

MUNJAL AUTO

INDUSTRIES LIMITED

ELECTRONIC CLEARING SERVICE (CREDIT CLEARING)

MANDATE FORM

Shareholder's authorization to receive dividends through Electronic Credit Clearing Mechanism

1. Name of the first / sole shareholder										
2. Registered Folio No. / DP ID / Client ID										
3. No. of shares held										
4. Name of the Bank										
5. Account Number (as appearing on cheque book)										
6. Account type (Please tick)	Savings <input type="checkbox"/> Current <input type="checkbox"/> Cash Credit <input type="checkbox"/>									
7. Ledger No. / Ledger Folio No. (As appearing on the cheque book / pass book)										
8. 9-digit code number of the bank and branch appearing on the MICR cheque issued by the Bank	<table border="1"><tr><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td></tr></table>									

(In lieu of the bank certificate to be obtained as under, you may attach a blank cancelled cheque, or photocopy of a cheque or the front page of the pass-book of your savings account issued to you by your bank, for verification of all the above particulars.)

I hereby declare that the particulars given above are correct and complete. If the transaction is delayed or not effected at all for reasons of incomplete or incorrect information, I will not hold Munjal Auto Industries Limited responsible. I have read the option invitation letter and agree to discharge the responsibility expected from me as a participant under the scheme.

Date:

Place:

Signature of the Shareholder

Certified that the particulars furnished above are correct as per our records

Bank's Stamp

Date:

Signature of the Authorised Official
from the Bank

Note:

1. Please fill the above Mandate Form and send it to :

- the Company at its Registered Office at 187, GIDC Industrial Estate, Waghodia – 391 760, Dist. Vadodara (Gujarat) in case you are holding shares in physical form;
 - the Depository Participant (DP) with whom you are maintaining your demat account, in case you are holding the shares in electronic form.
- Kindly note that the information provided by you should be accurate and complete in all respect and duly certified by your bank. In lieu of the bank certificate, you may attach a blank cancelled cheque or photocopy of a cheque or the front page of the pass-book of your account issued to you by your bank, for verification of the above particulars.
 - In case of more than one folio, please complete the details on separate sheets.
 - The information provided by you will be treated confidential and would be utilized only for the purpose of effecting the payments meant for you. You also have the right to withdraw from this mode of payment by providing the Company an advance notice of 6 weeks.

NOTICE

Notice is hereby given that the twenty-fifth Annual General Meeting (AGM) of the members of Munjal Auto Industries Limited will be held on Saturday, September 25, 2010, at 3.00 p.m. at the registered office of the Company at 187, GIDC Industrial Estate, Waghodia - 391 760, Dist: Vadodara, to transact the following business :-

Ordinary business

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2010, the profit & loss account for the year ended on that date, together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare a dividend of Rs.5/- per equity shares on 1,00,00,000 equity shares of Rs.10/- each for the financial year 2009-10.
3. To appoint Director in place of Mr. Mahendra Sanghvi, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint Director in place of Mr. Naresh Chawla, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Director in place of Mr. Ramkisan Devidayal, who retires by rotation and being eligible, offers himself for re-appointment.
6. To appoint Director in place of Mr. Sudesh Kumar Duggal, who retires by rotation and being eligible, offers himself for re-appointment.
7. To appoint M/s. Vakil, Jain & Hindocha, Chartered Accountants, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

Special business

8. To consider and, if thought fit, to pass with or without modification (s), as an ORDINARY RESOLUTION the following:

"RESOLVED THAT Mr. Anuj Munjal who was appointed as an Additional Director w.e.f. June 01, 2010, pursuant to section 260 of the Companies Act, 1956 to hold office up to the date of this Annual General Meeting of the Company and being eligible for appointment, and in respect of whom the Company has received a notice in writing from a member under the provisions of Section 257 of the Companies Act, 1956 proposing his candidature for the office of a Director, be and is hereby appointed as a Director of the Company liable to retire by rotation."

9. To consider and, if thought fit, to pass with or without modification (s), as a SPECIAL RESOLUTION the following:

"RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, 310, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (including any statutory modifications or re-enactment thereof for the time being in force) and subject to the approval of Central Government if necessary, Mr. Anuj Munjal be and is hereby appointed as Whole Time Director of the Company for a period of five years w.e.f. June 01, 2010 on the terms, conditions as set out in the Draft Agreement including remuneration as approved by the Remuneration Committee.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things necessary and expedient for the purpose including to grant increments and also alter, vary and modify the terms and conditions from time to time, within statutory limits under the Companies Act, 1956".

Place: Gurgaon
Date: August 12, 2010

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

Registered Office:
187, GIDC Industrial Estate,
Waghodia - 391 760
Dist.: Vadodara (Gujarat)

Rakesh Johari
Company Secretary



NOTES:

1. An Explanatory Statement pursuant to Section 173 (2) of the Companies Act, 1956 is annexed hereto.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND THE MEETING AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
3. The instrument appointing the proxy must be deposited at the registered office of the Company at 187, GIDC Industrial Estate, Waghodia-391 760, Dist: Vadodara not less than 48 hours before the commencement of the meeting.
4. Members / proxies should bring duly filled attendance slips sent herewith to attend the meeting.
5. The Register of Directors' shareholding, maintained under Section 307 of the Companies Act, 1956, will be available for inspection by the members at the AGM.
6. The Register of Members and Share Transfer Books will remain closed from September 18, 2010 to September 25, 2010 (both days inclusive).

Subject to the provisions of Section 206 A of the Companies Act, 1956, dividend as recommended by the Board of Directors, if approved, at the meeting, will be payable on or after September 25, 2010 to those share holders holding shares in physical form and whose name appears on the Registers of Members of the Company on 25th September 2010. In respect of shares held in electronic form, the dividend will be payable to those, who are the beneficial owners of shares after close of business hours on 17th September 2010 as per details to be furnished by National Securities Depository Participant Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

7. Members whose shareholding is in the electronic mode are requested to direct change of address notifications and updates of savings bank account details to their respective Depository Participants.
8. Members are requested to address all correspondences, including dividend matters, to the Registrar and Share Transfer Agent, M/s. MCS Limited, 1st Floor, Neelam Apartments, 88, Sampatrao Colony, Vadodara 390 007, Gujarat, India, Tel: +91(265) 2339397, 2314757 Fax: +91 (265) 2341639. Email: mcsbaroda@yahoo.com
9. Members, who desire to seek any information pertaining to Annual accounts and operations of the Company, are requested to address their questions / queries to the Secretary of the Company so as to reach at least seven days before the date of the Annual General Meeting to enable the Company to make the information sought available to the best extent possible.
10. Members wishing to claim dividends, which remain unclaimed, are requested to correspond with Company Secretary, at the Company's registered office. Members are requested to note that dividends not encashed or claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, as per Section 205 A of the Companies Act, 1956, be transferred to the Investor Education and Protection Fund. Members are encouraged to utilize the Electronic Clearing System (ECS) for receiving dividends.
11. Dividend for the financial year ended 31st March, 2003, which remains unpaid or unclaimed, will be due for transfer to the 'Investor Education and Protection Fund' of the Central Government ('IEPF') this year, pursuant to Section 205A of the Companies Act, 1956. Members who have not encashed the dividend warrant (s) so far for the financial year ended 31st March, 2003 or any subsequent financial year are requested to lodge their claim with the company. However in respect of unclaimed dividend for the financial year 31st March, 2003, only those claims which are received by the Company on or before **3rd October, 2010** will be entertained.

Members may please note that once the unclaimed dividend is transferred to the Investor Education and Protection Fund of the Central Government, no claim shall lie in respect thereof.

12. 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 upto which claim can be lodged for unpaid Dividend
31.03.2003	27.09.2003	03.10.2010
31.03.2004	04.09.2004	10.09.2011
31.03.2005	28.09.2005	04.10.2012
31.03.2006	23.09.2006	29.09.2013
31.03.2007	22.09.2007	28.09.2014
31.03.2008	26.09.2008	02.10.2015
31.03.2009	29.08.2009	04.09.2016

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956, SETTING OUT THE MATERIAL FACTS RELATING TO BUSINESS UNDER ITEM NOS. 8 & 9 AS SET OUT IN THE NOTICE

ITEM NO. 8

Mr. Anuj Munjal was appointed as an Additional Director on June 01, 2010 pursuant to provisions of Section 260 of the Companies Act, 1956 by your Directors to hold the office up to the date of the forthcoming Annual General Meeting. The Company has received a notice in writing from a member under the provisions of Section 257 of the Companies Act, 1956 proposing his candidature for the office of a Director. The Board recommends his appointment.

Your approval is solicited to the resolution as appearing in item no. 8 of the accompanying notice by way of an Ordinary Resolution.

None of the Directors, except Mr. Anuj Munjal himself, his relatives viz Mr. Satyanand Munjal, Mr. Sudhir Munjal and Mrs. Anju Munjal shall be deemed to be concerned / interested in the said resolution.

ITEM NO. 9

The Board of Directors of your Company in its meeting held on August 12, 2010 appointed Mr. Anuj Munjal as Whole Time Director of the Company w.e.f. June 01, 2010 for a period of five years pursuant to the Provisions of section 198, 269, 309, 310 read with Schedule XIII of the Companies Act, 1956 subject to the requisite approval, if any, on the terms and conditions as set out in the Draft Agreement including the remuneration as approved by the Remuneration Committee.

The major terms and conditions of his appointment are as follows:

1. Period of Appointment: From June 01, 2010 to May 31, 2015.
2. Details of Remuneration:
 - a) Salary: Rs. 2,00,000/- p.m. with an authority to the Board to grant such further increases from time to time as it may deem fit;
 - b) Commission: he shall also be entitled to remuneration by way of commission which shall not exceed 5 % of the yearly net



profit of the company, as calculated in the manner set out in Section 349 and 350 of the Companies Act, 1956;

c) Allowances:

Particulars	% of Basic Salary
I. House Rent Allowance	60%
II. Medical Allowance	10%
III. Electricity Allowance	10%
IV. Professional Development Allowance	10%
V. Education Allowance	5%
VI. Furnishing Allowance	5%

d) Perquisites:

- I. Car Facility : Car facility with Driver to be used for the business of the Company;
- II. Telephone : Free telephone facility at his residence to be used for the business of the Company;
- III. Leave Travel Concession : For the appointee and his family once in a year incurred in accordance with any rules specified by the Company;
- IV. Personal Accident Insurance : Actual premium to be paid by the Company;
- V. Insurance of Household goods : Actual premium to be paid by the Company;
- VI. Company's contribution to Provident Fund and Superannuation or Annuity Fund, to the extent not taxable (shall not be included in the computation of aforesaid limits for the remuneration or perquisites);
- VII. Gratuity : Payable at the rate not exceeding half a month's salary of each completed year of service (shall not be included in the computation of aforesaid limits for the remuneration or perquisites); and
- VIII. Leave Encashment as per rules of the Company (shall not be included in the computation of aforesaid limits for the remuneration or perquisites).

For the purpose of calculating the above ceiling, perquisites shall be calculated as per Income Tax Rules, wherever applicable. In the absence of any such rules, perquisites shall be calculated at actual cost.

- e) Minimum Remuneration: Where in any financial year during the currency of tenure of the Whole Time Director, the Company has no profit or if profits are inadequate, minimum remuneration payable to the Whole Time Director shall be same salary and perquisites as above mentioned, subject to the statutory limits of the Companies Act, 1956.
3. Termination: The agreement may be terminated by either party by giving 180 days notice in writing of such termination.
 4. Duties: Mr. Anuj Munjal shall perform the duties as mentioned in the Draft Agreement and also such duties, which from time to time may be entrusted to him by the Board of Directors of the Company.

Your approval is solicited to the resolution as appearing in item no. 9 of the accompanying notice by way of Special Resolution.

The above may be treated as an abstract of the Agreement proposed to be entered into by the Company with Mr. Anuj Munjal as required under section 302 of the Companies Act, 1956.

None of the Directors, except Mr. Anuj Munjal himself, his relatives viz Mr. Satyanand Munjal, Mr. Sudhir Munjal and Mrs. Anju Munjal shall be deemed to be concerned / interested in the said resolution.

INFORMATION ON DIRECTORS RECOMMENDED FOR APPOINTMENT OR SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING

(1) Mr. Mahendra Sanghvi

Mr. Mahendra Sanghvi is an independent Director. Mr. Sanghvi is a Chemical Engineer from Wayne University, USA and Bachelor of Science from Gujarat University. Mr. Sanghvi has also done diploma in plastics engineering and business management from University of Toronto, Canada.

Mr. Sanghvi has a rich experience in plastic industry. He is Managing Director of Shaily Group of Companies. Shaily Group is leader in precision injection moulding of engineering plastics and enjoys premier position in Indian Plastics Industry as Quality Injection Moulding House.

Mr. Sanghvi does not hold any shares or beneficial interest in any shares of your Company.

Mr. Sanghvi is currently on the Board of the following Companies:

Sr.No	Name of Companies in which Directorship / Chairmanship is held as on March 31, 2010	Position held	Committee Membership/ Chairmanship in Companies
1	Stallion Textiles Private Ltd.	Director	None
2	Sunido Textiles Private Ltd.	Director	None
3	Standford Leasing & Finance Ltd.	Director	None
4	Shaily Engineering Plastics Ltd.	Managing Director	None
5	Munjtal Auto Industries Limited	Director	Chairman : - Remuneration Committee Member : - Investor's Grievance Committee - Audit Committee
6.	Panax Appliances Private Limited	Director	None
7.	Shaily – IDC (India) Private Limited	Director	None

(2) Mr. Naresh Chawla

Mr. Naresh Chawla is an independent Director. Mr. Chawla is a gold medallist from Delhi University. Mr. Chawla has done his graduation in Dairying from National Dairy Research Institute from Punjab University, PGDIM & MBA from Delhi University and Post graduation in Economic Decision Analysis from Boston University, Belgium.

Mr. Chawla has over 42 years of experience in various fields of corporate sector. Mr. Chawla has worked for 30 years in one of the largest agro-based body corporate i.e. National Dairy Development Board and superannuated as its Executive Director. He has versatile knowledge in various fields of corporate sector viz finance, administration, etc by virtue of his experience. He is the past



Chairman of Indian Dairy Association (expert group for research on contaminants in foods), Bureau of Indian Standards and Regional expert committee of the Indian Management Association. He was leader of the Indian Delegation to the Codex Committee on Food Hygiene, Washington DC and Indian Delegation to International Dairy Federation, Iceland.

Mr. Chawla is not on the Board of any other public limited company. Mr. Chawla holds 50 shares in the Company as on March 31, 2010.

(3) Mr. Ramkisan Devidayal

Mr. Ram Kisan Devidayal has a Master's Degree in commerce from Maharaja Sayajirao University of Baroda. He is an eminent industrialist having experience over 30 years in the agrochemical industry. He is presently the President of Forum of Industries, chamber of commerce and association, Vice Chairman of Gujarat Pesticide Formulators Association, Ahmedabad. Mr. Ramkisan Devidayal was also the President of Federation of Gujarat Industries from 2004 to 2006. Besides Industrial activities, Mr. Ramkisan Devidayal is also associated with various social organizations i.e. as Vice Chairman of Baroda Citizen Council, Chairman of Navrachna Credit Co-operative Society and syndicate member of Manaraja Sayajirao University of Baroda.

Mr. Ramkisan Devidayal is proficient in managing all critical aspects of finance, marketing, administration and all key areas of operations. His continuation on the Board will enable the company to gain from his considerable experience and expertise in relation to the company's business.

He serves as director on the Board of following companies:

Sr. No	Name of Companies in which Directorship / Chairmanship is held as on March 31, 2010	Position held	Committee Membership/ Chairmanship in Companies
1	Banco Products (India) Ltd	Director	Chairman-Audit Committee Member: - Shareholder Grievance Committee - Remuneration Committee
2	20 Microns Limited	Director	None
3.	Munjal Auto Industries Ltd.	Director	None
4.	Devidayal Sales Limited	Director	None

(4) Mr. Sudesh Kumar Duggal

Mr. Sudesh Kumar Duggal, An IAS who has worked as Chief Executive Officer and Managing Director in Torrent Powers /Surat Electrical Co. Ltd, as Managing Director of GSFC, as Managing Director of Gujarat Communications & Electronics Ltd, besides holding various positions with Central Govt. and State Govt. of Gujarat including secretary to CM and Governor.

Mr. S. K. Duggal has all kind of experience in Administration, Marketing, Commercial, and Finance etc. Presently, he is on the Board of the following companies and committees thereof;

S.No	Name of Companies in which Directorship / Chairmanship is held as on March 31, 2010	Position held	Committee Membership/ Chairmanship in Companies
1	Munjal Auto Industries Limited	Director	None
2	Banco Products(India) Limited	Director	None

(5) Mr. Anuj Munjal

Mr. Anuj Munjal aged 37 years is the son of Mr. Sudhir Munjal and Mrs. Anju Munjal. Mr. Anuj Munjal is MBA in Finance and Marketing from North Eastern University, Boston (USA). He has more than 13 years of experience in the field of Marketing, Finance, Administration, IT, Purchase, Operations etc. Prior to this, Mr. Anuj Munjal was Chief executive of Hero Cycles (CR division)

Mr. Anuj Munjal has also attended many programmes related to strategic management, six sigma, kaizens etc. Under his young entrepreneurship and supervision approach, Munjal Auto has set up two plants at Bawal and Haridwar where he contributed his planning skills into timely and systematic completion. On his induction, the Company will get benefit of his skill in managing the multi locational plants and operations.

Place: Gurgaon
Date: August 12, 2010

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

Registered Office:
187, GIDC Industrial Estate,
Waghodia – 391 760
Dist.: Vadodara (Gujarat)

Rakesh Johari
Company Secretary

MUNJAL AUTO INDUSTRIES LIMITED

Registered Office: 187, GIDC Industrial Estate, Waghodia 391 760, Dist. Vadodara, Gujarat

25th Annual General Meeting

ATTENDANCE SLIP

Folio No. _____

No. of share(s) Held: _____

DP ID *	
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Client ID*	
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Name(s) in full registered

Father/Husband's Name

Address as With the Company

1. _____

2. _____

3. _____

I/We hereby record my/our presence at the 25th Annual General Meeting of the Company being held at Registered Office of the Company at 187, GIDC Industrial Estate, Waghodia - 391 760 Dist. Vadodara (Gujarat) on Saturday, the 25th September, 2010 at 3.00 p.m.

Signature of the Member(s)/Proxy

1. _____ 2. _____ 3. _____

* Applicable for members holding share(s) in electronic form.

Notes:

1. A member/proxy attending the meeting must complete this Attendance Slip and hand it over at the entrance of meeting hall.
2. A member intending to appoint a proxy should complete the Proxy Form printed below and deposit it at the Company's Registered Office not later than 48 hours before the commencement of the meeting.

MUNJAL AUTO INDUSTRIES LIMITED

Registered Office: 187, GIDC Industrial Estate, Waghodia 391 760, Dist. Vadodara, Gujarat

25th Annual General Meeting

PROXY FORM

Folio No. _____

No. of share(s) Held: _____

DP ID *	
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Client ID*	
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Name(s) in full registered

Father/Husband's Name

Address as With the Company

1. _____

2. _____

3. _____

being a member(s) of Munjal Auto Industries Limited hereby appoint _____ of _____ or failing him / her _____ of _____ as my/our proxy to vote for me / us on my / our behalf at the 25th Annual General Meeting of the Company to be held on Saturday, the 25th September, 2010 at 3.00 p.m. and any adjournment thereof.

Signature of the Member(s)

Signature of proxy

1. _____ 2. _____ 3. _____

* Applicable for members holding share(s) in electronic form

Note: The Proxy should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of meeting.

Affix Re. 1/- Revenue Stamp
