



**IGARASHI MOTORS INDIA LTD.**

**23<sup>rd</sup> ANNUAL REPORT**

**2014 - 2015**



## Igarashi Motors India Limited

### **BOARD OF DIRECTORS**

K.K. NOHRIA (Until July 31, 2014)  
HEMANT MADHUSUDAN NERURKAR (CHAIRMAN)  
KEIICHI IGARASHI  
AMIT DIXIT  
S. RADHAKRISHNAN  
K.IGARASHI (Until March 31, 2015)

### **MANAGING DIRECTOR**

P.MUKUND

### **CHIEF FINANCIAL OFFICER**

R.CHANDRASEKARAN

### **COMPANY SECRETARY**

P.DINAKARA BABU

### **AUDITORS**

SHARP & TANNAN  
CHARTERED ACCOUNTANTS  
PARSN MANERE, A-WING  
3RD FLOOR, 602, ANNA SALAI  
CHENNAI - 600 006  
PHONE: 044-28274368  
EMAIL: [chennai@sharpandtannan.com](mailto:chennai@sharpandtannan.com)

### **BANKERS**

AXIS BANK  
STATE BANK OF INDIA

### **REGISTERED OFFICE**

PLOTS NO. B-12 TO B-15 PHASE II  
MEPZ - SEZ, TAMBARAM  
CHENNAI - 600045  
CIN : L29142TN1992PLC021997

As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies to the meeting.

**PAST 5 YEARS PERFORMANCE SUMMARY**

<b>Key Performance Indicators</b>	<b>2010-11</b>	<b>2011-12</b>	<b>2012-13</b>	<b>2013-14</b>	<b>2014-15</b>
1. Revenue from Operations (₹ in Crores)	196.76	268.53	290.78	361.23	385.08
2. Operating Profit (₹ in Crores)	27.23	41.60	52.38	67.16	79.04
3. Operating profit margin %	13.8%	15.5%	18.0%	18.6%	20.5%
4. Net Profit (₹ in Crores)	7.58	16.54	21.36	46.14	48.95
5. Net worth (₹ in Crores)	83.38	101.22	122.74	219.27	250.95
6. Debt Equity Ratio	0.83	0.92	0.68	0.25	0.25
7. Earning Per Share (₹)	5.04	8.11	10.46	15.16*	16.01
8. Book Value per share (₹)	40.88	49.63	60.11	72.02	81.99
9. Dividend Per share (₹)	-	-	-	3.00	4.44

\* Note: Earnings Per Share (EPS) is calculated based on number of shares outstanding at the end of the year.



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## NOTICE

NOTICE IS HEREBY GIVEN THAT The Twenty Third Annual General Meeting ('AGM') of Igarashi Motors India Limited will be held on Wednesday, the July 22, 2015, 3.00 p.m at Music Academy, Mini Hall, 314, TTK Road, Alwarpet, Chennai – 600 014 to transact the following businesses:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Directors' Report, the Audited Balance Sheet as at 31st March 2015, Statement of Profit and Loss for the year ended 31<sup>st</sup> March 2015 and the Auditors' Report thereon.
2. To declare dividend of ₹ 4.44/- per equity shares for the year ended March 31, 2015.
3. To appoint a Director in place of Mr. Keiichi Igarashi who retires at this meeting and is eligible for re-appointment.
4. To appoint Auditors and fix their remuneration.

To re-appoint auditors of the Company to hold office from the conclusion of this AGM until the conclusion of the next AGM and to fix their remuneration and to pass the following Ordinary Resolution thereof

"RESOLVED THAT, pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made thereunder and pursuant to recommendations of the Audit Committee of the Board of Directors, M/s. Sharp & Tannan, Chartered Accountants, Chennai (ICAI Firm Registration No. 003792S), be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of the Meeting until the conclusion of the next AGM and that the Board of Directors be and are hereby authorized to fix such remuneration as may be determined by the Audit Committee in consultation with the Auditors and that such remuneration may be paid on progressive billing basis to be agreed upon between the Auditors and Board of Directors."

### SPECIAL BUSINESS

5. To authorise Board of Directors to enter into related party transactions, to consider, and if thought fit, to pass the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and Clause 49 of Listing Agreement and subject to such approvals, consents, sanctions and permissions as may be necessary, consent of the members of the Company be accorded to ratify, approve all existing contracts / agreements / arrangements with following related parties and authorise the Board of Directors of the Company to enter into contracts and/or agreements, arrangements with Related Parties with respect to sale, purchase of supply of any goods including capital goods or materials, selling or otherwise disposing of, or buying leasing of property any kind, availing or rendering of any services, appointment for purchase or sale of goods, materials, services or property or any other transaction of whatever nature with related parties given below and also given in the Explanatory Statement annexed hereto :

Description of contract	Name of Related Party	Period of Contract	Total Cumulative Value of transactions during contract period with related party (₹ Crores)
sale, purchase, of supply of any goods including capital goods or materials, selling or otherwise disposing of, or buying leasing of property any kind, availing or rendering of any services, appointment for purchase or sale of goods, materials, services or property or any other transaction	Igarashi Electric Works Ltd, Japan	April 01, 2014 to March 31, 2016	100
	Igarashi Electric Works (H.K) Ltd, Hong Kong	April 01, 2014 to March 31, 2016	100
	Igarashi Motor Sales USA LLC, USA	April 01, 2014 to March 31, 2016	300
	Igarashi Electric Works International Ltd, Hong Kong	April 01, 2014 to March 31, 2016	300
	Igarashi Motoren GmbH, Germany	April 01, 2014 to March 31, 2016	300

## Igarashi Motors India Limited

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto and to sign and execute all deeds, applications, documents, writings, that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for the purpose of giving effect to this resolution.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to approve transactions and the terms & conditions with any related party defined under the Act, and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient, or incidental thereto as the Board may in its absolute discretion deem fit, without being required to seek any further consent or approvals of the Members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution for the purpose of giving effect to this Resolution.”

By Order of the Board  
For **Igarashi Motors India Limited**

Place : Chennai  
Date : May 25, 2015

**P. Dinakara Babu**  
Company Secretary

Registered Office :  
Plot No. B-12 to B-15, Phase II,  
MEPZ-SEZ, Tambaram,  
CHENNAI- 600 045  
Phone : +91-44-42298199/22628199,  
Fax : +91-44-22628143  
e-mail :investorservices@igarashimotors.co.in,  
CIN : L29142TN1992PLC021997

### Notes:

- a) The statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the Special business set out in the Notice is Annexed.
- b) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER. THE PROXY FORM DULY COMPLETED MUST BE RETURNED SO AS TO REACH THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF THE COMMENCEMENT OF THE AFORESAID MEETING.
- c) Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.
- d) The Register of Members of the Company will remain closed from July 16, 2015 to July 22, 2015 (both days inclusive) for the purpose of the dividend for the financial year ended March 31, 2015 and AGM.
- e) Subject to the provisions of the Companies Act, 2013, dividend as recommended by the Board of Directors, if declared at the meeting, will be paid within a period of 30 days from the date of declaration, to those members whose names appear on the register of members as on July 15, 2015.
- f) Members/Proxies should bring the attendance slip duly filled in for attending the meeting.
- g) Members are requested to notify Change in address, if any, in case of shares held in Electronic form to the concerned Depository Participant quoting their ID No. and in case of physical shares to the Registered office of the Company.
- h) Shareholders desiring any information as regards the accounts are requested to write to the company at least 7 days in advance, so as to enable the company to keep the information ready.
- i) Members are requested to note that the dividend for the financial year 2007-2008 remaining un-claimed for 7 years from the date of declaration will be transferred to the Investor Education and Protection Fund established by the Government of India pursuant to Section 125 of the Companies Act, 2013. Consequently, no claim shall lie against the said Fund or the Company in respect of any amounts which were un-claimed and un-paid for a period of 7 years from the date they first become due for payment.



- j) Members who have not so far encashed dividend warrant(s) for the Financial Year 2013-14 are requested to seek to issue a duplicate warrant(s) by writing to the Company's Registrars and Transfer Agents, M/s. Cameo Corporate Services Limited immediately. Members are requested to note that dividends unclaimed within 7 years from the date of transfer to the Company's Un-paid Dividend Account, will as per Section 124 of the Companies Act, 2013 be transferred to the Investor Education and Protection Fund.
- k) Additional information pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges in respect of the Director seeking re-appointment at the AGM are furnished and forms part of Corporate Governance Report forming part of Annual Report. The Director have furnished requisite consents/declarations for their re-appointment.
- l) All documents referred in the Notice will be available for inspection at the Company's registered office during normal business hours on working days to the date of AGM.
- m) As per Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and clause 35B of the Listing Agreement, the Company is pleased to provide its members the facility to cast their vote by electronic means on all resolutions set forth in the Notice. The instructions for e-voting are given in Annexure A. The cut off date for determining the eligibility to vote by electronic means or by ballot in the general meeting shall be July 15, 2015.

The members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting in terms of notification issued by the Ministry of Corporate Affairs dated 19.03.2015.

- n) The Ministry of Corporate Affairs ("Ministry"), Government of India, has taken a "Green Initiative in Corporate Governance" by allowing paperless compliances by companies through electronic mode. As per the Circular No.17/2011, dated 21.04.2011 and Circular No.18/2011, dated 29.04.2011 issued by the Ministry of Corporate Affairs, companies can now send various notices/documents (including notice calling Annual General Meeting, Audited Financial Statements, Directors. Report, Auditors. Report etc.) to their shareholders through electronic mode, to the registered email addresses of the shareholders.
- o) All the members are requested to intimate their e-mail address to the Company's Registrar and Transfer Agents whose e-mail id is cameo@cameoindia.com mentioning the Company's name i.e., Igarashi Motors India Limited so as to enable the company to send the Annual Report and Accounts, Notices and other documents through Electronic Mode to their e-mail address.

A separate communication containing all necessary instructions and relevant information is being sent separately.

- p) Our Company's shares are tradable compulsorily in electronic form and through Cameo Corporate Services Limited, Registrars and Share Transfer Agents. We have established connectivity with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL). The International Securities Identification Number (ISIN) allotted to your Company's shares under the Depository system is INE188B01013. As on March 31, 2015, over 99% of our Company's Shares were held in dematerialized form and the rest are in physical form.

To enable us to serve our investors better we request shareholders whose shares are in physical mode to dematerialize shares and to update their bank accounts with the respective Depository Participants.

## **STATEMENT UNDER SECTION 102 (1) OF THE COMPANIES ACT, 2013.**

### **Item No. 5**

Pursuant to Section 188 of the Companies Act, 2013, the Company can enter into transactions mentioned in aforesaid resolution, which are not in the ordinary course of business and / or are not arm's length basis, only with prior approval of the Shareholders accorded by way of special resolution.

Though, your Company always seeks to enter into transactions with related parties in the ordinary course of business and at arm's length basis, as per amended Listing Agreement Clause 49 pursuant to SEBI vide Circular No. CIR/CFD/POLICY CELL/2/2014 dated April 17, 2014 and amendments thereof, all related party transactions though they are exempted under Section 188(1) of the Companies Act, 2013, have to be approved /ratified by the members.

Nature of related interest of related parties given below:



## Igarashi Motors India Limited

Name of the related party	Name of the Director or Key Managerial Personnel who is related if any	Nature of relationship	Nature, material terms, monetary value and particulars of contract or arrangement	Any other information
Igarashi Electric Works Ltd, Japan	Mr. Keiichi Igarashi, Director	Mr. Keiichi Igarashi, President* & Director of Igarashi Electric Works Ltd, Japan (IEWL). IEWL is holding 3.16% in the Company	Refer Table given in Resolution 5	Mr. Keiichi Igarashi does not hold shares in the Company. He holds 70.30% stake in IEWL.
Igarashi Electric Works (H.K) Ltd, Hong Kong	Mr. Keiichi Igarashi, Director	Mr. Keiichi Igarashi Director of Igarashi Electric Works (H.K) Ltd, Hong Kong. Igarashi Electric Works (H.K) Ltd is holding 8.17% in the Company	-do-	IEWL holds 100% stake in Igarashi Electric Works (H.K) Ltd, Hong Kong.
Igarashi Motors Sales USA LLC, USA	Mr. Keiichi Igarashi, Director	Mr. Keiichi Igarashi President* & Director of IEWL	-do-	IEWL holds 92% stake in Igarashi Motors Sales USA LLC, USA.
Igarashi Electric Works International Ltd, Hong Kong	Mr. Keiichi Igarashi, Director	Mr. Keiichi Igarashi Director of Igarashi Electric Works International Ltd, Hong Kong	-do-	Mr. Keiichi Igarashi holds 100% stake in Igarashi Electric Works International Ltd.
Igarashi Motoren GmbH, Germany	Mr. Keiichi Igarashi, Director	Mr. Keiichi Igarashi Director of Igarashi Motoren GmbH, Germany	-do-	IEWL holds 31% stake in Igarashi Motoren GmbH, Germany. Mr. Keiichi Igarashi holds 10% stake in Igarashi Motoren GmbH, Germany.

\*Mr. Keiichi Igarashi became President of Igarashi Global Group in January, 2015

The Board commends the Special Resolution set out at Item No. 5 of the Notice for approval by the members.

None of Director or Key Managerial Personnel or their relatives other than mentioned above, is concerned or interested in the said resolution.

By Order of the Board  
For **Igarashi Motors India Limited**

Place : Chennai  
Date : May 25, 2015

**P. Dinakara Babu**  
Company Secretary

Registered Office :  
Plot No. B-12 to B-15, Phase II,  
MEPZ-SEZ, Tambaram,  
CHENNAI- 600 045  
Phone : +91-44-42298199/22628199,  
Fax : +91-44-22628143  
e-mail :investorservices@igarashimotors.co.in,  
CIN : L29142TN1992PLC021997



## ANNEXURE A

### THE INSTRUCTIONS FOR SHAREHOLDERS VOTING ELECTRONICALLY ARE AS UNDER:

- (i) The e-voting period begins on July 18, 2015 (9.00 a.m) and ends on July 21, 2015 (5.00 p.m). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of July 15,2015 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) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>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.</p> <ul style="list-style-type: none"> <li>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).</li> </ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.