause IV to be read as:

*Clause IV: “The liability of members is limited and this liability is limited to the amount unpaid, if any, on shares held by them.*

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution.”

## 6. Adoption of new set of the Articles of Association in accordance with Companies Act, 2013

**“RESOLVED THAT** pursuant to the provisions of Sections 5, 14 and other applicable provisions, if any, of Companies Act, 2013, read with Companies (Incorporation) Rules, 2014, including any statutory modification or re-enactment thereof for the time being in force and subject to the necessary approval(s) required under all other applicable laws and regulations if any, consent of the members be and is hereby accorded to alter the existing Articles of Association of the Company, by replacing, it with the new set of Articles of Association in accordance with Table ‘F’ of Schedule I of the Act and that the new set of Articles of Association be and is hereby approved and adopted as the Articles of Association of the Company in exclusion and in substitution of the existing Articles of Association of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things that may be necessary, proper, expedient or incidental for the purpose of giving effect to the aforesaid Resolution.”

## 7. Re-appointment of Mr. Yogesh Chander Munjal (DIN 00003491) as Managing Director

**“RESOLVED THAT** pursuant to the recommendations of the Nomination and Remuneration Committee, and approval of the Board and subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule- V of the Companies Act, 2013 and Articles of Association of the Company, approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Yogesh Chander Munjal, as Managing Director of the Company for a further period of five years with effect from September 01, 2016 to August 31, 2021, as well as the payment of salary, commission and perquisites (hereinafter referred to as “remuneration”), upon the terms and conditions as detailed in the explanatory statement attached hereto, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said re-appointment and / or agreement in such a manner as may be agreed to between the Board of Directors and Mr. Yogesh Chander Munjal.

**RESOLVED FURTHER THAT** Mr. Yogesh Chander Munjal shall be liable to retire by rotation in pursuance of Section 152 and any other provisions of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the remuneration payable to Mr. Yogesh Chander Munjal, shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 read with Schedule V of the Companies Act, 2013 or such other limits as may be prescribed from time to time.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.”

To consider and, if thought fit, to pass the following Resolutions as Ordinary Resolutions:

**8. Appointment of Mr. Pankaj Munjal (DIN 00005330) as an Independent Director of the Company**

“**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. Pankaj Munjal, 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 with effect from August 24, 2016 to August 23, 2021.”

**9. Variation in the Terms of Appointment of Mr. Isao Ito, (DIN 05134031), Joint Managing Director of the Company**

“**RESOLVED THAT** pursuant to the recommendations of the Nomination and Remuneration Committee and in partial modification of the earlier Resolution passed by the shareholders in the Thirtieth Annual General Meeting held on August 26, 2015, the consent of the Company be and is hereby accorded under Sections 196, 197, 203 with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the rules made there under, and subject to the approval of the Central Government, if required, the Basic Salary payable to Mr. Isao Ito, Joint Managing Director of the Company be increased to Rs. 12,00,000/- per month from the existing Rs. 10,50,000/- per month and special pay shall be Rs. 2,00,000/- per month from the existing Rs. 1,00,000/- per month with effect from September 01, 2016 for the remaining period of his tenure.

**RESOLVED FURTHER THAT** Mr. Isao Ito, Joint Managing Director of the Company shall be liable to retire by rotation in pursuance of section 152 and any other provisions of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the other terms and conditions of the appointment be and is hereby remains unchanged.

**RESOLVED FURTHER THAT** the aggregate of the remuneration payable to Mr. Isao Ito, Joint Managing Director in a 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 or such other limits as may be prescribed from time to time.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.”

Place: Gurgaon  
Dated: May 20, 2016

By Order of the Board of Directors  
For **MUNJAL SHOWA LIMITED**

**Registered Office:**

9-11, Maruti Industrial Area  
Sector-18, Gurgaon, Haryana - 122 015  
**Email:** msladmin@munjalshowa.net  
**Website:** www.munjalshowa.net  
**CIN:** L34101HR1985PLC020934  
**Phone No.:** 0124-4783000, **Fax:** 0124-2341359

**SAURABH AGRAWAL**  
**COMPANY SECRETARY**  
**Membership No. A36163**

**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 ATTACHED TO THE NOTICE 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 10% 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) In terms of Section 152 of the Companies Act, 2013, Mrs. Charu Munjal, Director, retire by rotation at the Meeting and being eligible, offer herself for re-appointment. The Board of Directors of the Company recommends her re-appointment. Mrs. Charu Munjal aged 44 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 the Whole Time Director in Shivam Autotech Limited.
- 04) The Explanatory Statement setting out the material facts concerning Special Business at Item Nos. 5 to 9 of the accompanying notice as required by Section 102 of the Companies Act, 2013, is annexed hereto.
- 05) Only bonafide members of the Company whose names appear on the Register of Members/Proxy holders, in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the meeting.
- 06) Pursuant to Section 91 of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation 2015, the Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, August 13, 2016 to August 24, 2016 (both days inclusive).
- 07) Pursuant to the provisions of Section 205A(5) and Section 205C of the Companies Act, 1956 and the Companies Act, 2013 to the extent applicable thereof, dividend for the financial year 2009-10 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 upto 2007-08 remaining unpaid/unclaimed have already been transferred to the Investor Education and Protection Fund. Dividend declared for the financial year 2008-09 is in the process of transfer to IEPF and the last date of claim is August 13, 2016.
- 08) Information in respect of unclaimed dividend pertaining to subsequent financial years when due for transfer to the said Fund is given below:

<b>Financial year ended</b>	<b>Date of declaration of Dividend</b>	<b>Last date upto which claim can be lodged for unpaid Dividend</b>
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
31.03.2014	28.08.2014	03.09.2021
31.03.2015	26.08.2015	01.09.2022
31.03.2016 (Interim Dividend)	09.03.2016	15.03.2023

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 to ascertain the status of the unclaimed amounts and overcome the problems due to misplacement of intimation in transit. Unclaimed dividend information is 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).

- 09) Members are requested to notify immediately any change of address including their email IDs:
  - i) To their Depository Participants (DPs) in respect of their electronic share accounts, and
  - ii) To the Company's Registrar, MCS Share Transfer Agent 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.
- 10) 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.
- 11) Members holding shares in electronic form are hereby informed that the 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.
- 12) 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 Share Transfer Agent Limited.
- 13) Members are requested to bring their copy of the Annual Report to the Annual General Meeting. In order to enable us to register your attendance at the venue of the Annual General Meeting, members are requested to please bring their folio number/ demat account number/DP ID-Client ID to enable us to provide a duly filled attendance slip for your signature and participation at the meeting.
- 14) 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.
- 15) To support the 'Green Initiative' the Members who have not registered their e-mail addresses are requested to register their email id.
- 16) A Route Map along with prominent landmark for easy location to reach the venue of Annual General Meeting is annexed to the notice.
- 17) 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 business hours except on holidays, up to and including the date of the Annual General Meeting of the Company.

### VOTING THROUGH ELECTRONIC MEANS

In compliance with the provisions of the Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation 2015, the members are provided with the facility to cast their votes on the resolutions through e-voting as amended from time to time, the Company is pleased to provide its members the facility of 'remote e-voting' (e-voting from a place other than venue of the AGM) to exercise their right to vote at the 31<sup>st</sup> Annual General Meeting (AGM). The business shall be transacted through e-voting services rendered by Central Depository Services (India) Limited (CDSL).

The facility for voting, either through ballot/polling paper shall also be made available at the venue of the 31<sup>st</sup> AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

Any person who becomes a member of the Company after dispatch of the Notice of the Meeting and holding shares as on the cut-off date i.e. Friday 22<sup>nd</sup> Day of July 2016 have the option to request for physical copy of the Ballot Form by sending an e-mail to [cs@munjalshowa.net](mailto:cs@munjalshowa.net) by mentioning their Folio/DP-ID and Client-ID No. However, the duly completed Ballot Form should reach the Registered Office of the Company not later than one day before the General Meeting. Ballot Form received after this date will be treated as invalid. A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid. The Company has appointed Mr. Satyender Kumar (FCS 4087), Proprietor- M/s Satyender Kumar & Associates, Company Secretaries, Gurgaon as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner.

### The instructions to members for voting electronically are as under:-

- i. The voting period begins on Sunday, August 21, 2016 at 9.00 a.m. and ends on Tuesday, August 23, 2016 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. Wednesday, August 17, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 5.00 p.m. on August 23, 2016.
- ii. Members holding shares in physical or in demat form as on Wednesday, August 17, 2016 shall only be eligible for e-voting.
- iii. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- iv. Click on Shareholders.
- v. Now Enter your User ID;
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- vi. Next enter the Image Verification as displayed and Click on Login.
- vii. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- viii. If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).</p> <p>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. E.g. if your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id/folio number in the Dividend Bank details field as mentioned in instruction (v).
-----------------------	---

- ix. After entering these details appropriately, click on "SUBMIT" tab.
- x. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. 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.
- xi. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xii. Click on the EVSN for the Munjal Showa Limited.
- xiii. 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.
- xiv. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xv. 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.
- xvi. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvii. You can also take out print of the voting done by you by clicking on "Click here to print" option on the voting page.
- xviii. If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xix. Note for Non-Individual Shareholders & Custodians:
  - a. Non-Individual shareholders (i.e. other than Individuals, HUF and NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate and Custodians respectively.
  - b. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - c. After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - d. 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.
  - e. A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xx. 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).

Place: Gurgaon  
Dated: May 20, 2016

By Order of the Board of Directors  
For **MUNJAL SHOWA LIMITED**

**Registered Office:**

9-11, Maruti Industrial Area  
Sector-18, Gurgaon, Haryana - 122 015  
Email: [msladmin@munjalshowa.net](mailto:msladmin@munjalshowa.net)  
Website: [www.munjalshowa.net](http://www.munjalshowa.net)  
CIN: L34101HR1985PLC020934  
Phone No.: 0124-4783000, Fax: 0124-2341359

**SAURABH AGRAWAL**  
**COMPANY SECRETARY**  
Membership No. A36163