



IGARASHI MOTORS INDIA LTD
27TH ANNUAL REPORT
2018-2019

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 MOTORS INDIA LIMITED

BOARD OF DIRECTORS

Mr. K K Nohria (CHAIRMAN)
Mr. Hemant M Nerurkar
Mr. Keiichi Igarashi
Mr. S Radhakrishnan
Mrs. Eva Maria Rosa Schork

MANAGING DIRECTOR

Mr. P Mukund

CHIEF FINANCIAL OFFICER

Mr. R Chandrasekaran

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. P Dinakara Babu

AUDITORS

B S R & CO. LLP, Chartered Accountants
KRM Tower, 1st & 2nd Floor, No.1
Harington Road, Chetpet
Chennai- 600 031
Ph: +91-44-46083100

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,
Fax : +91-44-22628143
E-mail :investorservices@igarashimotors.co.in,
CIN : L29142TN1992PLC021997
Website : www.igarashimotors.com

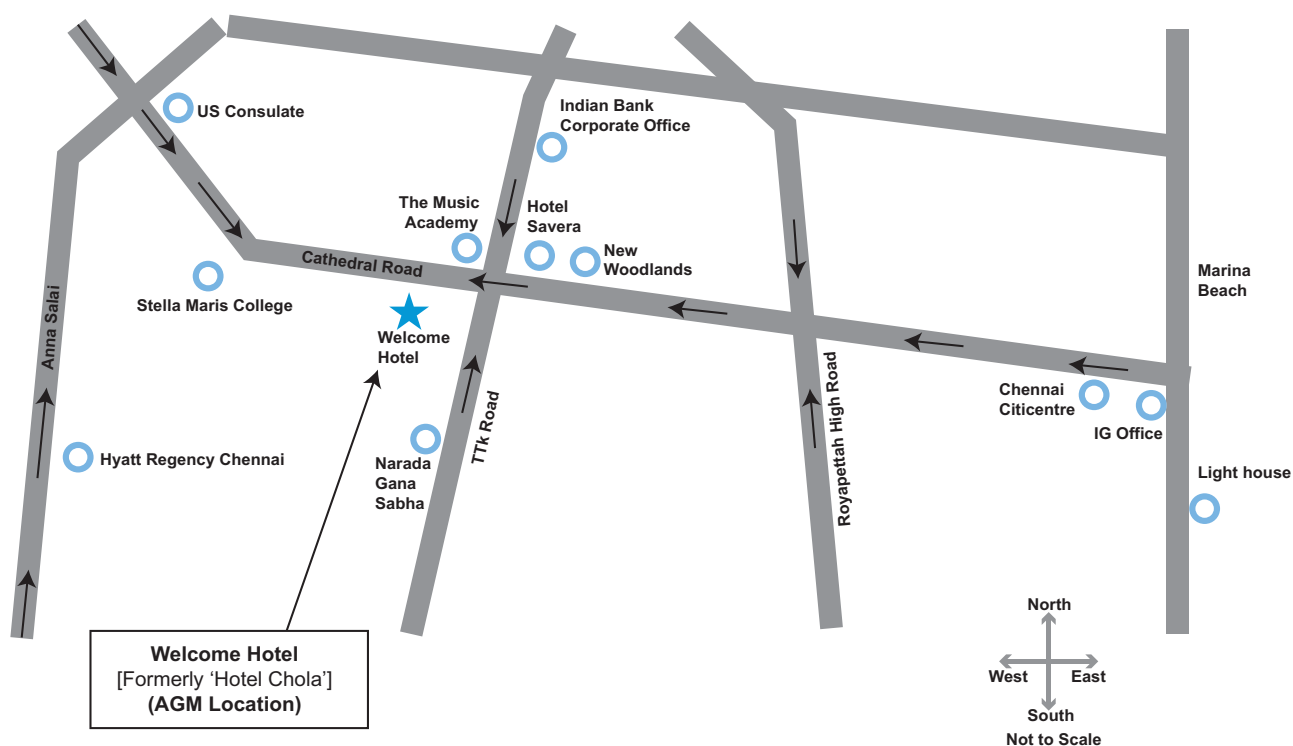
As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies to the meeting.

PAST 5 YEARS PERFORMANCE SUMMARY

Key Performance Indicators	2014-15	2015-16	2016-17	2017-18	2018-19
1. Revenues from Operations (₹ in Crores)	385.10	445.00	516.44	458.44	606.16
2. Operating Profit (₹ in Crores)	79.04	107.03	120.77	102.26	115.58
3. Operating Profit Margin (%)	20.5%	24.1%	23.4%	22.3%	19.1%
4. Net Profit (₹ in Crores)	48.95	63.64	75.32	66.27	57.41
5. Net worth (₹ in Crores)	250.95	294.41	365.17	411.07	429.58
6. Debt Equity Ratio	0.26	0.15	0.06	0.06	0.28
7. Earning Per share (₹)	16.01	20.79	24.61	21.65	18.24
8. Book Value Per share (₹)	81.99	96.19	119.30	134.30	136.48
9. Dividend Per share (₹)	4.44	5.50	6.61	6.00	4.90

FY 2018-19 figures include Exports Division of Agile Electric Sub Assembly Pvt. Ltd for the full year due to acquisition.

Route Map to the Venue of 27th Annual General Meeting (AGM):



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From the Chairman's Desk

Dear Shareholder,

Your Company's financial performance has been adversely impacted due to slowdown in the Global Auto Industry. Despite the sales decline, your Company has been able to mitigate the impact on profitability by various cost containment measures. Your Company's share price has been under continuous stress amidst the global slowdown witnessed by many players in Automotive Industry and volatile Indian Stock Market.

From a financial performance perspective, FY2018-19 was disappointing. The results we posted during the year dropped far beyond our goals due to the impact of Global slowdown in all markets in second half of the year, impacting our margin improvement trend of the past years.

During the year, your Company's acquisition of Export Division of Agile Electric Sub Assembly Pvt Ltd from October 01, 2018, had paved way for diversification and growth into new application areas to serve existing & new customers/ market domains. Your Company would reap benefits of topline growth once Global Market Turnaround happens in the coming months.

Your Company's new programs for Global Clients continue to be on track and are expected to result in significant volume growth in the next few years.

I would like you to join me in complimenting your Company's team for their dedication and commitment.

As always, I am extremely grateful to you, shareholders for your understanding and support. I assure you, we will do our best to gain topline growth and maintain profitability in near future.

With regards



K K Nohria

Chairman



NOTICE

NOTICE IS HEREBY GIVEN THAT The Twenty Seventh Annual General Meeting ('AGM') of Igarashi Motors India Limited will be held on Thursday, the August 08, 2019 at 3.00 pm at Welcome Hotel (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, 2019, and the Reports of the Board of Directors and Auditor's Report thereon.
2. To declare a dividend of ₹ 4.90 per equity share for the financial year ended March 31, 2019.
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.

SPECIAL BUSINESS

4. Re-appointment of Mr. P Mukund as Managing Director for 5 (Five) years from 01-Apr-19 to 31-Mar-24:

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 196, Section 197, Section 203 read with Schedule v and all other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification (s) or re-enactment thereof for the time being in force) and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 including any amendment thereto, pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors at their respective Meetings held on March 29, 2019, consent of the Company be and is hereby accorded for re-appointment of Mr. P Mukund (DIN : 00007788), as Managing Director for a period of 5 (Five) years from April 01, 2019 to March 31, 2024 on the terms given below, and he shall have the right to manage the day-to-day business and affairs of the Company subject to the superintendence, guidance, control and direction of the Board of Directors of the Company, upon the terms and conditions as detailed below in accordance of law:

I. Salary	₹ 5,00,000 (Rupees Five Lakhs) per month
II. Commission	Such percentage of net profits of the Company or such other quantum of the net profits of the Company as may be approved by the Board of Directors, at its absolute discretion, for each financial year, limited to a maximum of the annual salary.
III. Perquisites and other allowances	<ol style="list-style-type: none"> a) Leave travel concession, once in a year, as per the rules of the Company b) accommodation (furnished or otherwise) or house rent allowance in lieu thereof c) Reimbursement of medical expenses covering medical treatment for self and family, including premium for medical insurance and other related expenses d) Company's contribution to provident fund as per the rules of the Company e) Gratuity as per the rules of the Company f) Provision of Company Car and fuel maintenance h) Telecommunication facilities at residence i) Leave on full pay and other allowances as per rules of the Company k) Such other allowances, benefits, utilities, amenities, insurance, reimbursement of expenditure and facilities at the discretion of the Board l) all perquisites and other allowances limited to a maximum value equal to the annual salary
IV. Other benefits	In the event of loss of office, the Managing Director shall be paid compensation in the manner and to the extent and subject to the limits or priorities prescribed under Sections 191 and 202 of the Companies Act, 2013 and rules made thereunder

RESOLVED FURTHER THAT the above mentioned remuneration allowed to the Managing Director shall be in accordance with Sections 196, 197, 198 and 203 read with Schedule V of the Companies Act, 2013 and / or such changes, variations and substitutions as may be made therein by the approval of shareholders of the Company or Such Other Authority from time to time.

RESOLVED FURTHER THAT the Board may revise the remuneration payable to the Managing Director, in any financial year during the currency of the tenure of office, in such manner as may be agreed to between the Board of Directors and the Managing Director subject to the condition that the total remuneration by way of salary, perquisites, commission, other allowances and other benefits, shall be within the limits permissible under Section 197 of the Companies Act, 2013.

RESOLVED FURTHER THAT, notwithstanding anything to the contrary contained herein, in the absence or inadequacy of profits in any financial year, the Board of Directors / Nomination and Remuneration Committee of the Board shall approve the remuneration payable to the Managing Director, during such financial year, in such manner as may be agreed to between the Board of Directors / Nomination and Remuneration Committee of the Board and the Managing Director, however not exceeding the maximum limits specified in this behalf under Section 197 read with Schedule V to the Companies Act, 2013.

RESOLVED FURTHER THAT Mr. P Mukund shall have the right to exercise such powers of Management of the Company as may be delegated to him by the Board of Directors, from time to time.

RESOLVED FURTHER THAT Mr. P Mukund shall not be liable to retirement by rotation.

RESOLVED FURTHER THAT Mr. P Mukund shall not be entitled to any sitting fee for attending the meeting of the Board or any Committee thereof.

RESOLVED FURTHER THAT the Board of Directors of the Company and/or the Company Secretary of the Company be and are hereby authorized severally to take such steps as it may consider necessary, proper or expedient to give effect to the aforesaid resolution."

Place: Chennai
Date: May 16, 2019

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,
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 August 01, 2019 (Thursday) to August 08, 2019 (Thursday) (both days inclusive) for the purpose of the dividend for the financial year ended March 31, 2019 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 16, 2019, to those members whose names appear on the register of members as on Wednesday, July 31, 2019.
- 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) Three intimation letters regarding PAN Intimation and advising physical shareholders to demat shares have been sent during the year FY2018-19.
- j) 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.

All documents 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.

- k) A route map showing directions to reach the venue of the 27th Annual General Meeting is given along with this Notice as per the requirement of the Secretarial Standards-2 on "General Meetings".
- l) Members who have not so far encashed dividend warrant(s) for the Financial Years 2013-14, 2014-15, 2015-16, 2016-17 and 2017-18 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 Unpaid 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'.
- 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.
- n) The remote e-voting period starts on Sunday, August 04, 2019, 9.00 A.M (IST) and ends on Wednesday, August 07, 2019, 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 August 01, 2019 may cast their votes electronically.
- o) The facility for voting through ballot paper shall be made available at the 27th 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, unclaimed 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 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, 2019, 99.25% 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.