

MUNJAL SHOWA LIMITED

Registered Office & Works : 9-11, Maruti Industrial Area, Sector - 18, Gurugram - 122 015 (Haryana) INDIA
E-mail : msladmin@munjalshowa.net Website : www.munjalshowa.net
Corporate Identity Number : L34101HR1985PLC020934, PAN : AAACM0070D
Phone : 0124-4783000 Fax : 0124-2341359

November 05, 2020

The D.G.M. (Listing)
Corporate Relation Department
BSE Ltd.
Phiroze Jeejeebhoy Towers
Dalal Street
Mumbai-400 001
Security Code: 520043

The Asst. Vice President
Listing Department
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block,
Bandra-Kurla Complex
Bandra (E), Mumbai – 400 051
Security Code: MUNJALSHOW

Sub: Compliances under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

Re: Outcome of Board Meeting held on November 05, 2020.

Dear Sirs,

The Board of Directors of the Company at their meeting held today, have considered and approved inter-alia the Unaudited Financial Results of the Company for the Second quarter and half year ended September 30, 2020.

In this regard, please find enclosed herewith the following:

1. The Unaudited Financial Results of the Company for the quarter and half year ended September 30, 2020, unaudited statement of assets and liabilities as on September 30, 2020 and unaudited cash flow statement for the half year ended September 30, 2020 and
2. Limited Review Report on Unaudited Financial Results from our Statutory Auditors, M/s Deloitte Haskins & Sells LLP, Chartered Accountants in terms of Regulation 33 of the Listing Regulations.

Further, the Board of Directors have agreed to enter into an MoU which is an addendum to the Technical Collaboration Contract entered between the Company and Showa Corporation (Promoter of the Company) for getting technical assistance/guidance from Showa Corporation's technicians from Japan remotely using a television system or other communication tool due to the COVID 19 pandemic.

The meeting of the Board of Directors commenced at 15:30 Hours and concluded at 16.08 Hours

Kindly take the aforesaid information on your records.

Thanking you,

Yours sincerely,

For MUNJAL SHOWA LIMITED


(Geetanjali Sharma)

Company Secretary & Compliance Officer

Encl: as above



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Statement of Un-audited Financial Results for the quarter and half year ended September 30, 2020

S. No	Particulars	Rs. in lakhs					
		Quarter Ended		Six Months Ended		Year Ended	
		September 30, 2020	June 30, 2020	September 30, 2019	September 30, 2020	September 30, 2019	March 31, 2020
		Un-audited	Un-audited	Un-audited	Un-audited	Un-audited	Audited
1	Income						
	(a) Revenue from operations	33,016.17	9,036.00	35,216.20	42,052.17	74,012.94	1,28,820.17
	(b) Other income	457.39	829.05	604.18	1,286.44	1,082.16	2,457.12
	Total income	33,473.56	9,865.05	35,820.38	43,338.61	75,095.10	1,31,277.29
2	Expenses						
	(a) Cost of materials consumed	25,059.03	6,892.49	24,847.67	31,951.52	55,361.64	95,314.36
	(b) Change in inventories of finished goods and work-in-progress	(452.41)	255.14	1,654.39	(197.27)	(142.81)	(158.09)
	(c) Employee benefit expenses	3,252.51	2,240.68	3,372.54	5,493.19	6,649.55	12,025.82
	(d) Finance Cost	12.07	1.78	9.01	13.85	9.56	42.53
	(e) Depreciation and amortisation expense	438.56	380.62	505.25	819.18	1,083.54	2,037.66
	(f) Other expenses	3,801.87	1,219.71	4,000.91	5,021.58	8,384.17	16,169.88
	Total expenses	32,111.63	10,990.42	34,389.77	43,102.05	71,345.65	1,25,432.16
3	Profit before tax (1-2)	1,361.93	(1,125.37)	1,430.61	236.56	3,749.45	5,845.13
4	Tax expense						
	(a) Current tax	-	-	(6.00)	-	854.00	1,466.89
	(b) Deferred tax charge/(benefit)	291.35	(359.19)	289.90	(67.84)	175.83	124.54
	Total tax expenses	291.35	(359.19)	283.90	(67.84)	1,029.83	1,591.43
5	Profit after tax (3-4)	1,070.58	(766.18)	1,146.71	304.40	2,719.62	4,253.70
6	Other comprehensive income/ (expense) (net of tax)	-	-	-	-	-	108.39
7	Total comprehensive income (5+6)	1,070.58	(766.18)	1,146.71	304.40	2,719.62	4,362.09
8	Paid-up equity share capital	799.93	799.93	799.93	799.93	799.93	799.93
	Face value of the share (Rs.)	2.00	2.00	2.00	2.00	2.00	2.00
9	Total Reserves						62,455.22
10	Earnings Per Share (not annualised)						
	(a) Basic (In Rupees)	2.68	(1.92)	2.87	0.76	6.80	10.64
	(b) Diluted (In Rupees)	2.68	(1.92)	2.87	0.76	6.80	10.64

Notes:

- These results have been prepared in accordance with the recognition and measurement principles laid down in Ind AS-34 "Interim financial reporting" prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and other accounting principles generally accepted in India.



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(Rs. In lakhs)

2. STATEMENT OF ASSETS & LIABILITIES			
	Particulars	As at September 30, 2020 Un-audited	As at March 31, 2020 Audited
	ASSETS		
	Non-current assets		
1	(a) Property, plant and equipment	13,732.05	14,279.42
	(b) Capital work in progress	176.13	193.41
	(c) Intangible assets	170.64	229.93
	(d) Financial assets		
	(i) Investments	4,708.03	4,239.27
	(ii) Loans	224.17	162.30
	(iii) Other financial assets	574.81	574.81
	(e) Deferred tax assets (net)	420.84	353.00
	(f) Income tax asset (net)	5,916.24	5,597.57
	(g) Other non-current assets	46.66	24.04
	Total Non-Current Assets	25,969.57	25,653.75
	Current assets		
2	(a) Inventories	9,527.76	7,284.58
	(b) Financial assets		
	(i) Investments	19,933.62	27,621.84
	(ii) Trade receivables	23,254.00	13,997.78
	(iii) Cash and cash equivalents	315.56	304.20
	(iv) Bank balances other than (iii) above	84.36	72.80
	(v) Loans	119.80	214.57
	(vi) Other financial assets	5.81	5.81
	(c) Other current assets	1,855.25	956.58
	Total Current Assets	55,096.16	50,458.16
	Total Assets (1+2)	81,065.73	76,111.91
	EQUITY AND LIABILITIES		
1	Equity		
	(a) Equity share capital	799.93	799.93
	(b) Other equity	60,959.85	62,455.22
	Total Equity	61,759.78	63,255.15
2	Liabilities		
	Non-current liabilities		
	(a) Provisions	214.39	246.12
	(b) Other non-current liabilities	4.29	5.79
	Total Non Current Liabilities	218.68	251.91
3	Current liabilities		
	(a) Financial liabilities		
	(i) Trade payables		
	Total outstanding dues of micro enterprises and small enterprises	1,678.48	903.26
	Total outstanding dues of creditors other than micro enterprises and small enterprises	14,180.28	9,177.11
	(ii) Other financial liabilities	188.13	250.85
	(b) Other current liabilities	1,730.35	991.04
	(c) Provisions	1,310.03	1,282.59
	Total Current Liabilities	19,087.27	12,604.85
	Total Equity and Liabilities (1+2+3)	81,065.73	76,111.91



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3 Un-Audited Cash Flow Statement For the Half Year Ended September 2020

	(Rs. In lakhs)	
	Half Year ended September 30, 2020 Un-Audited	Half Year ended September 30, 2019 Un-Audited
A. CASH FLOW FROM OPERATING ACTIVITIES		
Profit after tax	304.40	2,719.62
Adjustments for:		
Add: Depreciation and amortization expenses	819.18	1,083.54
Tax expense	(67.84)	1,029.83
Finance cost	13.85	9.56
	<u>765.19</u>	<u>2,122.93</u>
Less: Interest income	91.97	79.85
Net gain on sale of investments	370.86	671.90
Fair value gain on financial instruments at fair value through profit and loss	665.63	186.80
Liabilities no longer required written back (net)	0.02	7.28
Deferred income from government grant	1.00	1.00
	<u>1,129.48</u>	<u>946.83</u>
Operating loss/ profit before working capital changes	<u>(59.89)</u>	<u>3,895.72</u>
<u>Changes in working capital:</u>		
Adjustment for (increase)/decrease in operating assets:		
Inventories	(2,243.18)	766.35
Trade receivables	(9,256.22)	(619.36)
Loans-Current	94.77	(4.55)
Loans-Non-Current	(61.87)	8.91
Other financial assets-current	-	(1.97)
Other financial assets-non-current	-	(37.82)
Other current assets	(898.67)	(173.63)
Other non-current assets	-	(0.27)
	<u>(12,365.17)</u>	<u>(62.34)</u>
Adjustment for increase/(decrease) in operating liabilities:		
Trade payables	5,778.39	(957.86)
Other financial liabilities-Current	(5.42)	(28.35)
Other current liabilities	739.32	59.82
Short-term provisions	27.44	(322.17)
Long-term provisions	(31.72)	(4.37)
	<u>6,508.01</u>	<u>(1,252.93)</u>
Cash used in/ generated from operations	<u>(5,917.05)</u>	<u>2,580.45</u>
Less: Direct taxes paid	<u>318.67</u>	<u>1,238.60</u>
Net cash used in/ generated from operating activities	<u>(6,235.72)</u>	<u>1,341.85</u>
B. CASH FLOW FROM INVESTING ACTIVITIES		
Capital expenditure on property, plant & equipment and intangible assets including capital advances	(284.33)	(837.79)
Proceeds from sale of property, plant & equipment	-	11.48
Sale of investments	22,831.11	39,375.50
Purchase of investment	(14,578.04)	(40,837.71)
Interest received	91.97	79.85
Net cash generated from/ used in investing activities	<u>8,060.71</u>	<u>(2,208.67)</u>

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C. CASH FLOW FROM FINANCING ACTIVITIES

Interest paid	(13.85)	(9.56)
Dividends paid	(1,799.78)	(1,799.78)
Tax on dividend	-	(369.95)
Net cash used in financing activities	<u>(1,813.63)</u>	<u>(2,179.29)</u>

D. INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)

	11.36	(3,046.11)
Cash and cash equivalents at the beginning of the year	304.20	4,177.15
Cash and cash equivalents at the end of the year	315.56	1,131.04

- 4 As the Company's business activities fall within a single primary business segment viz. auto components for two wheeler and four wheeler industry, the disclosure requirement of Indian Accounting Standards (Ind AS-108) "Operating segments" are not applicable.
- 5 The Company's operations and financial results for the quarter ended June 30, 2020 were adversely impacted by the outbreak of COVID-19 pandemic and the consequent lockdown announced by the Government of India due to which the operations were suspended for part of the quarter and gradually resumed with requisite precautions. The results for the quarter are, therefore, not comparable with those for the previous and current quarter. The Company has considered the possible effects that may result from this pandemic on the carrying amounts of property, plant and equipment, Investments, Inventories, receivables and other current assets. The Company expects the carrying amount of these assets will be recovered and will continue to monitor the impact, if any, of future economic conditions on such assessment.
- 6 The above results for the quarter and half year ended September 30, 2020 have been reviewed and recommended by the Audit Committee in their meeting held on November 05, 2020 and approved by the Board of directors in their respective meeting held on November 05, 2020. These results have been subjected to limited review by the statutory auditors.
- 7 The above results of the Company are available on the Company's website www.munjalshowa.net and also on www.bseindia.com and www.nseindia.com.

Place: Gurugram
Date : November 05, 2020



For and on behalf of the board


YOGESH CHANDER MUNJAL 5/5
CHAIRMAN & MANAGING DIRECTOR
DIN: 00003491

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INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

TO THE BOARD OF DIRECTORS OF MUNJAL SHOWA LIMITED

1. We have reviewed the accompanying Statement of Unaudited Financial Results of **MUNJAL SHOWA LIMITED** ("the Company"), for the quarter and half year ended September 30, 2020 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended.
2. This Statement, which is the responsibility of the Company's Management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity', issued by the Institute of Chartered Accountants of India (ICAI). A review of interim financial information consists of making inquiries, primarily of the Company's personnel responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under section 143(10) of the Act and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. Based on our review conducted as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For DELOITTE HASKINS & SELLS LLP

Chartered Accountants
(Firm's Registration No. 117366W/W-100018)



Jaideep Bhargava

Partner

(Membership No. 090295)

(UDIN: 20090295AAAHT1982)

Gurugram, November 05, 2020