



IGARASHI MOTORS INDIA LTD

25th Annual Report
2016-2017



OUR PHILOSOPHY ON CORPORATE GOVERNANCE



MISSION TO ENHANCE
CUSTOMERS
COMPETITIVENESS



GLOBAL VISION
THROUGH INDIAN DOORWAY



WEALTH FOR ALL
PARTNERS THROUGH
THE WHEEL OF ENGINEERING



TRANSPARENCY
AND COMPLIANCE



Igarashi Motors India Limited

BOARD OF DIRECTORS

Mr. K K NOHRIA (CHAIRMAN)
Mr. HEMANT M NERURKAR
Mr. KEIICHI IGARASHI
Mr. AKHIL AWASTHI
Mr. S RADHAKRISHNAN
Mrs. EVA MARIA ROSA SCHORK

MANAGING DIRECTOR

Mr. P MUKUND

CHIEF FINANCIAL OFFICER

Mr. R CHANDRASEKARAN

COMPANY SECRETARY

Mr. P DINAKARA BABU

AUDITORS

SHARP & TANNAN, CHARTERED ACCOUNTANTS
PARSN MANERE, A WING
3RD FLOOR, 602, ANNA SALAI
CHENNAI- 600 006
PHONE : +91-44-28274368
E-MAIL :chennai@sharpandtannan.com

BANKERS

AXIS BANK
STATE BANK OF INDIA

REGISTERED OFFICE

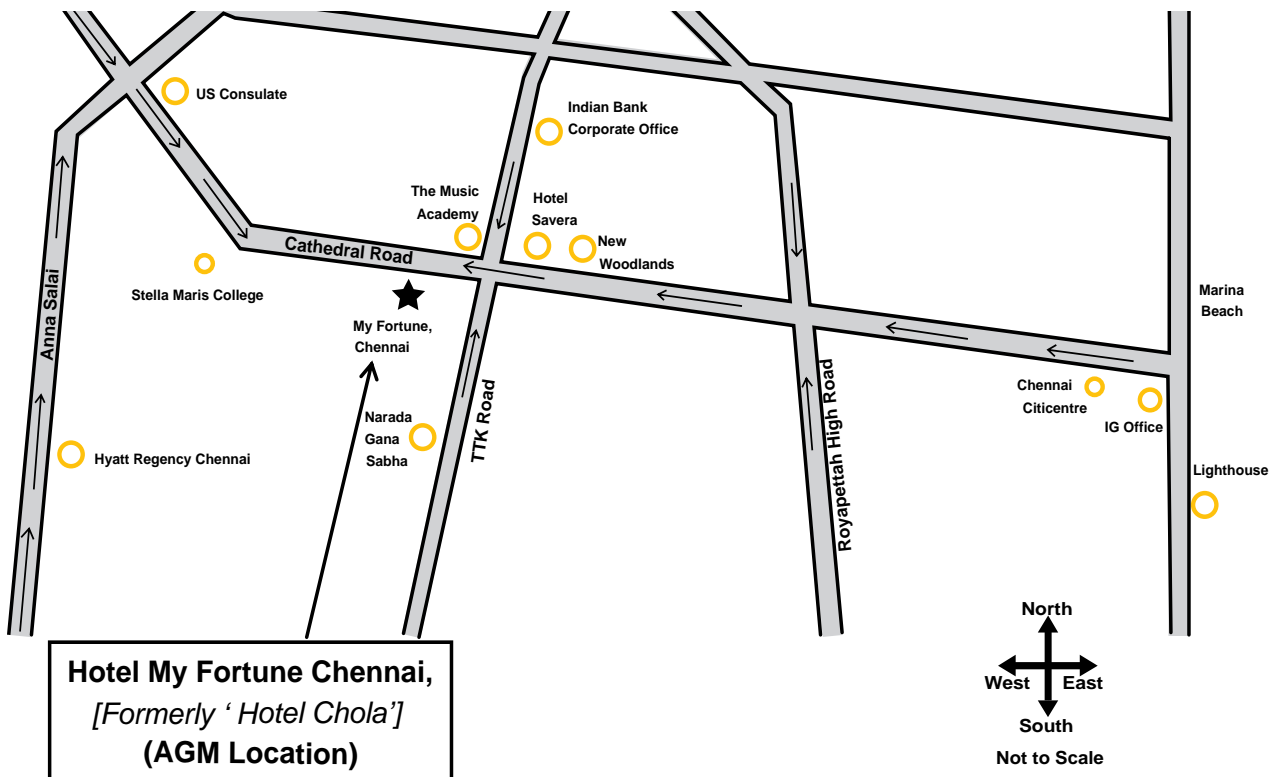
PLOT NO. B-12 TO B-15, PHASE II,
MEPZ-SEZ, TAMBARAM,
CHENNAI- 600 045
PHONE : +91-44-42298199/22628199,
FAX : +91-44-22628143
E-MAIL :investorservices@igarashimotors.co.in,
CIN : L29142TN1992PLC021997
WEBSITE : www.igarashimotors.com

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

Key Performance Indicators	2012-13	2013-14	2014-15	2015-16	2016-17
1. Revenue from Operations (₹ in Crores)	290.77	361.23	385.10	445.00	507.90
2. Operating Profit (₹ in Crores)	52.38	67.16	79.04	107.03	120.44
3. Operating Profit Margin %	18.00%	18.60%	20.50%	24.10%	23.71%
4. Net Profit (₹ in Crores)	21.36	46.14	48.95	63.64	73.77
5. Net worth (₹ in Crores)	122.74	219.27	250.95	294.41	370.35
6. Debt Equity Ratio	0.68	0.25	0.26	0.15	0.06
7. Earnings Per Share (₹)	10.46	15.16	16.01	20.79	24.10
8. Book Value per share (₹)	60.11	72.02	81.99	96.19	121.00
9. Dividend per share (₹)	-	3.00	4.44	5.50	6.61

Route Map to the Venue of the 25th Annual General Meeting (AGM)





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NOTICE

NOTICE IS HEREBY GIVEN THAT The Twenty Fifth Annual General Meeting ('AGM') of Igarashi Motors India Limited will be held on Wednesday, the August 02, 2017 at 3.00 pm at Hotel My Fortune Chennai (Formerly 'Hotel Chola'), Cathedral Road, Chennai – 600 086 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended March 31, 2017, and the Reports of the Board of Directors and Auditor's Report thereon.
2. To declare a dividend of ₹.6.61 per equity share for the financial year ended March 31, 2017.
3. To appoint a Director in place of Mrs. Eva Maria Rosa Schork (DIN: 07159550) who retires at this meeting and is eligible for re-appointment
4. To confirm the appointment of auditors of the Company to hold office from conclusion of 25th Annual General Meeting until conclusion of 30th Annual General Meeting and to fix their remuneration and to pass the following resolution as an Ordinary Resolution thereof :

"RESOLVED THAT pursuant to recommendations of the Audit Committee of the Board of Directors, M/s.B S R & Co. LLP, Chartered Accountants, Chennai (ICAI Firm Regn. No. 101248W/W-100022) be and are hereby appointed as Auditors of the Company (in place of M/s Sharp & Tannan, Chartered Accountants, the retiring Auditors) for the financial years 2017-18 to 2021-22 (five financial years) to hold office from the conclusion of 25th Annual General meeting until the conclusion of the 30th Annual General Meeting (subject to ratification by the members at every subsequent Annual General Meeting) and 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 consider and if thought fit to pass with or without modification the following resolution as a **Special Resolution** thereof :

"RESOLVED THAT pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder read with Schedule IV to the Companies Act, 2013, Mr. Hemant M Nerurkar (DIN : 00265887) a Director who was appointed as an Independent Director of the Company by the Board with effect from July 30, 2017 in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Hemant M Nerurkar as a candidate for the office of a Director of the Company be and is hereby appointed as an Independent Director of the Company to hold office for three consecutive years for a term upto July 29, 2020, not liable to retire by rotation."

6. To consider and if thought fit to pass with or without modification the following resolution as a **Special Resolution** thereof:

"RESOLVED THAT pursuant to Section 149, 152 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder read with Schedule IV to the Companies Act, 2013, Mr. S. Radhakrishnan (DIN : 01246033) a Director who was appointed as an Independent Director of the Company by the Board with effect from July 30, 2017, in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. S. Radhakrishnan as a candidate for the office of a Director of the Company be and is hereby appointed as an Independent Director of the Company to hold office for three consecutive years until June 29, 2017, not liable to retire by rotation."

7. To consider and if thought fit to pass with or without modification the following resolution as a **Special Resolution** thereof:

"RESOLVED THAT pursuant to Section 62 of the Companies Act, 2013, rules made thereunder and all other applicable provisions of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof),



Securities Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ('SEBI SBEB') the guidelines prescribed thereunder by SEBI and other SEBI Regulations as may be applicable in this regard and in accordance with the provisions of the Memorandum and Articles of Association of the Company and subject to such approvals, consents, permissions and sanctions, as may be necessary and further subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions, which may be accepted by the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall include any Committee which the Board has authorized in this behalf including authorization of the powers conferred by this resolution), the approval of the members of the Company be and is hereby accorded to the "The Igarashi Motors Employees Stock Option Scheme 2017" (hereinafter referred to as 'ESOP 2017') and the Board be and is hereby authorized to grant directly Employee Stock Options (ESOPs), from time to time, in one or more tranches, to or for the benefit of such employees who are in the permanent employment of the Company and Holding Company(i.e. Agile Electric Sub Assembly Private Limited) (Other than Promoters of the Company, Independent Directors of the Company) as may be decided by the Board, exercisable into not more than (including any equity shares issued to employees, as defined in SEBI Regulations, of the Holding Company[i.e. Agile Electric Sub Assembly Private Limited] of the Company pursuant the resolution proposed under item no. 8) 6,00,000 (Six Lakhs) equity shares of face value ₹. 10/- each fully paid-up not being more than 1.96% of the issued equity shares of the Company, on such terms and in such manner as the Board may determine in accordance with the provisions of the applicable laws and the provisions of the ESOP 2017".

RESOLVED FURTHER THAT in case of any corporate action(s) such as rights issue, bonus issue, merger and sale of division(s) of the Company or other similar events, the Board be and is hereby authorised to do all acts, deeds, matters and things as it may deem fit in its absolute discretion and permitted under applicable laws for the purpose of making a fair and reasonable adjustment to the Options granted earlier including issue of any additional equity shares by the Company to the Option grantees and the ceiling on the number of Options mentioned in the Resolution above, shall be deemed to be increased to the extent of such additional equity shares issued.

RESOLVED FURTHER THAT the maximum number of equity shares issued to any specific employee under the ESOP 2017 shall not exceed 1% of the issued and paid-up equity share capital of the Company in any financial year.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take requisite steps for listing of equity shares under the ESOP 2017 on the Stock Exchanges where the equity shares of the Company are listed.

FURTHER RESOLVED that the Shares to be issued and allotted shall rank pari passu with the then existing Shares of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorised at any time to modify, change, vary, alter, amend, suspend or terminate the ESOP 2017 subject to the compliance with the applicable laws and regulations and to do all such acts, deeds, matters and things as it may deem fit at its absolute discretion, for such purpose and also to settle any issues, questions, difficulties or doubts that may arise in this regard without being required to seek any further consent or approval of the Members and further to execute all such documents, writings and to give such directions and or instructions as may be necessary or expedient to give effect to such modification, change, variation, alteration, amendment, suspension or termination of the ESOP 2017 and do all other things incidental and ancillary thereof in conformity with the provisions of the Companies Act, 2013, the Memorandum and Articles of Association of the Company, SEBI SBEB Regulations and any other applicable laws in force.

RESOLVED FURTHER THAT any Director of the Company or Company Secretary, be and are hereby severally authorised, to do all such acts, deeds, matters and things as may be necessary, expedient and usual for the purpose of giving effect to this resolution."

8. To consider and if thought fit to pass with or without modification the following resolution as a **Special Resolution** thereof:

"RESOLVED that, in terms of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 ("SEBI SBEB") issued by the Securities and Exchange Board of India ("SEBI") and as amended from time to time and, pursuant to the provisions of Section 62 permissions and approvals as may be required and subject to such conditions and modifications as may be imposed by any of the authorities while

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granting such permissions and approvals and agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board", which term shall include any Committee constituted by the Board to exercise its powers in relation hereto, including the powers conferred by this Resolution and/or such other persons who may be authorised by the Board or the Committee in this regard), which the Board be and is hereby authorised to accept on behalf of the Company and subject to such other conditions and modifications as may be imposed on or considered necessary by the Board, the approval of the members be and is hereby accorded to adopt the Share Based Employee Benefit Scheme under the name and style of 'Equity Option Scheme 2017' ("ESOP Scheme 2017") and the Board be and is hereby authorised to create, issue, offer and allot equity shares, from time to time, to employees of the holding Company of the Company, as defined in SEBI Regulations, selected on the basis of criteria prescribed by the Board, under the ESOP 2017, more particularly described in the Statement setting out the material facts of items of special business annexed hereto, such that the creation, issue, offer and allotment of such equity shares under the ESOP 2017 shall not exceed in aggregate (including any equity shares to be issued to employees, as defined in SEBI Regulations, of the holding company [i.e. Agile Electric Sub Assembly Private Limited] pursuant the resolution proposed under item no. 7) 6,00,000 (Six Lakhs only) equity shares of the Company of the face value of ₹. 10/- each for cash being not more than 1.96% of the issued equity shares of the Company as on March 31,2017 or such adjusted numbers of such face value, as may be determined by the Board and approved by the members, due to change in capital structure of the Company as a result of re-classification of shares, splitting up of the face value of shares, sub-division of shares, issue of bonus shares, conversion of shares into other shares or securities of the Company and any other change in the rights or obligations in respect of shares, inter alia, on the terms and conditions as detailed in the Statement setting out the material facts of items of special business annexed hereto and on such other terms and conditions and in such tranches as may be decided by the Board in its absolute discretion."

9. To consider and if thought fit to pass with or without modification the following resolution as a **Special Resolution** thereof:

"RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013, (including any amendment thereto or re-enactment thereof), the Articles of Association of the Company be and are hereby altered by replacing the existing Regulation 110 with the new Regulation 110 which is given below, be and is hereby adopted as new regulation of the Articles of Association of the Company.

110. "Subject to the IEWL Group directly or indirectly controlling at least 26% (Twenty Six percent) of the voting rights in the Company, the IEWL Group shall have the right to appoint a majority of directors on the Board of Directors of the Company."

"FURTHER RESOLVED THAT for the purpose of giving effect to this resolution, any director or the Company Secretary of the Company be and is hereby authorized, on behalf of the Company, to do all acts, deeds, matters and things as deem necessary, proper or desirable and to sign and execute all necessary documents, applications and returns for the purpose of giving effect to the aforesaid Resolution along with filing of necessary E-forms with the Registrar of Companies, Chennai."

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

P. Dinakara Babu
Company Secretary
Membership No. A14812

Place : Chennai
Date : May 11, 2017

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
Website : www.igarashimotors.com



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 hereto and forms part of this Notice.
- 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.
Pursuant to Section 105 of the Companies Act, 2013 and Rule 19 of the Companies (Management & Administration) Rules, 2014, a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
- c) Corporate members intending to send their authorised representatives to attend the AGM are requested to send to the Company a certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013 authorising their representative to attend and vote on their behalf at the Annual General Meeting.
- d) The Register of Members of the Company will remain closed from July 27, 2017 to August 02, 2017 (both days inclusive) for the purpose of the dividend for the financial year ended March 31, 2017 and Annual General Meeting.
- 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 on or after August 09, 2017, to those members whose names appear on the register of members as on July 26, 2017.
- f) As per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI Listing Regulations], the Company shall use any of the electronic mode of payment facility approved by the Reserve Bank of India for the payment of dividend. Members holding shares in demat mode are requested to submit their Bank details viz. Bank Account Number, Name of the Bank, Branch details, MICR Code, IFS Code to the Depository Participants with whom they are maintaining their demat account and Members holding shares in physical mode are requested to submit the said bank details to the Company's Registrar & Transfer Agent.
- g) Members, Proxies and Authorised Representatives are requested to bring their Attendance Slips together with their copies of the Annual Reports to the Meeting. Copies of the Annual Report will not be provided at the AGM venue.
- h) 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 Registrar and Transfer Agents.
- i) 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.
- j) A Route map showing directions to reach the venue of the 25th Annual General Meeting is given along with this Notice as per the requirement of the Secretarial Standards-2 on "General Meetings".
- k) Members who have not so far encashed dividend warrant(s) for the Financial Year 2013-14, 2014-15 and 2015-16 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, as per Section 124 of the Companies Act, 2013 will be transferred to the Investor Education and Protection Fund. Details of unclaimed dividend are available on the Company's website www.igarashimotors.com under the section 'Investor Relations'.
- l) All documents (including ESOP 2017) referred in the Notice will be available for inspection at the Company's registered office during all working days between 11.00 a.m. and 1.00 p.m till 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 Regulation 44 of the SEBI Listing Regulations, the Company is pleased to provide its members the facility to cast their vote by electronic means (i.e. voting electronically from a place other than the venue of the general meeting) on all resolutions set forth in the Notice. The instructions for e-voting are given in Annexure A.

Igarashi Motors India Limited

- n) The remote e-voting period starts on Sunday, July 30, 2017, 9.00 a.m (IST) and ends on Tuesday, August 01, 2017, 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 of July 26, 2017 may cast their votes electronically.
- o) The Facility for voting through Ballot paper shall be made available at the 25th AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the Annual General Meeting through ballot paper.
- p) The members who have cast their vote by remote e-voting prior to the AGM may also attend the meeting but shall not be entitled to cast their vote again.
- q) The Company's website is www.igarashimotors.com. Annual Reports of the Company, Un-claimed dividend list, and other shareholder communications are made available on the Company's website.
- r) All the members are requested to intimate their e-mail address to the Company's Registrar and Transfer Agents whose e-mail id is investor@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.
- s) 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, 2017, 99.72% 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.

t) Re-appointment of Director

Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and Secretarial Standard 2 on General Meetings, following information is furnished in respect of Director proposed to be reappointed

Name of the Director	Mrs. Eva Maria Rosa Schork (DIN: 07159550)
Date of Birth	May 01, 1964
Age	53 years
Brief Profile	Mrs. Eva Maria Rosa Schork has completed specialization in Business Management and Economics. She is the Managing Director of Igarashi Motoren GmbH, Germany for the past two decades. She gained deep technical experience on electrical motors for applications in automotive appliance & office equipment application. She has been working almost three decades in specific areas of motors business development, application engineering, customer relationship and organization building.
Date of appointment	January 28, 2016
No of Board Meetings attended during 2016-17	5
Directorship held in all other companies	Public Companies Nil Private Companies Nil
Memberships / Chairmanships of Committees of the Board of all companies	Nil
Number of Equity Shares held in the Company	Nil
Inter-se relationship with other Directors / Manager / KMP	Nil