



IGARASHI MOTORS INDIA LTD
28TH ANNUAL REPORT
2019-20

www.igarashimotors.com



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 GLOBAL LOCATIONS



- Sales Site
- Production Site



IGARASHI MOTOREN
GMBH (GERMANY)



IGARASHI MOTORS
INDIA LTD.
(INDIA)



IGARASHI ELECTRIC
WORKS (H.K.) LTD.
(HONG KONG)



AGILE ELECTRIC
SUB ASSEMBLY
PRIVATE PVT. LTD.
(INDIA)



IGARASHI ELECTRIC
WORKS (ZHUHAI) LTD.
(CHINA)



BAESUNG
IGARASHI CO., LTD.
(SOUTH KOREA)



IGARASHI MOTOR
SALES USA, LLC
(USA)



Board of Directors	Mr. K K Nohria (Chairman) [DIN 00060015], (until 04-June-2020) Mr. Hemant M Nerurkar [DIN 00265887], (Chairman w.e.f 05-June-2020) Mr. Keiichi Igarashi [DIN 00356779] Mr. S Radhakrishnan [DIN 01246033], (until 29-July-2020) Mrs. Eva Maria Rosa Schork [DIN 07159550] Mrs. Vinodhini Sendhil Manian [DIN 08719578], (w.e.f. 01-April-2020) Mr. L Ramkumar [DIN 00090089], (w.e.f. 30-July-2020)
Managing Director	Mr. P Mukund [DIN 00007788], (until 30-Sep-2019) Mr. R Chandrasekaran [DIN 00012643], (w.e.f. 01-Oct-2019)
Chief Operating Officer	Mr. P Govindaraju
Company Secretary	Mr. P Dinakara Babu
Chief Financial Officer	Mr. S Vivekchandranath
Statutory Auditors	B S R & Co LLP, Chartered Accountants KRM Tower, 1 st & 2 nd Floor, No.1 Harington Road, Chetpet, Chennai- 600 031 Ph: +91-44-46083100
Internal Auditor	Ernst & Young LLP, Chartered Accountants 6 th & 7 th Floor, A Block, Tidel Park, No. 4, Rajiv Gandhi Salai, Taramani, Chennai- 600 113 Ph:+91-44-66548100
Secretarial Auditor	BP & Associates, Company Secretaries 74/62, Third Floor, Akshaya Flats, 12 th Avenue, Ashok Nagar, Chennai- 600 083 Ph: +91-44-42047894
Bankers	Axis Bank IDFC First Bank
Registered office	Plot No. B-12 to B-15, Phase II, MEPZ-SEZ, Tambaram, Chennai - 600 045 Phone : +91-44-42298199/22628199, e-mail :investorservices@igarashimotors.co.in CIN : L29142TN1992PLC021997 Website : www.igarashimotors.com

PAST 5 YEARS PERFORMANCE SUMMARY

Key Performance Indicators	2015-16	2016-17	2017-18	2018-19	2019-20
1. Revenues from Operations (₹ crs)	445.00	516.44	458.44	606.16	534.39
2. Operating Profit (₹ crs)	107.03	120.77	102.26	115.58	77.40
3. Operating profit Margin %	24.10%	23.40%	22.30%	19.10%	14.50%
4. Net Profit (₹ crs)	63.64	75.32	66.27	57.41	29.91
5. Net Worth (₹ crs)	294.41	365.17	411.07	429.58	422.85
6. Debt Equity Ratio	0.15	0.06	0.06	0.28	0.26
7. Earning Per Share (₹)	20.79	24.61	21.65	18.24	9.50
8. Book Value Per Share (₹)	96.19	119.30	134.30	136.48	134.35
9. Dividend Per Share (₹)	5.50	6.61	6.00	4.90	1.20

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NOTICE

NOTICE IS HEREBY GIVEN THAT The Twenty Eight Annual General Meeting ('AGM') of Igarashi Motors India Limited will be held on Thursday, September 17, 2020 at 11.00 a.m (Indian Standard Time) through Video Conference (VC) / Other Audio Visual Means (OAVM) facility to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended March 31, 2020, and the Reports of the Board of Directors and Auditor's Report thereon.
2. To declare a final dividend of ₹1.20 per equity share for the financial year ended March 31, 2020.
3. To consider and if deemed fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED that pursuant to Section 152 and other applicable provisions of the Companies Act 2013, the Rules thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Keiichi Igarashi (DIN: 00356779), Director, who retires by rotation, be and is hereby appointed as a non-executive Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS

4. Appointment of Independent Woman Director

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and 160 (1) read with Schedule IV of the Companies Act, 2013 (the 'Act'), the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), and based on the recommendation of Nomination and Remuneration Committee and Board of Directors, Mrs. Vinodhini Sendhil Manian (DIN : 08719578) (Independent Director Data Bank Registration No. IDDB-NR-202003-020537) who was appointed as an Additional Director and an Independent Woman Director by the Board for a period of five years with effect from April 01, 2020 and who being an additional Director holds office upto the date of this Annual General Meeting and, who is eligible for appointment and in respect of whom the Company has received a notice in writing pursuant to the provisions of Section 160(1) of the Act from a member of the Company proposing her candidature as Director of the Company and who has consented, if appointed, to act as Director, be and is hereby appointed as an Independent Woman Director of the Company not liable to retire by rotation for a term of five consecutive years with effect from April 01, 2020.

RESOLVED FURTHER THAT all the actions taken by the Board with regard to appointment of Mrs. Vinodhini Sendhil Manian as an Independent Woman Director of the Company with effect from April 01, 2020 be and are hereby ratified and the Board is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, relevant, usual, customary, proper and/or expedient for giving effect to this resolution and for matters connected therewith or incidental thereto.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do or to authorise any person to do all such acts, deeds, matters and things as may be considered necessary, relevant, usual, customary, proper and/or expedient for giving effect to this resolution and for matters connected therewith or incidental thereto."

5. Approval of Material Transactions with Crompton Greaves Consumer Electricals Ltd

To consider and, if thought fit, to pass, the following resolution as an **Ordinary 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 Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Company's Policy on Related Party Transactions and consent of the members of the Company be accorded for entering into related party transactions with Crompton Greaves

Consumer Electricals Ltd of Sale of goods/materials/services of value ₹150 Crores in ordinary course of business and at arm's length as detailed in the Explanatory Statement annexed.

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 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.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of the powers conferred herein, to any one of its Director or Committee of Directors with power to further delegate to or any Key Managerial Personnel of the Company to do all acts, deeds and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

6. To Amend the Articles of Association for Insertion of Clause- "Appointment of Chairman Emeritus"

To consider and if thought fit, to pass, with or without modification(s) the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013, the Articles of Association of the Company (including any statutory modification or re-enactment thereof for the time being in force) and subject to such other approval(s) from the concerned Statutory Authority(ies), be and is hereby altered, by inserting the Article 112A i.e. "Appointment of Chairman Emeritus of the Company" after the present Article 112 of the Articles of Association of the Company which shall read as follows:

112A - Appointment of Chairman Emeritus of the Company

- (i) The Board shall be entitled to appoint any person who has rendered significant or distinguished services to the Company or to the industry to which the Company's business relates or in the public field, as the Chairman Emeritus of the Company;
- (ii) The Chairman Emeritus shall hold office until he resigns;
- (iii) The Chairman Emeritus may attend any meetings of the Board or Committee thereof but shall not have any right to vote or shall not be deemed to be a party to any decision of the Board or Committee thereof;
- (iv) The Chairman Emeritus shall be entitled to receive all notices of the Board meetings or meetings of the committees thereof, along with all other relevant documents (including the agenda, notes to agenda, etc.), simultaneous to the same being sent to the directors of the Company prior to convening the Board meeting or meetings of the committees thereof;
- (v) The Chairman Emeritus shall not be deemed to be a Director or "Officer" for any purposes of the Act or any other statute or Rules made thereunder or these Articles including for the purpose of determining the maximum number of directors which the Company can appoint;
- (vi) The Chairman Emeritus may provide guidance, mentorship and support to the Company and its Board and management and generally advise the Company/ Board/ management of the Company, from time to time;
- (vii) The advice provided by the Chairman Emeritus will not be binding on the Board/ Board committees/ Company;
- (viii) Subject to applicable statutory provisions, the Board may decide to make payments and provide amenities and facilities to the Chairman Emeritus for any services rendered by the Chairman Emeritus towards the Company; and

- (ix) The Chairman Emeritus of the Company shall be indemnified by the Company out of the funds of the Company to pay all costs, losses and expenses which such Chairman Emeritus, acting in relation to any of the affairs of the Company may incur or become liable to by reason of any act or deed done by him in discharge of his duties.”

RESOLVED FURTHER THAT Mr. R Chandrasekaran, Managing Director, and Mr. P Dinakara Babu, Company Secretary of the Company be and are hereby authorized jointly or severally to file all relevant forms, returns and other necessary documents to the concerned Registrar of Companies, Stock Exchanges and any other authority and take all necessary steps for alteration of Articles of Association of the Company.”

7. Appointment of Independent Director

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (hereinafter referred to as the Act) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or enactments thereof for the time being in force), Mr. L Ramkumar (DIN: 00090089) (Independent Director Data Bank Registration No. IDDB-DI-202006-028453), who was appointed as an Additional Director in the capacity of Independent Director of the Company by the Board of Directors effective July 30, 2020 and who holds office till the date of the Annual General Meeting 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. L Ramkumar (DIN: 00090089) as a candidate for the office of Director of the Company, be and is hereby appointed as an Independent Director of the Company for a period of five consecutive years with effect from July 30, 2020 and the term shall not be subject to retirement by rotation.

RESOLVED FURTHER THAT all the actions taken by the Board with regard to appointment of Mr. L Ramkumar as an Independent Director of the Company with effect from July 30, 2020 be and are hereby ratified and the Board is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, relevant, usual, customary, proper and/or expedient for giving effect to this resolution and for matters connected therewith or incidental thereto.

RESOLVED FURTHER THAT Mr. R Chandrasekaran, Managing Director and Mr. P Dinakara Babu, Company Secretary, be and are hereby severally authorized to file forms, returns, and memorandum of information in respect of the above with the Registrar of Companies and other authorities concerned and to do all such acts, deeds and things, as may be required, considered necessary and incidental thereto.”

8. Appointment of Mr. Hemant M Nerurkar (DIN: 00265887) as Director

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

“RESOLVED THAT pursuant to the provisions of Sections 152, 161 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Regulation the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors, Mr. Hemant M Nerurkar (DIN: 00265887) who was appointed as an Additional Director with effect from July 30, 2020 by the Board of Directors of the Company and who holds office up to the date of this Annual General Meeting of the Company and in respect of whom the Company has received a notice in writing under Section 160 of the Act, from a member, proposing his candidature for the office of Director of the Company, be and is hereby appointed as Director, liable to retirement by rotation, of the Company.

RESOLVED FURTHER THAT Mr. R Chandrasekaran, Managing Director and Mr. P Dinakara Babu, Company Secretary, be and are hereby severally authorized to file forms, returns and memorandum of information in respect of the above with the Registrar of Companies and other authorities concerned and to do all such acts, deeds and things, as may be required, considered necessary and incidental thereto."

Place: Chennai
Date: July 30, 2020

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

P. Dinakara Babu
Company Secretary
Membership No. A14812

Registered Office:

Plot No. B-12 to B-15, Phase II,
MEPZ-SEZ, Tambaram,
Chennai - 600 045.
Phone: +91-44-42298199/22628199,
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 under Item No. 4 to 8 is annexed hereto and forms part of this Notice.
- b) Members may note that to protect the health and safety of all the stakeholders including the shareholders in view of the continuing COVID-19 pandemic, the 28th Annual General Meeting ("AGM") of the members of the Company will be held as an electronic AGM ("e-AGM") in virtual mode, through Video Conferencing ("VC")/ Other permitted Audio Visual Means ("OAVM"), as permitted by the Ministry of Corporate Affairs ("MCA") vide its circular No. 20/2020 dated May 05, 2020 read with circulars dated 8th April 2020 and 13th April 2020, ("Collectively referred to as MCA circulars") and by the Securities and Exchange Board of India ("SEBI") vide its circular dated 12th May 2020. Accordingly, there will be no physical meeting of the shareholders taking place at a common venue in respect of the 28th AGM. Hence, Members have to attend and participate in the ensuing AGM through VC/OAVM.
- c) Pursuant to the MCA Circulars, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, the Body Corporates are entitled to appoint authorised representatives to attend the AGM through VC/OAVM and participate thereat and cast their votes through e-voting.
- d) As per the MCA circulars read with SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, the Notice of 28th AGM along with Annual Report has been sent through electronic mode to only those Members whose email IDs are registered with the Company/ Depository participant.
- e) Those Shareholders holding in physical mode whose email IDs/ Mobile number are not registered, are requested to register their email ID/ Mobile number with Registrar & Share Transfer Agent (RTA) by visiting <https://Investors.cameoindia.com> by providing scanned copy of signed request letter by member submitting details viz Address, email ID, Bank Account details, PAN, DPID/Client ID or Folio Number and Number of shares held by them to enable to send communications by email. In this regard Notice to the shareholders was published in Business Standard and Tamil Hindu on July 18, 2020.
- f) The Members can join the 28th 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 for 1000 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 and Auditors, who are allowed to attend the AGM without restriction on account of first come first served basis.
- g) The attendance of the Members attending the 28th AGM through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
- h) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the 28th 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 agency. The facility of casting votes by a member using remote e-voting system as well as e-voting on the date of the 28th AGM will be provided by CDSL. The Procedures and instructions for remote e-voting, attending the meeting through VC/OAVM and e-voting at the meeting are furnished as **Annexure A** to this Notice. Members present in the AGM through VC and who have not cast their vote on the resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM.