

**MUNJAL AUTO INDUSTRIES LIMITED**

Regd. Office: 187, GIDC Industrial Estate, Waghodia 391760, Dist. Vadodara, Gujarat

Phone : (02668) 262421-22, Fax : (02668) 262427

E-mail : cs@munjalauto.com, Website : www.munjalauto.com

CIN : L34100GJ1985PLC007958

**NOTICE**

Notice is hereby given that the **37<sup>th</sup> Annual General Meeting ('AGM')** of the Members of **MUNJAL AUTO INDUSTRIES LIMITED** will be held on **Friday, September 16, 2022 at 11.00 A.M. through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")** to transact the following businesses:

**ORDINARY BUSINESS****1. To receive, consider and adopt:**

- (a) The Audited Standalone Financial Statement of the Company for the financial year ended March 31, 2022, together with the reports of the Board of Directors' and the Auditors' thereon.
  - b) The Audited Consolidated Financial Statement of the Company for the financial year ended March 31, 2022, together with the report of the Auditors' thereon.
2. To declare a final dividend @50 % i.e. ₹ 1/- per equity share on 10,00,00,000 equity shares of the Face Value of ₹ 2/- each for the financial year 2021-22.
  3. To appoint a Director in place of Mrs. Anju Munjal (DIN: 00007867), who retires by rotation, and being eligible, offers herself for re-appointment.
  4. To re-appoint Statutory Auditors of the Company and fix their remuneration.

To consider and if thought fit, to pass, re-appointment of the current auditors with or without modification(s), the following Resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 139, 141, 142 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], M/s K. C. Mehta & Co. LLP (LLPIN: ABB-3171) Chartered Accountants (Firm Registration No. (FRN) 106237W/W100829), be and are hereby re-appointed as Statutory Auditors of the Company for a term of 5 consecutive years commencing from the conclusion of ensuing 37<sup>th</sup> Annual General Meeting until the conclusion of 42<sup>nd</sup> Annual General Meeting of the Company, at such remuneration plus reimbursement of out-of-pocket and other incidental expenses in connection with the audit, as recommended by the Audit Committee and approved by the Board of Directors."

**RESOLVED FURTHER THAT** any Director and Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as may be necessary or expedient in order to give effect to aforementioned Resolution."

**SPECIAL BUSINESS****5. TO APPROVE REVISION OF REMUNERATION AS WELL AS CONTINUATION OF PAYMENT OF REMUNERATION TO MR. SUDHIR KUMAR MUNJAL (DIN: 00084080) AS A MANAGING DIRECTOR**

To consider and if thought fit, to pass, the following resolutions as **Special Resolution**:

**"RESOLVED THAT** in partial modification of Resolution No.5 passed at the 33<sup>rd</sup> Annual General Meeting of the Company held on 25<sup>th</sup> August, 2018 in respect of re-appointment of Mr. Sudhir Kumar Munjal, Managing Director of the Company and resolution no. 4 passed at 34<sup>th</sup> Annual General Meeting of the Company for revision of remuneration as well as continuance of payment of remuneration held on 31<sup>st</sup> August, 2019 and pursuant to the provisions of Sections 196, 197 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time and in terms of Articles of Association of the Company, consent of the members of the Company, be and is, hereby accorded to the revision in the terms of remuneration of Mr. Sudhir Kumar Munjal as a Managing Director of the Company, by way of increase in the maximum amount of salary payable to him with authority to the Board of Directors (hereinafter referred to as the 'Board', which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) with effect from 1<sup>st</sup> April, 2022 upto his residual tenure ending on 28<sup>th</sup>



October, 2023 at a remuneration of Rs.40,00,000 (Rupees Forty Lacs only) per month and perquisites and on such terms and conditions as set out in the explanatory statement and draft Supplemental Agreement to be entered into by the Company with him as recommended by the Nomination and Remuneration Committee and as approved by the Board of Directors of the Company at their respective meeting held on 27<sup>th</sup> May, 2022.

**RESOLVED FURTHER THAT** in case of no profit or inadequacy of profits in any financial year during the currency of his tenure, the remuneration as aforesaid will be paid as minimum remuneration.

**RESOLVED FURTHER THAT** pursuant to Regulation 17(6)(e) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, applicable provisions of the Companies Act, 2013 read with rules made thereunder and other applicable laws, if any [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] as also pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company, Approval, be and is, hereby accorded, to the enhanced payment of remuneration as aforesaid to Mr. Sudhir Kumar Munjal (belonging to promoter group) as a Managing Director for his residual term ending on October 28, 2023 notwithstanding:

(a) the annual remuneration payable to him exceeds ₹ 5 Crores or 2.5 percent of the net profit of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013, whichever is higher,

OR

(b) the aggregate annual remuneration of all the Executive Directors exceeds 5 percent of the net profit of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013.

**RESOLVED FURTHER THAT** Any Director or Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds and things, including to enter into such agreement(s), deed(s) of amendment(s) or any such document(s), as may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution.”

6. **TO APPROVE REVISION OF REMUNERATION AS WELL AS CONTINUATION OF PAYMENT OF REMUNERATION TO MRS. ANJU MUNJAL (DIN: 00007867) AS A WHOLE TIME DIRECTOR OF THE COMPANY**

To consider and if thought fit, to pass, the following resolutions as **Special Resolution**:

“**RESOLVED THAT** in partial modification of earlier resolution no. 5 passed by the members at their 34<sup>th</sup> Annual General Meeting held on 31<sup>st</sup> August, 2019 in respect of reappointment of Mrs. Anju Munjal, as a Whole Time Director for the period of five years w.e.f. September 29, 2019 pursuant to section 196, 197 and other applicable provisions, if any, of the Companies Act, 2013 (‘the Act’) [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time and in terms of Articles of Association of the Company, consent of the members of the Company, be and is, hereby accorded to the revision in the terms of remuneration of Mrs. Anju Munjal as a Whole Time Director of the Company, by way of increase in the maximum amount of salary payable to him with authority to the Board of Directors (hereinafter referred to as the ‘Board’, which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) with effect from 1<sup>st</sup> April, 2022 up to her residual tenure ending on 28<sup>th</sup> September, 2024 at a remuneration of ₹ 35,00,000 (Rupees Thirty Five Lacs only) per month and perquisites and on such terms and conditions as set out in the explanatory statement and draft Supplemental Agreement to be entered into by the Company with her as recommended by the Nomination and Remuneration Committee and as approved by the Board of Directors of the Company at their respective meeting held on May 27, 2022.

**RESOLVED FURTHER THAT** in case of no profit or inadequacy of profits in any financial year during the currency of her tenure, the remuneration as aforesaid will be paid as minimum remuneration.

**RESOLVED FURTHER THAT** pursuant to Regulation 17(6)(e) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, applicable provisions of the Companies Act, 2013 read with rules made thereunder other applicable laws if any [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] as also pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company, Approval, be and is, hereby accorded, to the enhanced payment of remuneration as aforesaid to Mrs. Anju Munjal (belonging to promoter group) as a Whole Time Director for her residual term ending on 28<sup>th</sup> September, 2024 notwithstanding:

(a) the annual remuneration payable to her exceeds ₹ 5 Crores or 2.5 percent of the net profit of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013, whichever is higher,

OR

(b) the aggregate annual remuneration of all the Executive Directors exceeds 5 percent of the net profit of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013.

**RESOLVED FURTHER THAT** Any Director or Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds and things, including to enter into such agreement(s), deed(s) of amendment(s) or any such document(s), as may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution.”

7. **TO APPROVE REVISION OF REMUNERATION AS WELL AS CONTINUATION OF PAYMENT OF REMUNERATION TO MR. ANUJ MUNJAL (DIN: 02714266) AS A WHOLE TIME DIRECTOR OF THE COMPANY**

To consider and if thought fit, to pass, the following resolutions as **Special Resolution**:

“**RESOLVED THAT** in partial modification of earlier resolution no. 6 passed by the members at their 34<sup>th</sup> Annual General Meeting held on 31<sup>st</sup> August, 2019 in respect of re-appointment of Mr. Anuj Munjal as a Whole Time Director for the period of five years w.e.f. June 01, 2020 and pursuant to section 196, 197 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act') [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time and in terms of Articles of Association of the Company, consent of the members of the Company, be and is, hereby accorded to the revision in the terms of remuneration of Mr. Anuj Munjal as a Whole Time Director of the Company, by way of increase in the maximum amount of salary payable to him with authority to the Board of Directors (hereinafter referred to as the 'Board', which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this Resolution) with effect from 1<sup>st</sup> April, 2022 upto his residual tenure ending on 31<sup>st</sup> May, 2025 at a remuneration of ₹ 35,00,000 (Rupees Thirty Five Lacs only) per month and perquisites and on such terms and conditions as set out in the explanatory statement hereto and draft Supplemental Agreement to be entered into by the Company with him as recommended by the Nomination and Remuneration Committee and as approved by the Board of Directors of the Company at their respective meeting held on 27<sup>th</sup> May, 2022.

**RESOLVED FURTHER THAT** in case of no profit or inadequacy of profits in any financial year during the currency of his tenure, the remuneration as aforesaid will be paid as minimum remuneration.

**RESOLVED FURTHER THAT** pursuant to Regulation 17(6)(e) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, applicable provisions of the Companies Act, 2013 read with rules made thereunder and other laws applicable, if any [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] as also pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company, Approval, be and is, hereby accorded, to the enhanced payment of remuneration as aforesaid to Mr. Anuj Munjal (belonging to promoter group) as a Whole Time Director for his residual term ending on 31<sup>st</sup> May, 2025, notwithstanding:

(a) the annual remuneration payable to him exceeds ₹ 5 Crores or 2.5 percent of the net profit of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013, whichever is higher,

OR

(b) the aggregate annual remuneration of all the Executive Directors exceeds 5 percent of the net profit of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013.

**RESOLVED FURTHER THAT** Any Director or Key managerial Personnel of the Company be and are hereby severally authorized to do all such acts, deeds and things, including to enter into such agreement(s), deed(s) of amendment(s) or any such document(s), as may be necessary, proper, expedient or incidental for the purpose of giving effect to this Resolution.”

Place : Vadodara  
Date : June 10, 2022

**Registered Office**  
187, GIDC Industrial Estate,  
Waghodia - 391760  
Dist.: Vadodara (Gujarat)

By Order of the Board of Directors  
**For Munjal Auto Industries Ltd.**

Sd/-  
**Rakesh Johari**  
Company Secretary & Compliance Officer  
ACS 19153



## Notes :

1. In view of the COVID-19 pandemic, Ministry of Corporate Affairs (MCA) with reference to Circular Nos. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020, 20/2020 dated May 05, 2020, 02/2021 dated January 13, 2021, 19/2021 dated December 08, 2021, 21/2021 dated December 14, 2021, 2/2022 dated May 05, 2022 and all other relevant circulars issued from time to time (hereinafter collectively referred to as “Circulars”) allowed companies to convene the Annual General Meeting through Video Conferencing (VC) or Other Audio Visual Means (OAVM), without the physical presence of the members at a common venue, in accordance with the requirements laid down in paragraphs 3 and 4 of the General Circular No. 20/2020. Hence, in compliance with these Circulars, the Annual General Meeting of the Company (hereinafter referred as “AGM”) will be conducted through Video Conferencing (VC)/Other Audio Visual Mode (OAVM). The deemed venue for the 37<sup>th</sup> AGM shall be the Registered Office of the Company.
2. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 which sets out details relating to special business to be transacted at the AGM is annexed hereto.
3. Details as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”) and in terms of Secretarial Standard - 2 in respect of the Directors seeking appointment/re-appointment at the 37<sup>th</sup> AGM are annexed hereto as **Annexure-A** to the Notice which forms part of the Explanatory Statement. The Company has received relevant disclosure/ consent from the Directors seeking appointment/re-appointment.
4. On account of threat posed by COVID-19 and in terms of the MCA and SEBI Circulars, SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/ P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13,2022, the Company has sent the Annual Report and the Notice of AGM only in electronic form to the registered email addresses of the shareholders however Listed entities are required to send hard copy of full annual report to those shareholders who request for the same. Therefore, those shareholders who have not yet registered their email addresses are requested to get their email addresses registered by following the procedure given below:
  - a. Shareholders holding shares in physical form, are requested to register / update their email addresses by submitting physical copy of Form ISR-1 to the RTA along with relevant documents at below mentioned address:  
M/s MCS Share Transfer Agent Limited (Unit: Munjal Auto Industries Limited)  
1<sup>st</sup> Floor, Neelam Apartment, 88, Sampatrao Colony,  
Above Chappanbhog Sweet, Alkapuri, Vadodara - 390 007  
Tel:(0265) 2314757, 2350490, Fax:(0265) 2341639  
E-mail: mcsltbaroda@gmail.com
  - b. Shareholders holding shares in dematerialized form, are requested to register/ update their email addresses with the Depository Participants with whom the demat account is maintained.
5. The Notice of the 37<sup>th</sup> AGM and the Annual Report for the year 2021-22 including therein the Audited Financial Statements for the year 2021-22, will be available on the website of the Company at [www.munjalauto.com](http://www.munjalauto.com) and the website of stock exchanges at BSE Limited [www.bseindia.com](http://www.bseindia.com) and National Stock Exchanges of India Ltd. at [www.nseindia.com](http://www.nseindia.com). The Notice of 37<sup>th</sup> AGM and the Annual Report will also be available on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com).
6. All documents referred to in the Notice will be available for electronic inspection without any fee by the members from the date of circulation of this Notice upto the date of AGM, i.e. September 16, 2022. Members seeking to inspect such documents can send an email to [cs@munjalauto.com](mailto:cs@munjalauto.com).
7. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013 (“Act”) and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM.
8. Pursuant to Section 91 of the Act and Regulation 42 of the Listing Regulations, the Register of Members and the Share Transfer books of the Company will remain closed from **Saturday, September 10, 2022 to Friday, September 16, 2022** (both days inclusive) for the purpose of 37<sup>th</sup> AGM of the Company.
9. **Cut-off Date:** The Company has fixed **Friday, September 09, 2022** as the **Cut-off Date** for remote e-voting. The remote e-voting/ voting rights of the shareholders/beneficial owners shall be reckoned on the equity shares held by them as at close of business hours on the Cut-off Date i.e. **Friday, September 09, 2022** only. A person who is not a Member as on the Cut-off Date should treat this Notice for information purposes only.

10. The voting rights of the Members shall be in proportion to the paid-up value of their shares in the equity capital of the Company as on the Cut-off Date, being **Friday, September 09, 2022**.
11. The Company has designated Mr. Rakesh Johari, Company Secretary and Compliance Officer, to address the grievances connected with the voting by electronic means. The Members can reach Company official at +91-02668-262421-22 or cs@munjalauto.com.
12. The Board of Directors has appointed Mr. Devesh A Pathak, Proprietor, M/s. Devesh Pathak & Associates, Practising Company Secretaries, Vadodara, as Scrutinizer to scrutinize the remote e-voting process and voting through electronic voting system at the AGM in a fair and transparent manner.
13. The Scrutinizer shall, after conclusion of voting at the AGM, first download the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least 2 (two) witnesses not in the employment of the Company and shall within two working days of conclusion of the AGM, submit a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or any KMPs of the Company who shall countersign the same and declare the results of voting forthwith.
14. The resolutions will be deemed to be passed on the AGM date subject to receipt of the requisite number of votes in favour of the resolutions. The results shall be declared within two working days of conclusion of the Annual General Meeting of the Company. The results alongwith Scrutinizer's Report shall be placed on the website of the Company www.munjalauto.com, website of CDSL www.evotingindia.com and by filing with the Stock Exchanges. It shall also be displayed on the Notice Board at the Registered Office of the Company.
15. Members are requested to note that under Section 124 of the Act read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules'), the amount of dividend remaining unpaid or unclaimed for a period of seven years from the date of transfer to Unpaid Dividend Account is required to be transferred to the Investor Education and Protection Fund ('IEPF') constituted by the Central Government of India. Further, all shares in respect of which dividends remain unclaimed/unpaid for seven consecutive years or more, are also required to be transferred to designated Demat Account of the IEPF Authority. The Company during the financial year 2021-22 had, accordingly, transferred the unpaid and unclaimed dividend amount pertaining to the financial year 2013-14 alongwith relevant shares to the IEPF within the stipulated time period. Further, all the shareholders who have not claimed/encashed their dividends in the last seven consecutive years from FY 2014-15 and onwards are requested to claim the same. The concerned members are requested to verify the details of their unclaimed amounts, if any, from the website of the Company and write to the Company's Registrar before the same becoming due for transfer to the IEPF.
16. In respect of the physical shareholding, in order to prevent fraudulent transactions, members are advised to exercise due diligence and notify the Registrar of any change in their addresses, telephone numbers, e-mail ids, nominees or joint holders, as the case may be. The Securities and Exchange Board of India ('SEBI') has mandated submission of Permanent Account Number ('PAN') by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN details to the Registrar.
17. Pursuant to the Listing Regulations, shares of a listed entity can only be transferred in demat form w.e.f. April 1, 2019 except in cases of transmission or transposition. Therefore, **shareholders are encouraged in their own interest to dematerialize their shareholding to avoid hassle in transfer of shares and eliminate risks associated with physical shares. Members can write to the Registrar in this regard.**
18. Pursuant to the provisions of Section 72 of the Act, the members holding shares in physical form may nominate, in the prescribed manner, a person to whom all the rights in the shares shall vest in the event of death of the sole holder or all the joint holders. Members holding shares in demat form may contact their respective Depository Participants for availing this facility and the Members holding shares in physical form shall contact the Registrar.
19. Information in respect of unclaimed dividend pertaining to the subsequent financial years when due for transfer to the said fund is given below:

Financial Year ended	Date of declaration of dividend	Last date for claiming unpaid dividend
31.03.2015	22.08.2015	31.08.2022
31.03.2016*	23.03.2016	22.03.2023
31.03.2017	30.06.2017	29.06.2024
31.03.2018	25.08.2018	24.08.2025
31.03.2019	31.08.2019	30.08.2026

\* Interim dividend





20. Since the AGM will be held through VC, the facility to appoint proxy to attend and cast vote for the members is not available for the AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and cast their votes through e-voting. Therefore, the route map, proxy form and attendance slip are not annexed to this Notice.

21. **Remote E-Voting:**

Pursuant to Section 108 of the Act, rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations, the Company is pleased to provide the facility of voting by electronic means viz. 'remote e-voting' (e-voting from a place other than venue of the AGM) through CDSL, for all Members of the Company to enable them to cast their votes electronically, on the resolutions mentioned in the Notice of 37<sup>th</sup> AGM of the Company. The remote e-voting period begins on Tuesday, September 13, 2022 at 9:00 A.M. and ends on Thursday, September 15, 2022 on 5:00 P.M.(IST).

During this period, Members of the Company, holding shares either in physical form or in dematerialized form as on the Cut-off Date i.e. **Friday, September 09, 2022**, may cast their votes electronically. The remote e-voting module shall be disabled after **5:00 p.m. (IST)** on **Thursday, September 15, 2022**. The facility for electronic voting system, shall also be made available at the 37<sup>th</sup> AGM.

The Members attending the AGM, who have not cast their votes through remote e-voting, shall be able to exercise their voting rights at the AGM. The Members who have already cast their votes through remote e-voting may attend the meeting but shall not be entitled to cast their votes again at the AGM.

The Members desirous of voting through remote e-voting are requested to refer to the detailed procedure given hereinafter. Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently.

**CDSL e-Voting System – For e-voting and Joining Virtual meetings**

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular Nos. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, 02/2021 dated January 13, 2021, 19/2021 dated December 8, 2021, 21/2021 dated December 14, 2021, 2/2022 dated May 5, 2022 and all other relevant circulars issued from time to time (hereinafter collectively referred to as "Circulars"), the forthcoming AGM will thus be held through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Act, read with rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of the Listing Regulations, (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1,000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Act.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Act, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at <https://munjalauto.com/finance/>. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. [www.evotingindia.com](http://www.evotingindia.com).

**THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:**

- Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.
- Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on Tuesday, September 13, 2022 at 9:00 A.M. and ends on Thursday, September 15, 2022 on 5:00 P.M.(IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **Friday, September 09, 2022**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) Pursuant to SEBI Circular No. **SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020**, under Regulation 44 of the Listing Regulations, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to **all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants**. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) **In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.**

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for **Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL Depository	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINK INTIME, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal</li> </ol>

<p>demat mode with NSDL Depository</p>	<p>Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “Register Online for IDeAS “Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>
<p>Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b></p>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p>

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 1800 22 55 33.
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for e-Voting and joining virtual meetings for Physical shareholders and shareholders other than individual holding in Demat form.

- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on “Shareholders” module.
- 3) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) 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 e-voting of any company, then your existing password is to be used.



6) If you are a first-time user follow the steps given below:

For Physical shareholders and other than individual shareholders holding shares in Demat.	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) - Shareholders who have not updated their PAN with the Company/Depository Participant are requested to write to <a href="mailto:cs@munjalauto.com">cs@munjalauto.com</a> in to obtain sequence number which shall be mentioned in the PAN field.
Dividend Bank Details or Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. - If both 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).

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN **220808010** for the relevant Munjal Auto Industries Limited on which you choose to vote.
- (x) 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.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) 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.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xvii) Additional Facility for Non – Individual Shareholders and Custodians - For Remote Voting only
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
  - 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).
  - 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.
  - The list of accounts linked in the login 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.
  - 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.
  - Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address [i.e.cs@munjalauto.com](mailto:i.e.cs@munjalauto.com), if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.



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**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

1. The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least **15 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at (company email id). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance **15 days prior to meeting** mentioning their name, demat account number/folio number, email id, mobile number at [cs@munjalauto.com](mailto:cs@munjalauto.com). These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
9. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
10. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to Company email id at [cs@munjalauto.com](mailto:cs@munjalauto.com) or RTA email id at [mcsltbaroda@gmail.com](mailto:mcsltbaroda@gmail.com).
2. For Demat shareholders - Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 555 333.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call at toll free no. 1800 22 555 333.

**Explanatory statement under Section 102 of the Companies Act, 2013****Item No. 4****TO RE-APPOINT STATUTORY AUDITORS OF THE COMPANY AND FIX THEIR REMUNERATION**

M/s. K. C. Mehta & Co. ("KCM"), Chartered Accountants (Firm Registration No. 106237W), were appointed as the Statutory Auditors of the Company for a term of five consecutive years from the conclusion of 32<sup>nd</sup> Annual General Meeting ('AGM') until the conclusion of 37<sup>th</sup> AGM of the Company. The tenure of KCM will end at conclusion of the ensuing AGM.

The Board of Directors on the recommendation of the Audit Committee recommended the reappointment of KCM, as the Statutory Auditors of the Company for a further term of five consecutive years from the conclusion of 37<sup>th</sup> AGM till the conclusion of the 42<sup>nd</sup> AGM, to the approval of the Members. However, recently the Company has received intimation with regard to conversion of K. C. Mehta & Co., Partnership Firm (Firm) into K. C. Mehta & Co. LLP (KCM) a Limited Liability Partnership (FRN:106237W/W100829) vide LLPIN: ABB-3171 with effect from June 07, 2022.

The fee for audit services for financial year 2022-23 will be ₹ 15.50 Lakhs plus applicable taxes out-of-pocket and other incidental expenses in connection with the audit. In addition to the audit services, the Company would also obtain certifications from the statutory auditors under various statutory regulations and certifications required by banks, statutory authorities, etc. and other permissible non-audit services as required from time to time, for which they will be remunerated separately on such terms as may be recommended by the Audit Committee and approved by the Board of Directors. The remuneration for the subsequent year(s) of their term shall be determined based on the recommendation of the Audit Committee and as approved by the Board of Directors of the Company.

The Audit Committee and the Board have considered factors like vast audit experience of the firm in various segments, market standing of the firm, qualifications and experience of the partners of the firm, engagement team's experience, clientele served, sound technical knowledge, etc. and found credentials of KCM suitable to handle the statutory audit of the Company.

M/s. KCM has more than 200 professionals and staff. It has offices in Vadodara, Ahmedabad, Mumbai and Bangalore. They have given their consent to act as the Auditors of the Company and have confirmed that the said appointment, if made, will be in accordance with the conditions prescribed under Sections 139 and 141 of the Companies Act, 2013 and that they are not disqualified to be appointed as statutory auditor in terms of the provisions of the Companies Act or the Chartered Accountants Act, 1949 and the rules or regulations made thereunder. As required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, M/s. KCM., has confirmed that they hold a valid certificate issued by the Peer Review Board of ICAI.

Accordingly, the Board recommends resolution as set out in item no. 4 of the accompanying notice in respect of re-appointment of M/s K. C. Mehta & Co. LLP, Chartered Accountants, a Peer-Reviewed Firm for your approval by way of an Ordinary Resolution.

None of the Directors/Key Managerial Personnel or their relatives shall be deemed to be concerned or interested financially or otherwise in the resolution.

**Item No. 5,6 & 7****TO APPROVE REVISION OF REMUNERATION AS WELL AS CONTINUATION OF PAYMENT OF REMUNERATION TO MR. SUDHIR KUMAR MUNJAL AS A MANAGING DIRECTOR, MRS. ANJU MUNJAL AND MR. ANUJ MUNJAL AS WHOLE TIME DIRECTORS OF THE COMPANY**

Mr. Sudhir Kumar Munjal was re-appointed as a Chairman & Managing Director w.e.f. October 29, 2018 for the period of five years and Mrs. Anju Munjal & Mr. Anuj Munjal were re-appointed as Whole Time Directors w.e.f. September 29, 2019 and June 01, 2020 respectively for the period of five years. Considering their valuable contributions and the increased job responsibilities, the Board of Directors at its meeting held on May 27, 2022 has pursuant to the recommendation of the Nomination and Remuneration Committee, approved an upward revision/variation in the terms and conditions of remuneration to Mr. Sudhir Kumar Munjal as a Managing Director and to Mrs. Anju Munjal and Mr. Anuj Munjal, as Whole Time Directors of the Company w.e.f. April 01, 2022 as under:

1. Mr. Sudhir Kumar Munjal: Increase in remuneration to ₹ 40,00,000 p.m. and perquisites and such terms and conditions as set out in draft supplemental agreement to be entered into between the Company and him.
2. Mrs. Anju Munjal: Increase in remuneration to ₹ 35,00,000 p.m. and perquisites and such terms and conditions as set out in draft supplemental agreement to be entered into between the Company and her.



3. Mr. Anuj Munjal: Increase in remuneration to ₹ 35,00,000 p.m. and perquisites and such terms and conditions as set out in draft supplemental agreement to be entered into between the Company and him.

**All other terms and conditions of their appointments continue to be same.**

Requisite Additional information as prescribed in item no. (iv) of sub-paragraph “B” of paragraph (1) of section II of schedule V of Companies Act, 2013 is available in “**Annexure A**” to this notice.

Copies of Draft Agreements will be available for inspection between 10 a.m. to 12 noon on all working days except Saturday and Sunday up to the date of Annual General Meeting.

Their brief profile pursuant to Regulation 36 of SEBI (LODR) Regulations, 2015 and Secretarial Standard 2 is set out in “**Annexure B**” to the explanatory statement.

Newly inserted sub regulation 6(e) to Regulation 17 to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘LODR’) requires approval of shareholders by way of Special Resolution in following circumstances.

“the payment of any fees or compensation to executive directors who are promoters or members of the promoter group, shall be subject to the approval of the shareholders by special resolution, if :

- a) the annual remuneration payable to such executive director exceeds ₹ 5 Crore or 2.5 percent of the net profit of the listed entity, whichever is higher; or
- b) where there is more than one such director, the aggregate annual remuneration to such directors exceeds 5 percent of the net profit of the listed entity.”

Your Company has three Executive Directors belonging to promoter group viz. Mr. Sudhir Kumar Munjal, Chairman & Managing Director as well as Mrs. Anju Munjal and Mr. Anuj Munjal, Whole Time Directors who have been earlier appointed by the shareholders on 25<sup>th</sup> August, 2018, 31<sup>st</sup> August, 2019 & 31<sup>st</sup> August, 2019 respectively on the terms and Conditions including remuneration as approved by Nomination and Remuneration committee as well as Board of Directors pursuant to the Companies Act, 2013.

Details of remuneration drawn by them are available in the Corporate Governance Report.

Accordingly, Your Directors recommend and seek your approval to the resolutions as appearing in item no. 5, 6 & 7 of the accompanying notice by way of Special Resolution.

None of the Directors / Key Managerial Personnel or their relatives except Mr. Sudhir Kumar Munjal, Mrs. Anju Munjal and Mr. Anuj Munjal as well as their relatives shall be deemed to be concerned or interested financially or otherwise in the resolutions except to the extent of their shareholding, if any.

**ANNEXURE-A TO THE EXPLANATORY STATEMENT**

**Additional information required as per Schedule V to the Companies Act, 2013 relating to Item no. 5 to 7 of the Notice of Annual General Meeting:**

**I. General information:**

- (i) Nature of Industry: The Company is engaged in the manufacturing of Auto Component parts for two wheelers and four wheelers.
- (ii) Date or expected date of commencement of commercial production: The Company's plants for manufacturing the Auto Component parts for two wheelers and four wheelers are fully operational.
- (iii) Financial performance based on given indicators:

**(₹ In Crores)**

Particulars	Financial year	
	2021-22	2020-21
Effective Capital	249.67	342.58
Total Income	1,715.70	1,991.54
Profit after Tax	20.81	21.03

- (iv) Export performance and net foreign exchange earnings: ₹ 77.79 Lakhs
- (v) Foreign investments or collaborators, if any: Nil

**II. Information about the Appointee:**

- (i) Background details of the Managerial Personnel:
  - (a) Mr. Sudhir Kumar Munjal is an Arts Graduate and having more than 56 years of rich experience in bicycle/ automobile/ engineering industry. Mr. Sudhir Kumar Munjal has served as Director of Munjal Auto Industries Limited during the period 1991 to 1993 & he assumed charge as Managing Director of the Company in 1993.  
  
During his tenure as Managing Director, Mr. Munjal has successfully steered the change in focus of the business of the Company from Bicycle to Auto Components manufacturing, which resulted into turnaround of the Company in 1999-2000. He has also been appointed as Chairman of the Company w.e.f. March 28, 2015.
  - (b) Mrs. Anju Munjal is an Arts Graduate and having more than 35 years of rich experience in bicycle/automobile/engineering industry. In 1999, Mrs. Anju Munjal assumed charge as Whole Time Director of your Company. Under her stewardship, your Company is now one of the fastest growing auto components Company in India.
  - (c) Mr. Anuj Munjal is MBA in Finance and Marketing from North Eastern University, Boston (USA). He has more than 23 years of experience in the field of Marketing, Finance, Administration, IT, Purchase, Operations etc. Prior to joining Munjal Auto Industries Limited, Mr. Anuj Munjal was Chief Executive of Hero Cycles Limited (CR division).  
  
Under his young entrepreneurship and supervision approach, the Company has set up three plants at Bawal, Haridwar and Dharuhera where he has contributed his planning skills into timely and systematic completion.
- (ii) Past remuneration: Details of the remuneration of Mr. Sudhir Kumar Munjal, Mrs. Anju Munjal and Mr. Anuj Munjal (2021-22) are set out in column no. (v) of this paragraph.
- (iii) Recognition or awards: The Company has no information to offer.
- (iv) Job Profile and suitability: Mr. Sudhir Kumar Munjal, Mrs. Anju Munjal and Mr. Anuj Munjal are vested with substantial powers of the Management of the Company subject to the overall supervision, direction and control of the Board of Directors of the Company. Having regard to their rich and very vast experience and contributions made so far to the Company in parity with their job profile, your Board of Directors are of the opinion that all three Directors are suitable to hold their respective position.





(v) Remuneration proposed:

(Amount ₹ in Lakhs)

Particulars	Present Remuneration (FY 2021-22)			Proposed Remuneration (FY 2022-23)**		
	Mr. Sudhir Kumar Munjal	Mrs. Anju Munjal	Mr. Anuj Munjal	Mr. Sudhir Kumar Munjal	Mrs. Anju Munjal	Mr. Anuj Munjal
Gross Salary*	300.00	262.50	262.50	480.00	420.00	420.00

\* In addition to perquisites as set out in draft Supplemental Agreement to be entered by Company with them and mentioned in paragraph-1 of section IV of part II of schedule V of the Act.

\*\* Proposed remuneration will be effective from 01<sup>st</sup> April 2022.

(vi) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person: The remuneration as proposed for Mr. Sudhir Kumar Munjal, Mrs. Anju Munjal and Mr. Anuj Munjal is comparable to that drawn by the peers in the similar capacity in the industry and is commensurate with the size of the Company, responsibilities shouldered on them and the industry benchmarks. Moreover in their position as Managing Director and Whole Time Directors of the Company, they have devoted their substantial time in overseeing the operations of Company.

(vii) Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel or other director, if any:'d

- Mr. Sudhir Kumar Munjal, Mrs. Anju Munjal and Mr. Anuj Munjal are inter-se related.

### III. Other Information:

#### a. Reasons of loss or inadequate profits:

The main attribute for inadequate profits is increase in input cost but not increase in volumes of products.

#### b. Steps taken or proposed to be taken for improvement:

The Company has actively taken steps to improve on the performance of the Company by streamlining the various processes. These along with other measures including diversification by taking over majority stake in a private limited company engaged in Composites products and wind mill blades manufacturing and commencing BIW parts productions for four wheelers. The future outlook of your Company remains positive and with improvement in business sentiments, the Company is confident of improving its performance and profitability over the coming years.

#### c. Expected increase in productivity and profits in measurable terms:

The Company expects a better performance of the Company in all measurable parameters in the coming years in view of the various measures taken by the Company to improve on its performance.

### IV. Disclosures:

Remuneration package of Mr. Sudhir Kumar Munjal, Mrs. Anju Munjal and Mr. Anuj Munjal has been set out as above. Other information relating to disclosure is available in the corporate governance report for FY 2021-22.

## ANNEXURE 'B' TO THE EXPLANATORY STATEMENT

Name of Director	Mr. Sudhir Kumar Munjal	Mrs. Anju Munjal	Mr. Anuj Munjal
Date of Birth	October 26, 1946	April 14, 1949	June 13, 1974
Date of Appointment in current tenure	October 29, 2018	September 29, 2019	June 01, 2020
Experience	56 years	35 years	23 years
Date on which first appointed on the Board	August 01, 1991	September 30, 1999	June 01, 2010
Expertise in specific functional areas	<ul style="list-style-type: none"> <li>- Automotive/ Technology/ R&amp;D/ Product Development</li> <li>- Strategic planning, Business Development, Business Operations</li> <li>- Human resources/ people management</li> <li>- Corporate Governance, Regulatory &amp; Public Policy</li> <li>- Consumer sales/ marketing</li> </ul>	<ul style="list-style-type: none"> <li>- Automotive/ Technology/ R&amp;D/ Product Development</li> <li>- Strategic planning, Business Development, Business Operations</li> <li>- Human resources/ people management</li> <li>- Corporate Governance, Regulatory &amp; Public Policy</li> <li>- Consumer sales/ marketing</li> </ul>	<ul style="list-style-type: none"> <li>- Automotive/ Technology/R&amp;D/ Product Development</li> <li>- Strategic planning, Business Development, Business Operations</li> <li>- Human resources/ people management</li> <li>- Corporate Governance, Regulatory &amp; Public Policy</li> <li>- Consumer sales/ marketing,</li> </ul>
Qualification	Graduate in Arts	Graduate in Arts	MBA in Finance and Marketing from North Eastern University, Boston (USA)
Shareholding in the Company	NIL	622 shares	NIL
Directorship held in other public companies (excluding foreign companies)	NIL	NIL	NIL
Membership / Chairmanship of Committees of other public companies (includes only Audit Committee and Stakeholders Relationship Committee)	NIL	NIL	NIL
Disclosure of Relationships between Director inter-se	Mr. Sudhir Kumar Munjal is spouse of Mrs. Anju Munjal and father of Mr. Anuj Munjal	Mrs. Anju Munjal is spouse Mr. Sudhir Kumar Munjal and mother of Mr. Anuj Munjal	Mr. Anuj Munjal is Son of Mr. Sudhir Kumar Munjal and Mrs. Anju Munjal