

MUNJAL SHOWA LTD.

Regd. Office & Works : 9-11, Maruti Industrial Area, Gurgaon - 122 015 (Haryana) INDIA
Email : msladmin@munjalshowa.net Website : www.munjalshowa.net
Corporate Identity Number : L34101HR1985PLC020934 **August 09, 2016**
Ph. : 0124-4783000, 4783100, 2341001 Fax : 0124-2341359

The Asst. Vice President

MUNJALSHOW

Listing Department

National Stock Exchange of India Limited

Exchange Plaza, C-1, Block-G

Bandra-Kurla Complex

Bandra (E), Mumbai - 400 051

Sub: Notice of 31st AGM.

Dear Sir,

This is to inform you that the 31st Annual General Meeting of the Company is scheduled to be held on Wednesday, the 24th day of August, 2016 at the Company's Registered Office located at 9-11, Maruti Industrial Area, Sector-18, Gurgaon, Haryana at 11:00 A. M.

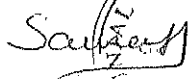
Please find enclosed copy of 31st Notice of Annual General Meeting of the Company. Also find enclosed the copy of advertisement published in News Paper.

This is for your information and record.

Thanking You.

Yours Faithfully,

For MUNJAL SHOWA LIMITED


(SAURABH AGRAWAL)
Company Secretary

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 31ST ANNUAL GENERAL MEETING OF THE MEMBERS OF MUNJAL SHOWA LIMITED WILL BE HELD ON WEDNESDAY, THE 24TH 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:

Financial year ended	Date of declaration of Dividend	Last date upto which claim can be lodged for unpaid Dividend
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 10th 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 and also on the website of the company viz. 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 31st 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 31st 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 22nd 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 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.
- 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 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).
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- 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 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.
 - 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 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 under help section or write an email to 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
Website: www.munjalshowa.net
CIN: L34101HR1985PLC020934
Phone No.: 0124-4783000, Fax: 0124-2341359

SAURABH AGRAWAL
COMPANY SECRETARY
Membership No. A36163

ANNEXURE TO THE NOTICE**EXPLANATORY STATEMENT IN RESPECT OF SPECIAL BUSINESS PURSUANT TO SECTION 102(1)
OF THE COMPANIES ACT, 2013****Item No. 5**

With the enactment of Companies Act 2013 (hereinafter referred as “the Act”), it is considered expedient to amend the existing Memorandum of Association of the Company to be in accordance with the requirements of the Act.

In terms of Section 4(1) (c) of the Companies Act 2013, the Memorandum of Association of the Company is to state the objects for which the Company is proposed to be incorporated and any matter considered necessary in furtherance thereof.

Accordingly it is proposed to replace the existing titles/ headings of Clause III A of the existing Memorandum of Association of the Company. And it is also proposed to replace the heading of existing Clause III B, “THE OBJECTS INCIDENTAL OR ANCILLIARY TO THE ATTAINMENT OF MAIN OBJECTS ARE:” along with its clause 1 to 27 with the heading “The Matters which are necessary for furtherance of the objects specified in Clause III A are:” along with new clause 1 to 39. And the Clause III C (the Other Objects 1 to 70) of the Memorandum of Association of the Company completely deleted.

In terms of Section 4(1)(d) of the Act, the Memorandum of Association of the Company is to state, in the case of a Company limited by shares, that liability of Members is limited to the amount unpaid, if any, on the shares held by them. Accordingly, it is proposed to amend Clause IV of the Memorandum of Association of the Company so as to comply with the provisions of Sections 4, 13 and other applicable provisions, if any, of the Act including Table A. Thus modification in Memorandum of Association is carried out to give effect to the provisions of the Act.

In terms of Sections 13 and other applicable provisions of the Act and rules made there under, consent of the Members of the Company is proposed to be obtained for the alteration of Memorandum of Association of the Company by way of passing a Special Resolution.

The proposed Memorandum of Association is being uploaded on the Company’s website i.e. www.munjalshowa.net for perusal by the Members and is available for inspection at the Registered Office of the Company during business hours on all working days (except Saturdays, Sundays and Public Holidays) from 11:00 A.M. to 1:00 P.M including and upto the date of the meeting.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 5 except to the extent of their shareholding in the Company.

The Board of Directors of the Company recommends the Resolution to be passed as a Special Resolution as set out in Item No. 5 of the Notice for approval of the Members.

Item No. 6

The existing Articles of Association of the Company, is in accordance with the Companies Act, 1956 and several regulations in the existing Articles of Association contain references to specific sections of the Companies Act, 1956 and some regulations in the existing Articles of Association are no longer in conformity with the provisions of the Companies Act, 2013. Upon enactment of the Act and pursuant to the notifications of Ministry of Corporate Affairs dated September 12, 2013 and March 26, 2014 respectively, various provisions of the Companies Act, 1956 have been repealed and in view of the same the existing Articles of Association of the Company needed to be re-aligned as per the provisions of the Companies Act, 2013.

The Board of Directors (“Board”) decided to incorporate/substitute /alter certain provisions as per the Act. As this would result in a number of changes in the existing Articles of Association of the Company, it was desirable to adopt a new set of Articles of Association in place of and in exclusion to the existing Articles of Association of the Company by way of passing a Special Resolution..

The new set of Articles of Association to be substituted in place of existing Articles of Association is based on Table ‘F’ of Schedule I of the Act which sets out the model Articles of Association for a Company limited by shares.

The proposed Articles of Association of the Company is uploaded on the Company's website i.e. www.munjalshowa.net for perusal by the Members and is available for inspection at the Registered Office of the Company during business hours on all working days (except Saturdays, Sundays and Public Holidays) from 11:00 A.M. to 1:00 P.M including and upto the date of the meeting.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 6 except to the extent of their shareholding in the Company.

The Board of the Company recommends the Resolution to be passed as a Special Resolution as set out in Item No. 6 of the Notice for approval of the Members.

Item No. 7

Mr. Yogesh Chander Munjal, aged 76 years, is an eminent personality in the corporate world. He graduated in the field of Architecture from the IIT, Roorkee. Ever since he finished his formal education, he was associated with many of the Hero Group companies in the capacity of CEO and contributed for making the companies as world leaders.

He is the Chairman of Indian National Suggestion Schemes' Assn. (INSSAN) – (Northern India Chapter), Japan Desk of PHD Chamber of Commerce & Industry and TPM Club of India, Regional Council member of CII, Executive member of ACMA, Life member of Indian Institute of Public Administration, Member of National Safety council, All India Management Association. Earlier, he served as president of Gurgaon Industrial Association, Chairman of CII (Haryana Committee) and Chairman of Haryana Chamber of Commerce and Industry, Gurgaon.

He is a member of the Alumni Assn. of University, Roorkee and India Habitat Centre. He is senior active member of Rotary Club of Delhi Southend and served as President of the club during the year 1991-92 & member of Rotary Education Foundation R.I. District – 3010. He is a member of Board of Governors of Amity Business School, member of Governing Council of Mist University, Managing Committee member of D.A.V. Public School, Gurgaon.

He has received Best Client Award in 1999 from Leadership Management Institute U S A, at Hawaii.

Mr. Yogesh Chander Munjal, who was appointed as Managing Director of the Company by the members to hold the office upto August 31, 2016, has attained the age of 70 years on February 13, 2010 and hence continuation of his employment as Managing Director requires the approval of members by way of a special resolution under Section 196(3) of the Companies Act, 2013

Keeping in view that Mr. Yogesh Chander Munjal has rich and varied experience in the Industry and has been involved in the operations of the Company over a long period of time, it would be in the interest of the Company to consider and continue the employment of Mr. Yogesh Chander Munjal as Managing Director of the Company.

In terms of the Corporate Governance Guidelines of the Company and pursuant to the recommendation of the Board, Nomination and Remuneration Committee, the Board of Directors of the Company, passed a resolution on May 20, 2016 approving 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. This is subject to the approval of the shareholders at this Annual General Meeting.

This explanatory statement may also be read and treated as disclosure in compliance with the requirements of Section 190 of the Companies Act, 2013.

The details of remuneration payable to Mr. Yogesh Chander Munjal and the terms and conditions of the re-appointment are given below:

1. **Basic Salary:** Rs. 16,00,000/- (Rs. Sixteen Lakhs only) per month which is eligible for revision on a date to be determined by the Nomination and Remuneration Committee
2. **Special Pay:** Rs. 3,00,000/- (Rs. Three Lakhs only) p.m.
3. **Commission:** He shall also be allowed to a commission in addition to Basic Salary & Special Pay, perquisites and any other allowances, benefits, or amenities subject to the condition that the amount of commission shall not exceed 1% of the net profits of the Company in a particular financial year as computed in the manner referred to in Section 198 and any other applicable provisions of the Companies Act, 2013.

4. **Perquisites and Allowances:** In addition to the above Basic Salary, Special Pay and Commission, he shall be entitled to the following perquisites and allowances:
 - a) **Residential Accommodation:** He shall be entitled to 60% of the basic salary relevant for the concerned period as and by way of House Rent Allowance with free use of all the facilities and amenities including deploy of security guards which shall be provided by the Company;
 - b) **Medical Reimbursement:** Reimbursement of actual medical insurance premium and medical expenses incurred by him and his family;
 - c) **Leave Travel Concession:** Once in a year incurred in accordance with the Rules specified by the Company;
 - d) **Club Fees:** Actual fees of clubs will be reimbursed;
 - e) **Gas, Electricity & Water:** Actual Expenses on Gas, Electricity and Water will be paid by the Company;
 - f) **Personal Accident Insurance:** Actual premium to be paid by the Company;
 - g) **Insurance of Household goods:** Actual premium to be paid by the Company;
 - h) **Car:** Facility of car(s) with driver;
 - i) **Telephone:** Free telephone facility at Residence including mobile phone facility;
 - j) **Leave:** One month's leave with full salary for every 11 months of service subject to the condition that the leave accumulated but not availed will not be en-cashed;
 - k) **Reimbursement of other expenses:** Reimbursement of entertainment, traveling, hotel and other expenses actually and properly incurred for the business of the Company;
 - l) **Contribution to Provident and Superannuation Funds:** Company's contribution to Provident and Superannuation funds will be as per the Rules of the Company; and
 - m) **Gratuity:** Not exceeding half month's salary for each completed year of service, as per the Rules of the Company.

5. Minimum Remuneration

In the event of absence or inadequacy of profits in any financial year during the tenure of the Chairman, salary and perquisites subject to the limits stipulated under Schedule V read with Section 196 and 197 of the Companies Act, 2013, are payable.

However, he shall not be entitled to any sitting fee for attending meetings of the Board or Committee thereof.

The terms of appointment and remuneration including minimum remuneration as detailed in the resolution read with Explanatory Statement may be regarded as an abstract of the terms of Appointment and Memorandum of Interest under section 190 of the Companies Act, 2013.

All other existing terms and conditions for the re-appointment shall remain unchanged.

Memorandum of Interest/ Concern:

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.

The Board of Directors recommends the resolution in relation to the re-appointment of Managing Director, for the approval of the shareholders of the Company.

Notice has been received from Mr. Yogesh Chander Munjal signifying his intention to propose appointment of him as Managing Director of the Company along with a deposit of Rs. 1,00,000. The disclosure under Regulation 36(3) of the SEBI (LODR) Regulations, 2015 is provided at Annexure A of this Notice.

Except Mr. Yogesh Chander Munjal and Mrs. Charu Munjal or their relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise in this resolution set out at item no. 7 except to the extent of their shareholding in the Company.

He also hold directorship in Dayanand Munjal Investments Private Limited and Hero Cycles Limited.

Item No. 8

A notice under Section 160 of the Companies Act, 2013 along with requisite deposit has been received from a member proposing the Candidature of Mr. Pankaj Munjal as an Independent Director of the Company, therefore the Board of Directors of the Company, acting upon the said proposal recommends the appointment of Mr. Pankaj Munjal as an Independent Director of the Company. Mr. Pankaj Munjal is currently Non Executive Director of the Company and pursuant to Section 152(6) of the Companies Act, 2013; his office is liable to determination by retirement of directors by rotation. Being eligible, he offers himself for reappointment and a declaration under Section 149(7) of Companies Act, 2013 has also been duly received by the Company from the said Director.

Mr. Pankaj Munjal, aged about 54 years old, is graduated in Science and then underwent specialized training in Automotive Manufacturing at General Motors Institute, Flint in USA. Thereafter, he attended the executive program in Strategic Marketing Management at London Business School, Harvard University. Mr. Munjal takes an active interest in the promotion of business domestically and globally.

Keeping in view that Mr. Pankaj Munjal has rich and varied experience in the Industry. It would be in the interest of the Company to appoint Mr. Pankaj Munjal as Independent Director of the Company.

Presently he is the director of the following companies:

Name of Company	Designation	Name of Company	Designation
1. MUNJAL SHOWA LIMITED	Director	2. HERO MOTORS LIMITED	Managing Director
3. MUNJAL KIRU INDUSTRIES PRIVATE LIMITED	Director	4. ZF HERO CHASSIS SYSTEMS PRIVATE LIMITED	Director
5. HERO CYCLES LIMITED	Chairman & Managing Director	6. UT BIKES LIMITED	Director
7. FIREFOX BIKES PRIVATE LIMITED	Additional Director	8. PRAGATI TYRES PRIVATE LIMITED	Director
9. MUNJAL HOSPITALITY PRIVATE LIMITED	Director	10. BHAGYODAY INVESTMENTS PVT LTD	Director
11. FIVE DOTS DIGITAL PRIVATE LIMITED	Director		

Except Mr. Pankaj Munjal, and his relative none of the Director, Key Managerial Personnel (KMPs) and their relatives are interested /concerned either financial or otherwise in the Resolution under Item No. 8 of the notice except to the extent of their shareholding in the Company. Mr. Pankaj Munjal does not hold any equity shares in the Company.

The Board recommends the resolution to the members for their approval.

Item No. 9

The Members had approved the basic salary of Mr. Isao Ito- Joint Managing Director as Rs. 10,50,000/- p.m. with effect from September 01, 2015 in the thirtieth Annual General Meeting held on August 26, 2015. Under the leadership of Mr. Isao Ito, the profitability of the Company has grown since his appointment inspite of the challenging environment. In view of the vast experience and valuable contribution made by Mr. Isao Ito towards the growth of the Company and the job responsibilities handled by Joint Managing Director in the challenging environment, and on the basis of the recommendations of the Nomination and Remuneration Committee, your Board of Directors have, by passing a Resolution in their meeting held on May 20, 2016, revised the basic salary of Joint Managing Director 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. All other terms and conditions of his appointment including allowances, perquisites and benefits will remain same.

Except Mr. Isao Ito, and his relative none of the Director, Key Managerial Personnel (KMPs) and their relatives are interested /concerned either financial or otherwise, except to the extent of their shareholding in the Company, in the Resolution under Item No. 9 of the notice. Mr. Isao Ito does not hold any equity shares in the Company.

The Board also recommends the change in the terms in respect of non retiring director to retiring director of Mr. Isao Ito.

The Board recommends the resolution to the members for their approval.

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

Annexure A

Details of the directors seeking Re-Appointment in the forthcoming Annual General Meeting (In pursuance of SEBI (LODR) Regulations, 2015)

<u>Name of the Director</u>	<u>Mr. Yogesh Chander Munjal</u>	<u>Mr. Pankaj Munjal</u>	<u>Mrs. Charu Munjal</u>
Director Identification Number (DIN)	00003491	00005330	03094545
Date of Birth	13.02.1940	15.12.1962	04.06.1972
Date of Appointment	16.05.1985	16.05.1985	23.05.2014
Qualification	B. Arch	Graduated in Science	Diploma in Textile Designing
Relationship with Directors	Father-in-Law of Mrs. Charu Munjal	None	Daughter-in-Law of Mr. Yogesh Chander Munjal
Expertise in Specific functional area	Wide managerial experience	Wide managerial experience	Wide managerial experience
Directorships held in other companies	Mentioned in the explanatory statement	Mentioned in the explanatory statement	Mentioned in the explanatory statement
Board Membership of Listed Companies as on March 31, 2016	MUNJAL SHOWA LIMITED	MUNJAL SHOWA LIMITED	1. MUNJAL SHOWA LIMITED 2. SHIVAM AUTOTECH LIMITED
Chairman/Member of the Committee of the Board of directors as on March 31, 2016 in Listed Company	<u>Munjal Showa Limited</u> Share Transfer/Stakeholders Relationship Committee-Member, CSR Committee-Chairman w.e.f. 20/05/2016	NONE	NONE
Number of Shares held in the Company as on March 31, 2016	Nil	Nil	Nil

Munjal Showa Limited

Registered Office: 9-11, Maruti Industrial Area, Sector-18, Gurgaon -122015, CIN: L34101HR1985PLC020934

Web: www.munjalshowa.net, Email: msladmin@munjalshowa.net, Tel: +91124 4783000/4783100**ATTENDANCE SLIP**

DP ID. Client ID No./ Folio No.

No. of Share(s) held:

Name of the Member/ proxy (IN BLOCK LETTERS)

Address of the member

I, hereby record my presence at the 31st Annual General Meeting of the Munjal Showa Limited held on Wednesday the 24th Day of August 2016 at 9-11, Maruti Industrial Area, Sector-18, Gurgaon-122 015, Haryana at 11.00 A.M.

Signature of the member/ Proxy

Notes:

- i) Please complete this attendance slip and hand it over at the entrance of the meeting hall.
 - ii) Members are informed that no duplicate slips will be issued at the venue of the meeting and are requested to bring this slip for the Meeting.
-

Munjal Showa Limited

Registered Office: 9-11, Maruti Industrial Area, Sector-18, Gurgaon -122015, CIN: L34101HR1985PLC020934

Web: www.munjalshowa.net, Email: msladmin@munjalshowa.net, Tel: +91124 4783000/4783100**Form No. MGT-11****PROXY FORM**

[Pursuant to section 105(6) of Companies Act, 2013 and Rule 19(3) of Companies (Management and Administration) Rules, 2014

Name of the Member(s):	
Registered Address: _____	

E-mail ID: _____	Folio No. / DP ID and Client ID: _____

I/We, being the Member(s) of _____ shares of the above mentioned Company, hereby appoint

Name: _____ E-mail ID _____

Address: _____ Signature:

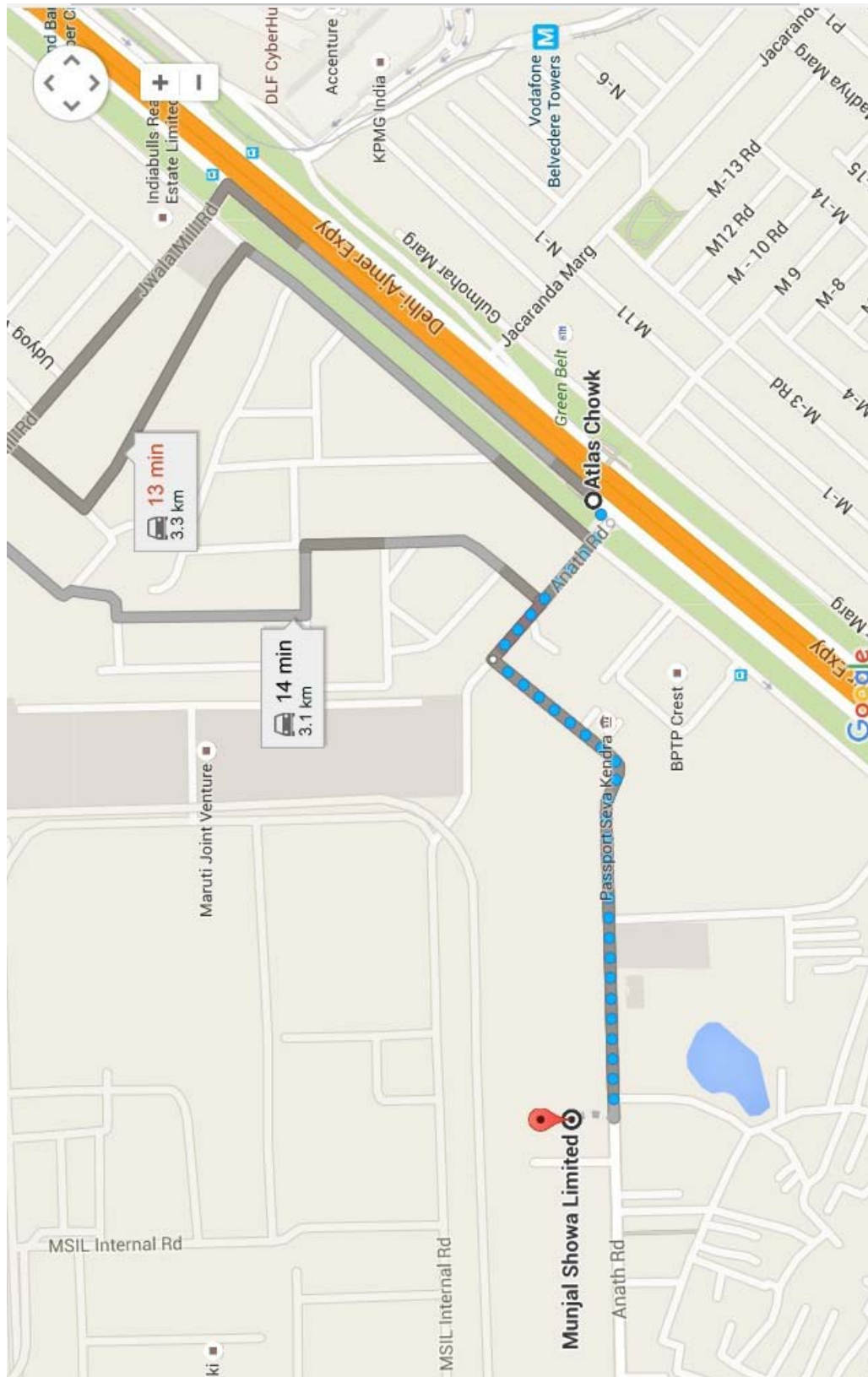
 or failing him/her

Name: _____ E-mail ID _____

Address: _____ Signature:

 or failing him/her

'Route map for the 31st AGM'



as my/our proxy to attend and vote, in case of a poll, for me/us and on my/our behalf at the 31th Annual General Meeting of the Company, to be held on Wednesday the 24th Day of August' 2016 at 11:00 A.M at the Registered Office of the Company and at any adjournment thereof in respect of such resolutions and in such manner as are indicated below:

Reso. No.	Description	For*	Against*
<i>As Ordinary Resolution</i>			
1	Adoption of Annual Accounts and Reports thereon for the Financial Year March 31 st , 2016. (Ordinary Resolution)		
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. (Ordinary Resolution)		
3	To appoint Mrs. Charu Munjal (DIN 03094545), as Director liable to retires by rotation. (Ordinary Resolution)		
4	Ratification of Appointment of M/s S. R. Batliboi & CO. LLP, As Statutory 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 and to fix their remuneration. (Ordinary Resolution)		
<i>Special Business</i>			
5	Amendment to Memorandum of Association of the Company. (Special Resolution)		
6	Adoption of new set of the Articles of Association in accordance with Companies Act, 2013. (Special Resolution)		
7	Re-appointment of Mr. Yogesh Chander Munjal (DIN 00003491) as Managing Director. (Special Resolution)		
8	Appointment of Mr. Pankaj Munjal (Din 00005330) as an Independent Director of the Company. (Ordinary Resolution)		
9	Variation in the Terms of Appointment of Mr. Isao Ito, (DIN 05134031), Joint Managing Director of the Company. (Ordinary Resolution)		

Signed this _____ day of _____ 2015.

Signature _____

Affix
Revenue
Stamp

Notes:

1. Please put a 'X' in the Box in the appropriate column against the respective resolutions. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
2. A Proxy need not be Member of the Company. Pursuant to the provisions of section 105 of Companies act, 2013, a person can act as proxy on behalf of not more than fifty members and holding in aggregate not more than 10 percent of the total Share Capital of the Company. Members holding more than 10 percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act a proxy for any other Member.
3. This form of Proxy, to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company at Munjal Showa Limited, 9-11, Maruti Industrial Area, Gurgaon-122015 not later than FORTY-EIGHT hours before the commencement of aforesaid meeting.

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MUNJAL SHOWA LIMITED

CIN: L34101HR1985PLC020934

Registered Office & Works: 9-11, Maruti Industrial Area,
Gurgaon-122015 (Haryana)

Tel.: +91-124-4783000; Fax: +91-124-2341359

Email: pgupta@munjalshowa.net

Website: http://www.munjalshowa.net

NOTICE OF 31ST AGM & REMOTE E-VOTING

NOTICE is hereby given that the 31st Annual General Meeting ('AGM') of Munjal Showa Limited will be held on Wednesday, 24 August 2016 at 11:00 AM at the Company's registered office situated at 9-11, Maruti Industrial Area, Sector-18, Gurgaon- 122015 to transact the business as mentioned in the Notice of AGM. The Company has completed the dispatch of Annual report for the year ended on March 31, 2016 along with the notice of AGM and the e-voting procedure to the Members (a) at their registered addresses via permitted mode and (b) electronically to the Members whose email addresses are registered with the depository participants (DP) on July 22, 2016. The said documents are also available on the Company's website www.munjalshowa.net for your reference.

In compliance with the provisions of the Section 108 and other applicable provisions, if any, 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 Regulations of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide its members, the facility to cast their vote by electronic means on all resolutions set forth in the Notice of AGM, through the e-voting platform of Central Depository Services Limited (CDSL). The register of Members and Share Transfer Books of the Company shall be closed from Saturday, August 13, 2016 to Wednesday, August 24, 2016, (both days inclusive) for the purpose of AGM.

All the Members are informed that the:

- i. the business may be transacted through voting by electronic means
- ii. 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.
- iii. cut-off date for this purpose is August 17, 2016
- iv. Members who have acquired shares after the dispatch of the Annual Report and/or before the cut-off may obtain the User ID and password by sending a request at cs@munjalshowa.net
- v. Please note that (a) Remote e-voting shall not be allowed beyond Tuesday, August 23, 2016 at 5.00 p.m. (b) The facility for voting through polling paper will also be made available at the AGM, and Members attending the AGM who have not already cast their vote by Remote e-voting will be able to exercise their right at the AGM; (c) Members who have cast their vote by Remote e-voting may attend the AGM but shall not be entitled to cast their vote again. (d) A Member, whose name appears in the register of members as on the cut-off date i.e. August 17, 2016 only shall be entitled to avail the facility of e-voting as well as voting at the meeting.
- vi. Notice of the AGM is displayed at www.munjalshowa.net and <https://www.cdslindia.com>
- vii. In case of any queries regarding e-voting, please call 18002005533 or send an email to helpdesk.evoting@cdslindia.com or write to Mr. Mehboob Lakhani, Assistant Manager, Central Depository Services Limited, Phiroze Jeejeebhoy Towers, 16th Floor, Dalal Street, Fort, Mumbai – 400001.

by the order of the Board of Directors

Sd/-

Place : Gurgaon
Date : August 1, 2016

Saurabh Agrawal
Company Secretary
ACS 36163