IGARASHI
MOTORS INDIA LTD.

IMIL/SE/AR/072021
July 08, 2021

By Online Submission

Bombay Stock Exchange Limited
Corporate Relationship Department
1st Floor, New Trading Ring,
Rotunda Building, P J Towers,
Dalal Street, Fort,
Mumbai 400 001
Email [corp.relations@bseindia.com]
Stock Code : 517380

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor ,Plot No.C/1,
G-Block, Bandra Kurla Complex,
Bandra (East),
Mumbai 400 051
Email [cmlist@nse.co.in]
Stock Code : IGARASHI

Attn: Compliance Department

Dear Sir/Madam,

Sub: Notice of 29th Annual General Meeting and Annual Report for the Financial Year 2020-21– reg. Ref: SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021; Regulation 30 and 34 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

Pursuant to Regulation 30 and 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Notice convening 29th Annual General Meeting and the Annual Report for the year 2020-2021 which will be circulated to the shareholders through electronic mode. The 29th AGM will be held on **Monday, August 09, 2021 at 02.30 P.M (IST)** through Video Conference (VC) / Other Audio Visual Means (OAVM).

The Notice and the Annual Report will be made available on the Company's website at http://www.igarashimotors.com/investor-list.php?invescatid=17

The schedule of AGM is as set out below:

Particulars	Details
Benpos Date for Sending Notice	June 30, 2021
Date of 29th AGM Notice and Annual Report 2020-21 circulated to Shareholders through e-mail	July 08, 2021
Cut Off Date (e-Voting & Dividend)	July 31, 2021
Remote e-Voting Start Date	August 06, 2021
Remote e-Voting Start Time	9:00 A.M. (IST)
Remote e-Voting End Date	August 08, 2021
Remote e-Voting End Time	5:00 P.M. (IST)
Date of AGM	August 09, 2021
AGM Start Time	02:30 P.M. (IST)
AGM e-voting Result Date	Within 48 hours from the conclusion of AGM

This is for your information and records.

Thanking you.

Yours faithfully,
For IGARASHI MOTORS INDIA LIMITED

P Dinakara Babu
Company Secretary

Encl: As stated above

IGARASHI MOTORS INDIA LIMITED
Regd. Off. & Plant 1: Plot B12 to B15, Phase II, MEPZ-SEZ, Tambaram, Chennai - 600 045, India
CIN : L29142TN1992PLC021997 E-mail : igarashi@igarashimotors.co.in
Tel. : +91-44-4229 8199 / 2262 8199 Fax : +91-44-2262 8143

IGARASHI
MOTORS INDIA LTD.

Strengthening Capabilities.
Seizing Opportunities.

29th Annual Report
2020-21

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Forward-looking statement

The information and opinions contained in this document do not constitute an offer to buy any of Igarashi Motors India Ltd.'s securities, businesses, products, or services. The document might contain forward-looking statements qualified by words such as 'expect', 'plan', 'estimate', 'believe', 'project', 'intends', 'exploit', and 'anticipates', that we believe to be true at the time of preparation of the document. The actual events may differ from those anticipated in these statements because of risk, and uncertainty of the validity of our assumptions. Igarashi Motors India Ltd. does not take on any obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.

Navigating our way through these unprecedented times, we all are learning. Because even amidst the uncertainties, lie opportunities. The challenges we face today are helping us develop the strength, needed for tomorrow. At Igarashi Motors, we remain committed to find and capture these opportunities and script our success.

The proliferation of emerging technologies and the expected transformation of the automotive landscape offer exciting prospects. Drivers of transformation include fuel efficiency norms, and connectivity, leading to greater demand for e-mobility solutions. Innovation and technological upgrades will drive growth of highly efficient, electric motors for diverse applications. And we are well positioned to tap the opportunities stemming from the emerging realities under the One Igarashi Program with a global supply chain relationship and energetic and motivated skilled manpower.

Our extensive experience, manufacturing excellence, innovation capabilities, and efficient operations provide a competitive edge and enables us to produce niche products for critical automotive applications. We are now consolidating our core capabilities by growing our product portfolio, customer base, capacities, and sectoral footprint. We are exploring strategic alliances to step up our play in the global automotive industry. We are deploying newer technologies and platforms for energy-efficient appliances to keep up with the evolving trends.

Equipped with strong fundamentals, future-ready products, and technological expertise, we are confident of seizing these opportunities and drive sustained, high growth.

Strengthening Capabilities. Seizing Opportunities.

About Igarashi Motors

Igarashi Motors India Limited is engaged in the production and export of Permanent Magnet DC Motors for Powertrain and seat applications and motor accessories mainly for the automotive sector. From a humble contract manufacturer in 1996, we ventured into the design and development of a critical automotive application in 2000. Since then, we have come a long way and today, are recognised as a leading global automotive market player in Actuator Motors.

Strong parentage support, a well-built manufacturing infrastructure, and highly efficient processes, together with a skilled workforce form the backbone of the Company. Over the years, we have forged strong customer relationships and conducted business with leading global automotive players. Our state-of-the-art manufacturing facilities and logistic warehouses are located at MEPZ-SEZ, Chennai & Domestic Tariff Area Unit at Maraimalai Nagar.

Our Vision

To be the supplier partner of choice for electric motors by global customers for selected niche applications in automotive as well as energy-efficient motors for consumer appliance.

Our Mission

Build the required knowledge to manufacture the best product for customer's application needs and continuously provide solutions for customer's changing needs.

Ensuring products are of acceptable quality, value for money, manufacturing excellence and earn customers' goodwill.

> 500 million	9	2	667
DC Motors populated since 1996	Modern manufacturing units	Logistic warehouses	Dedicated employees

PRODUCT PORTFOLIO

Expansion of Product Portfolio for various applications in 4W:

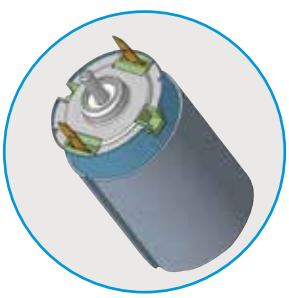
We are continuing our efforts to adopt key products for various applications in the Automotive Segment namely in the areas of Engine, Turbo and Exhaust for both global and Indian market. Over the years, we have expanded from being purely in the ETC space to being a player in EGR, WGA, VGT, CCV, etc.

Penetration into Domestic 4W TAM:

Domestic TAM Motor volume growth is expected from FY22 onwards with penetration into the 4W domestic market due to adoption of BS-VI norms. Towards this, we have launched 10 programmes for the top domestic Tier-1 customers with few more launches in the pipeline.

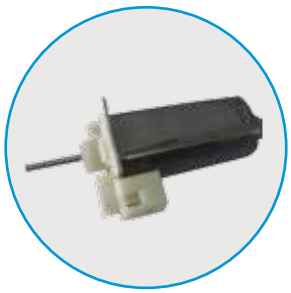
Tapping 2-Wheeler TAM:

Indian OEMs are looking at changeover from Carburettor system to electronic throttle valve system (BS-VI), which has also contributed to expansion of our product portfolio to 2W TAM in domestic market with leading market players. Our focus is on the 150+ cc segment of around 15-25% in the 2W market in the near term.



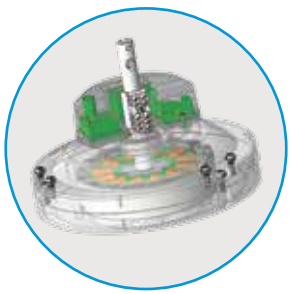
Electric Parking Brake (EPB):

EPB are becoming increasingly common in new cars due to its feature-rich capabilities. Since this product is common for both ICE/BEV technology, we focus on adapting our product portfolio in this space. Our R&D desk is carrying out the launch process targeting both domestic & global markets.



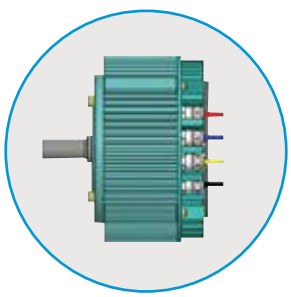
Trunk Opening and Closing Device (TOCD) & Seat Application:

Igarashi Global leads TOCD motor applications in the global market. We are assessing the launch of TOCD application with renowned players in the export and domestic market due to the ongoing geo-political issues faced by China.



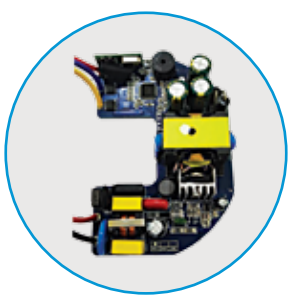
Energy-Efficient BLDC Motor for Consumer Appliance Segment:

As a part of electric motors with energy-efficient appliances, we have launched the BLDC motor platform for consumer electrical appliances. Since our foray into the consumer appliances space, we have populated around 200K units counting on three models with 12 variants using the remote unit. We are exploring opportunities to extend this application with IoT feature and a cost-effective retrofitting wall regulator option for converting induction fans into energy-efficient BLDC fans. In addition, we are working to launch motors for global markets. As a specialist BLDC Motor manufacturer, we are expanding energy-efficient appliances portfolio with potential designs for TPW Fans on the validation desk and air coolers active on the design desk.



EV Traction Motor Platform:

A platform has also been developed for electric vehicle applications. We are exploring strategic alliances to step up our play in the global automotive industry for this platform. Igarashi technology desk is gearing up to embrace the ever-changing environment by developing BLDC EV Motors with drivers for E2W/E3W electric vehicle segment (eVA Series) by Year 2024/2025 for ranges between 3KW & 10KW.



ESDM (Electronic System Design & Manufacturing):

Our efforts in the past four years in Electric Motor Drivers and Controllers have given us the necessary base of engaging in new opportunities in the ESDM Space. With the ongoing geopolitical issues faced by China, we have established the driver and controller line for BLDC with a capacity of 2.5 Mio. This has helped us navigate the PCB crisis during the year. The first set of external supply samples have been cleared by customers. Our Electronics R&D Team is also in discussions with various consumer appliance segment leaders for exploring further opportunities towards the same.

MARQUEE CUSTOMERS

Our customers include some of the most eminent and distinguished players in India and abroad.

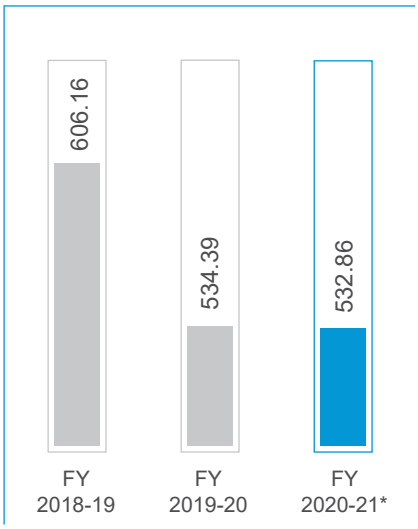
ONE IGARASHI PROGRAM

"**One Igarashi**" program was launched for the global integration of all functions and locations of Igarashi Group to harmonise and complement one-another for the future. Progress has been made over the last year to integrate the technology teams, customer program teams, manufacturing teams, and sourcing teams which will manifest efficiency across the global Igarashi value streams.

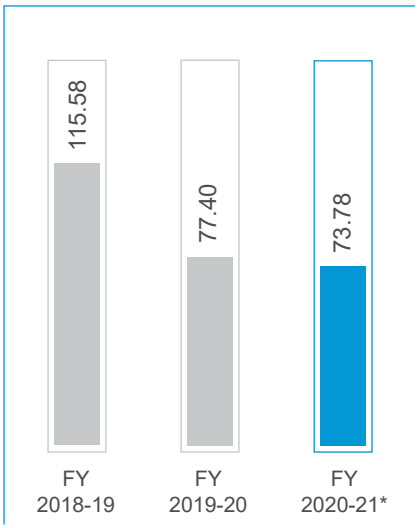
With the footprint created in India coupled with global trade uncertainties, Igarashi Japan has increased focus to grow the business from India. Dialogues with Japanese Tier-1 companies have been initiated for the establishment of motor manufacturing from India.

Financial Performance

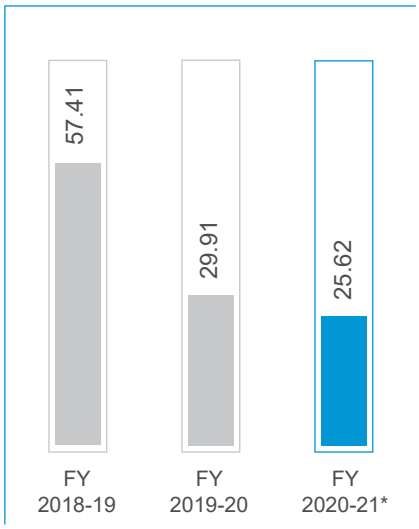
REVENUE FROM OPERATIONS
(₹ in Crores)



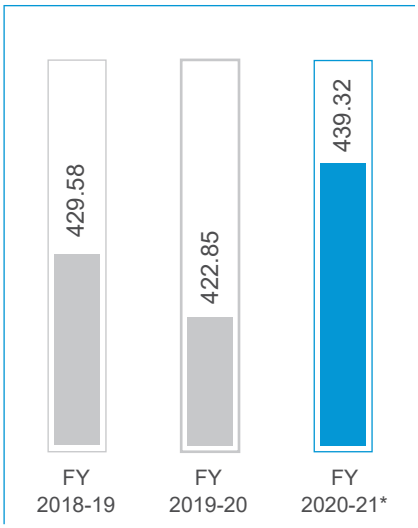
OPERATING PROFIT
(₹ in Crores)



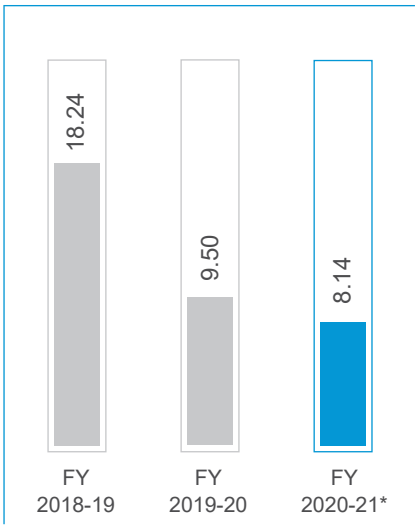
NET PROFIT
(₹ in Crores)



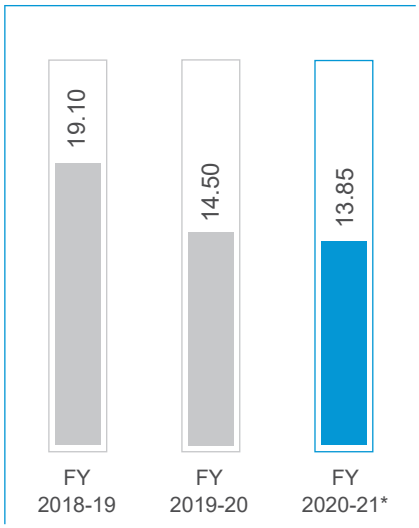
NET WORTH
(₹ in Crores)



EARNINGS PER SHARE
(₹)



OPERATING PROFIT MARGIN
(%)



*Note - 9 months revenue recognition due to mandatory complete lockdowns and staggered easing of manpower restrictions imposed by the Government to combat spread of COVID-19.

Chairman's Message

> ***Our main focus at this time was on standing by all the stakeholders and employees by offering them all support within our means. Employee mobility, shutdown of operations, regulatory restrictions, logistical, and supply chain issues were the major constraints faced by us.***

Dear Shareholders,

We are currently faced with one of the greatest health crises of our generation, one that has severely impacted human lives and ravaged every economy across the globe. When India got introduced to the virus, the Government took prompt action and announced nationwide lockdown to curtail its spread. Social distancing became the need of the hour and economies came to a standstill. The pandemic has compelled people all over the world to make changes in their way of working and living. The second half of the year, however, saw an impressive recovery due to unlocking of restrictions, pick-up in economic activity, favourable government reforms, and mass disbursement of vaccine to halt the spread of the virus.

As you are aware, the global automotive industry grappled with multiple issues since October 2018. Muted global growth, mounting trade tensions, stricter emission norms and uncertainty on the usage of diesel, uptrend in commodity prices and enhanced electrification regulations have altered the landscape of the industry. Despite the above pull-down factors and COVID-19 pandemic impact, the global automotive industry was able to recover from the second half of 2020 due to various factors including positive consumer demand and younger generation mindset in the domestic market as well. Considering the socio-economic situations and deployment of Government policies for the revival, we expect that the automotive industry will continue its recovery and bounce back in the coming years.

Rapidly growing urbanisation and disposable income is driving the adoption of electrical appliances in India. Moreover, with increased consumer awareness on energy-efficient and aesthetic products, the demand for offerings that embed newer technologies is witnessing a strong acceptance. Government's strong focus on rural electrification and affordable housing also augurs well for the consumer electrical goods industry. The COVID-19 pandemic has also fuelled the demand for electrical appliances despite the transient challenges faced by the industry. Further, with work-from-home trend expected to continue, consumers want smart electrical products that can make their life easier and productive.

PERFORMANCE REVIEW

From a financial perspective, FY 2020-21 was challenging. Despite the pandemic and the lockdowns, the revenue we posted during the year was in line with previous year with

just 9 months operation whereas the profitability for the year was only marginally down even with full year costs.

COVID-19 IMPACT

Our main focus at this time was on standing by all the stakeholders and employees by offering them all support within our means. Employee mobility, shutdown of operations, regulatory restrictions, logistical, and supply chain issues were the major constraints faced by us.

During the pandemic, a management taskforce had been monitoring the situation and taken measures for upkeep of plant, supply chain, stakeholder updates, implementing COVID-19 guidelines, employee health, stay, & safety, and vaccination to eligible employees. With these measures, from July 2020, majority of our operations had seen resumption of activity. What is worth mentioning is that all the employees were given their salary along with adequate benefits during the lockdown period. We continue to closely monitor how the pandemic evolves globally for smooth flow of business activities.

EXCITING OPPORTUNITIES

Being a pioneer in Torque Actuator Motors (TAM) for Electronic Throttle Control (ETC) application, we are now widening our motor portfolio to EGR, WGA, VGT and CCV applications as the demand for such applications is seen growing. These are showing an upward trend due to stringent emission norms for conventional and hybrid variants across the globe resulting in an increase in the number of motors per car to 2.9 from 2.4 few years back as per industry estimates. We are focussing on the domestic Tier-I customers to support “Atmanirbhar Bharat” and are already working on 10 programmes with 5 domestic customers. Besides the above, our team is now working to expand TAM portfolio into two-wheeler ETV segment and launch motors for other applications like EPB, TOCD, Seat Motors, etc.

Under Electric Motors with Energy Efficiency for appliances theme, we have launched the BLDC motor platform for consumer electrical applications for ceiling fan. We are ready to seize the opportunity arising from the Government’s push on energy efficiency schemes to drive growth with a mass adoption scheme. We have engaged with the market leader in the ceiling fan segment and populated a considerable number of BLDC Fans in the market and are also working on launching motors for TPW & air coolers.

As governments are formulating a stable investment environment with robust incentive policies for EV, we are gearing up to capture the emerging opportunities in the electric vehicle space by launching new platform of EV motors suitable for E2W/E3W.

Our work in the recent past in Electric Motor Drivers and Controllers has given us the necessary base for engaging in Electronic System Design & Manufacturing (ESDM) for which we have established R&D desk, supply chain as well as a SMT manufacturing line of 2.5 Mio per annum capacity. We are now exploring opportunities in collaboration with leading appliance segment players and the first set of external supply samples are currently under validation.

We remain focussed on leveraging our competencies and are confident of capturing the growth prospects and script success. Strategic initiatives to expand customer base, striving for higher share from emerging technologies, strengthening manufacturing capabilities, keeping pace with technological developments and regulatory requirements, and driving value accretion continue unabated.
Our consistent efforts to diversify product applications for both global and Indian automotive segments coupled with launch of newer technology platforms are likely to drive growth. Equipped with strong fundamentals, future-ready products, and technological expertise, we are confident of seizing these opportunities and drive sustained growth.

CONCLUSION

I would like to take this opportunity to thank you all, our shareholders and all other stakeholders, for the persistent trust and confidence reposed in us. More importantly, I express my utmost appreciation for the senior management and all the employees who have given their best contribution to achieve the Company’s targets and goals.

Warm Regards,

Hemant M Nerurkar
Chairman

Message from Keiichi Igarashi, President Igarashi Group

> ***Overall, I am very excited about the huge growth potential that the BLDC Motors for electric appliance space presents as this will be the key growth platform for the Group.***

Dear Shareholders,

Though the year gone by was a difficult year due not only to the COVID-19 pandemic but also other issues such as commodity bull run, logistical challenges, shortage of electronic parts which continued to grapple world including India, the global automotive business recovered in the second half of 2020 due to factors including pick-up of pent-up demand and increase in the use of personal mobility.

We, at Igarashi, recognised that we need to be prepared for the post-COVID recovery and continue with new programmes for overcoming the biggest challenges of the automotive industry transformation, particularly ICEs, hybrid vehicles, and electric mobility for achieving growth. Igarashi Group identified projects with integration of cross-functional Igarashi teams globally, for embracing challenges at all levels with a sight on the future.

Our confidence in the India growth story has been strengthened with various initiatives such as the 'Atmanirbhar Bharat' programme, adoption of the BS-VI norms and the fiscal and monetary policy reforms to prevent the economic fallout.

Our Indian operations were impacted by the cited challenges; however, I have utmost faith in our capabilities. In the difficult times, our team demonstrated minimising the impact on operations and also persistently ensured health and safety of our employees.

While I expect the challenges to persist through 2021, our team is geared up with all appropriate measures in place for seizing opportunities in the domestic market across both automotive space as well as electric motors with energy competence in consumer electrical appliances.

Our Indian team is constantly working towards capturing newer opportunities to grow the TAM space in both 4W & 2W. Moreover, Igarashi global team is also collaborating with our Indian counterparts to add new programmes to the Indian portfolio under the One Igarashi program. Our seamless technological integration with the Indian team will enable us to launch motors across the electric mobility space.

Overall, I am very excited about the huge growth potential that the BLDC Motors for electric appliance space presents as this will be the key growth platform for the Group.

I am deeply grateful for the continued support we have received from our shareholders and am quite hopeful that we will witness good times soon. I urge you to stay safe, follow COVID-related protocols and discipline, get vaccinated, and keep your spirits up.

Yours sincerely,

Keiichi Igarashi
President, Igarashi Group

Igarashi Group Global Footprint

Sales Office
Production Site

Map not to scale. For illustrative purposes only.

Agile Electric Sub Assembly Pvt Ltd, India

Baesung Igarashi Co. Ltd, Korea

Igarashi Electric Works (H.K) Ltd, Hong Kong

Igarashi Electric Works (Zuhai) Ltd, China

Igarashi Electric Works Ltd, Japan

Igarashi Electric Works (Shenzhen) Ltd, China

Igarashi Motoren GmbH, Germany

Igarashi Motors India Ltd, India

Igarashi Motors Sales USA LLC, USA

Our Social Responsibility

The harmonious relation we share with the communities in which we operate is possible due to the numerous purposeful initiatives we undertake through our meaningful interventions, we strive to create a positive impact in the lives of people. Our CSR projects currently aim to promote cancer awareness (20 million reaches), provide healthcare to patients (20 Multiple Sclerosis patients), patient health and hygiene services (150 bed cancer block) in government hospitals and Prime Minister's National Relief Fund.

CANCER AWARENESS PROJECT

We have collaborated with the Indian Cancer Society to aid the cause of cancer awareness by removing fear of cancer from individuals and the society as a whole. These awareness programmes intend to get rid of stigmas relating to cancer, foster the habits of regular check-up in people and promote a healthy lifestyle to prevent the occurrence of cancer. The programme published information about cancer awareness, thus reaching out to 20 million people during the year. Through this intervention, we also donated a sum of ₹ 30,00,000 for this purpose.

MULTIPLE SCLEROSIS PATIENT HEALTHCARE

Through our partnership with Multiple Sclerosis Society, we intend to support multiple sclerosis patient care which supports rehabilitation care, personal care, and general wellness by trained staff. This programme has been of assistance to the lives of twenty beneficiaries and involves a donation of ₹ 5,00,000.

MEPZ MANUFACTURERS ASSOCIATION

We support MEPZ Manufacturers Association for maintaining Health Centre Facilities by contributing ₹ 10,00,000 and this facility was beneficial to 20,000 persons working in MEPZ-SEZ, Tambaram, Chennai.

ASSISTANCE IN PROVIDING HEALTH AND HYGIENE IN GOVERNMENT HOSPITALS

We assist the Viswajayam Foundation in this project – Viswa Suraksha which seeks to improve health and hygiene facilities in the government hospitals in Chennai. We donated ₹ 5,00,000 in this aid and this initiative has been instrumental in impacting the lives of more that 10,000 beneficiaries.

DONATION TO PRIME MINISTER'S NATIONAL RELIEF FUND (PMNRF)

We donated a sum of ₹ 98,00,000 to the Prime Minister's National Relief Fund (PMNRF). This fund has been used by the Government of India in providing medical assistance and relief in circumstances of floods, drought, terrorist violence and other such unforeseen occurrences with a reserve for emergencies.

Corporate Information

CHAIRMAN EMERITUS

Mr. K K Nohria [DIN 00060015] (w.e.f 01-Oct-2020)
[Chairman until 04-Jun-2020]

BOARD OF DIRECTORS

Mr. Hemant M Nerurkar [DIN 00265887]
Chairman [w.e.f 05-Jun-2020], Non Independent, Non-Executive

Mr. Keiichi Igarashi [DIN 00356779]
Non Independent and Non-Executive

Mr. S Radhakrishnan [DIN 01246033]
(Second term ended 29-Jul-2020) Independent Director

Mrs. Eva Maria Rosa Schork [DIN 07159550]
Non-Executive, Non Independent

Mrs. S M Vinodhini [DIN 08719578]
Independent Woman Director (w.e.f 01-Apr-2020)

Mr. L Ramkumar [DIN 00090089]
Independent Director (w.e.f 30-Jul-2020)

MANAGING DIRECTOR

Mr. R Chandrasekaran [DIN 00012643]

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, 1st & 2nd Floor, No.1
Harrington Road, Chetpet, Chennai-600 031
Ph: +91-44-46083100

INTERNAL AUDITOR

Ernst & Young LLP
6th & 7th 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, 12th 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

Management Discussion & Analysis (MD&A)

GLOBAL ECONOMIC REVIEW

The year 2020 was a challenging one with the onset of the pandemic and subsequent lockdowns in most of the countries, plunging the world economy into a deep recession. As per the International Monetary Fund (IMF) estimates, the global economy contracted by 3.3% in 2020 as against 2.8% growth registered in 2019. However, sizeable, swift, and unprecedented fiscal and monetary responses by most governments and central banks have been aiding the recovery in economic activity. Massive vaccination drives and additional policy support across the nations have raised hopes of a turnaround in 2021 with growth expectations of 6% in 2021 followed by 4.4% in 2022. The strength of the recovery is projected to vary significantly across countries, depending on access to medical interventions, effectiveness of policy support and exposure to cross-country spill overs. However, the resurgence of infections in many countries and ensuing lockdowns may derail economic recovery. With growing vaccine availability, improved therapies, testing, and tracing, local transmission of the virus is expected to be brought to low levels everywhere by 2022 provided effective management of recurring waves of infections and successful vaccination drive penetration.

(Source: IMF World Economic Outlook, April 2021)

INDIAN ECONOMIC REVIEW

India was amongst the few countries that went into a nationwide lockdown post the pandemic, and after that, the economy unlocked in phases. India's Gross Domestic Product (GDP) is estimated to have contracted by 8% in FY 2020-21 vis-à-vis 4.2% growth recorded in FY 2019-20, as per IMF. In the second half of FY 2020-21, restrictions on inter-state movements were lifted to ensure mobility of goods, thereby easing supply side pressures. A rebound in the industrial activity, stronger car sales, rising production and consumption, higher goods and services tax revenue collections and improvement in the availability of finance from banks have added buoyancy in the economic activity.

Notable initiatives such as special package under 'Atmanirbhar Bharat'; creation of National Infrastructure Pipeline (NIP); Production-Linked Incentive (PLI) scheme to boost domestic manufacturing – are all expected to reinvigorate the economy. Supported by strong fiscal and quasi-fiscal measures along with mass vaccination drives, India's growth is likely to rebound to 10.1% in FY 2021-22; however, ensuring the recovery from the new wave of coronavirus infections remains an immediate challenge.

INDUSTRY REVIEW

Global & Indian Automotive Market

According to IHS Markit, Global Light Vehicle sales declined 22% to 70.3 million units in 2020 due to the COVID-19 pandemic impact in the first half of the year. Despite the challenges, the global automotive industry recovered in the second half of 2020 due to factors including pick-up of pent-up demand and increase in use of personal mobility. Considering the socio-economic situation and deployment of Government policies for the revival, it is estimated that the automotive industry will continue its V-shaped recovery and 2021 volumes will be at par with pre-COVID levels and reach the 100-million-unit milestone by 2027.

In India, while the first quarter of the year was significantly stressed, with unlocking of the economy, the consumer sentiment revived, and sales of vehicles witnessed improvement in the second half. Strong rural demand, preference for personal mobility, new product launches, and availability of finance have lent momentum to the industry and are indicators of buoyant demand. All these developments along with the implementation of BS-VI norms are expected to create immense opportunities across all levels of automotive value chain.

Automotive Actuators Market

The global automotive actuators market is estimated to reach USD 27.5 billion by 2022 from USD 22.8 billion in 2016, registering a Compound Annual Growth Rate (CAGR) of 3.2% over CY 2016-2022 owing to Government regulations on emission control and other technological advancements and newer applications of automotive actuators. Demand for

"Considering the socio-economic situation and deployment of government policies for the revival, it is estimated that the automotive industry will continue its V-shaped recovery and 2021 volumes will be at par with pre-COVID levels and reach the 100-million-unit milestone by 2027.

automotive actuators has also been rising owing to the growing penetration of super-efficient ICEs and Hybrid vehicles with industry experts estimating penetration to grow to 2.9 motors per car from 2.4 motors per car.

Growth in automotive actuators market is also likely to be driven by increasing demand for electrification of actuators for the drive-train, comfort and body systems. Early adoption of EV mobility in public transport, commercial usage and two-wheeler space is currently being envisaged. More interestingly, Electric Vehicles are increasingly becoming popular, major limitations such as the battery technology, charging infrastructure, driving range, charging time, limited models, higher up-front costs, among others, are stumbling blocks for penetration in the near term. This, in turn, is expected to translate into high growth in super-efficient ICEs and Hybrid EVs for the next 8-10 years. This would lead to robust demand for electric actuators in powertrain space for delivering higher efficiency.

(Source: Global Automotive Actuators Market: BIS Research)

Indian Consumer Appliances Market

Consumer appliances market witnessed de-growth in 2020 due to the pandemic and the ensuing restrictions. Experts attribute that the pent-up demand has dominated the market during the second half of the year. However, the market is expected to bounce back to pre-COVID levels in 2021. Based on the Government push towards energy efficiency schemes from early 2022, BLDC technology has higher potential for mass adoption scheme due to the extensive power saving advantages. Moreover, rapid urbanisation, higher disposable incomes and easy finance options, increasing electrification of rural areas, and growing nuclearisation are likely to drive consumer appliances market growth. Continuous focus on innovation to drive differentiation and creating value will provide a growth impetus to this sector.

The fans market in India is well-established and continues to show significant growth. India electric fans market is projected to surpass USD 2 billion by 2023. Increasing spending power, rising temperatures, rising preference for online sales platform and modular homes is expected to boost demand for ceiling fans in India. India has aimed to supply electricity to more than a million households which is expected to influence the demand for ceiling fans in the future.

The air cooler market in India is projected to expand due to rising temperatures, increasing disposable income, growing demand amongst the middle-class and low price of air coolers as compared to air conditioners. Further, tech-driven products with improved aesthetics are seen augmenting the growth of air coolers.

ELECTRIC MOTOR GROWTH PLATFORMS

Your Company's extensive experience, manufacturing excellence, innovation capabilities, and efficient operations provide a competitive edge enabling to produce niche products for critical automotive applications and "Electric Motors with Energy Competence" theme. We are now consolidating our core capabilities by growing our product portfolio, customer base, capacities, and sectoral footprint. We are exploring strategic alliances to step up our play in the global automotive industry. We are deploying newer technologies and platforms for energy-efficient appliances to keep up with the evolving trends. Our new product launches in the areas of DC Motors, BLDC Motors for Consumer Appliances, EV & ESDM are listed below:

BUSINESS GROWTH STRATEGY

Automotive

- Expansion from ETC to EGR, WGA, VGT, CCV in TAM
- Capturing Domestic TAM Market Share with BS-VI penetration
- Tapping 2-Wheeler TAM Market
- New Product in EPB & TOCD Space
- EV Traction Motor for 2W/3W

Appliance

- BLDC Motor Ceiling Fan Mode is with IoT & Retrofitting - Wall Regulator
- BLDC Motor for Consumer Appliance Applications like TPW Fans & Air Coolers
- Electronic System Design & Manufacturing (ESDM) products for Consumer Appliance Industry.

a. Expansion of TAM Portfolio:

1. Expansion of Product Portfolio for various applications in 4W:

   Your Company is continuing its efforts to adopt its key product for various application in the automotive engine air management segment namely in the areas of Intake Throttle, Turbo and Exhaust for both Global and Indian market. We have expanded from being purely in the ETC space to being a player in EGR, WGA, VGT, and CCV.

2. Penetration into Domestic 4W TAM:

   Domestic TAM Motor volume growth is expected from FY22 onwards with penetration into the 4W domestic market due to adoption of BS-VI norms. Your Company has launched 10 programmes for top domestic Tier-1 customers with few more launches in the pipeline.

3. Tapping Potential 2-Wheeler TAM:

   Indian 2W OEMs are looking at changeover from Carburettor system to electronic throttle valve system (BS-VI) which has potential to expand our product portfolio to 2W TAM in domestic market with a couple of major players. The potential is 150+ cc segment of around 15-25% in 2W market in the near term.

b. Entry into Safety & New Comfort Space - 4-Wheeler:

i. Electric Parking Brake (EPB):

EPB is increasingly becoming common in new cars due to its feature-rich capabilities. Since this product is common for both ICE/BEV technology, your Company is focussing on diversifying its product portfolio into Technology agnostic in this space. Our R&D desk is carrying out the launch processes targeting both domestic and global markets.

ii. *Trunk Opening and Closing Device (TOCD) & Seat Application*

Igarashi Global leads in TOCD motor applications for the global market. Your Company is assessing the launch of TOCD application with renowned players in the export and domestic market due to the ongoing geo-political issues faced by China.

c. Energy-Efficient BLDC Motor for Consumer Appliances Segment:

As part of "Electric Motors with Energy Competence", your Company launched the BLDC motor platform for consumer electrical appliances a few years back. Based on the Government push towards energy efficiency schemes from early 2022, BLDC technology has high potential to drive your Company's growth with a mass adoption scheme to replace the conventional induction motor. Entry into the consumer appliances space with the market leader in the Ceiling Fan space was established and your Company populated around 200K units counting on 3 models with 12 variants using a unique RF technology in the remote control unit. Your Company is exploring opportunities to extend this application with IoT feature added with under-light LED unit. Your Company is also developing a cost-effective retrofitting wall regulator option to capture mass adoption market for converting induction fans into Energy-Efficient BLDC Fan. Your Company is also working on launching motors for global markets. As a specialist BLDC Motor manufacturer, your Company is also expanding energy-efficient appliances portfolio with potential designs for TPW Fans on the validation desk and air coolers on the design desk.

d. EV Traction Motor Platform:

A platform has also been developed for the Electric Vehicle applications. We are exploring strategic alliances to step up our play in the global automotive industry for this platform. Igarashi technology desk is gearing up to embrace the ever-changing environment by developing BLDC EV Motors with drivers for E2W/ E3W Electric Mobility (eVA Series) by CY 2024/2025 for ranges between 3KW & 10KW.

e. ESDM (Electronic System Design & Manufacturing):

Our work in the past few years in the area of Electric BLDC Motor Drivers and Controllers has given us the necessary base for engaging in new opportunities in the ESDM space. With the ongoing geo-political issues, we have established the SMT Manufacturing line for PCB Assembly and Controller with annual capacity of 2.5 Mio. This has helped us navigate the PCB crisis during the year. The first set of pilot supply have been approved by customers. Our Electronics R&D Team is also in discussion with various consumer appliance segment leaders to explore further opportunities in this segment.

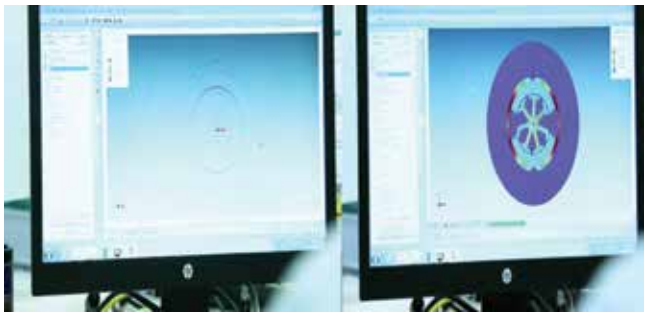
FOCUSSING TOMORROW – R&D

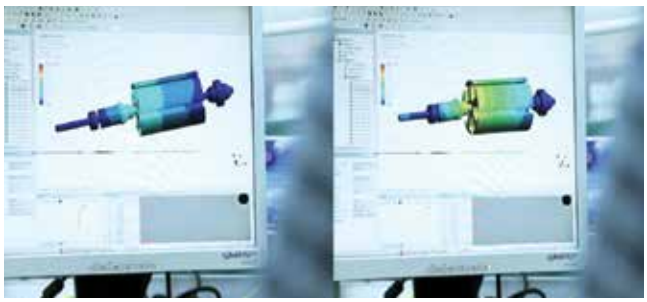
While your Company has strong engineering and R&D capabilities for motors development, it is also essential to gear up for new technologies and processes. Since early 2000s, your Company has its own research and development organisation for the development of Torque Actuator Motors, Comfort Actuator Motors, and BLDC Motors for various applications. The team includes 45 energetic engineers with over 200 years of total technical expertise led by experienced leaders who put in tremendous efforts to achieve the defined goals. Your Company's R&D team in association with Parent Company viz., Igarashi Electric Works Ltd, Japan Tech Team, has been working in collaboration on Motors for Global Platform. Your Company is also equipped with Simulation and Finite Element Analysis software for both mechanical and electrical design. The facility is equipped with 3D printers along with integrated Proto shop and fully equipped validation lab for verification of design. To implement product portfolio and newer applications, your Company is working to maintain its position by comprehensively and proactively initiating and protecting intellectual property rights. In addition to the protection of intellectual property rights, we are implementing a range of measures including sensitising the employees of the risks of divulging or infringing on intellectual property rights.

The R&D facility has been upgraded for electronics Hardware and Firmware development to augment the motor development for newer technologies such as new applications that have high growth potential in all vehicle technologies like EPB, TOCD, ABS, BLDC Technology for auto sector as well as appliances industry, Electric Mobility and other strategic applications. The R&D department also supports operations for improving existing products and swift development and introduction of new products in the domestic market.

"We are now consolidating our core capabilities by growing our product portfolio, customer base, capacities, and sectoral footprint. We are exploring strategic alliances to step up our play in the global automotive industry.

Design & Mechanical Simulation





Electronics Innovation Centre

- Specialised development team for new product research in BLDC-based applications
- Software development team for software and embedded coding for BLDC
- Hardware development team for Electronics Hardware on advanced BLDC-based applications
- IoT, Bluetooth Low Energy (Communication & Control Protocol) development for appliances industry
- 4000 sq.ft. dedicated Electronics R&D Centre
- Advanced equipment and LAB setups (e.g reliability, air delivery etc.,) for development and validation of new design & innovations

Protection of Intellectual Property

To increase product portfolio and new applications, your Company is working to maintain its position by comprehensively and proactively initiating and protecting intellectual property rights. Having launched the BLDC Motor for ceiling fan application and with over 18 months of experience, we have identified a mass adoption model using the wall regulator option for BLDC Ceiling fan in place of remote. Our R&D engineering team has been working on a new novel technique in hardware with firmware developed to achieve operation of BLDC motor with generic wall regulator makes and models in the market. Being a revolutionary concept, the IPR has already been protected by your Company. This concept has huge mass adoption and business potential due to easy replacement model with minimal costs, potential electricity savings adding new lease of life to the ceiling fan and working at same speed even in fluctuating power conditions.

Quality Management

Customer expectations in terms of stated and unstated quality requirements continue to raise and we have been pro-actively striving to enhance quality robustness across our products and processes. “NIL SPILL” which has been our strategic approach towards this objective is given more impetus with identification of key focus areas and appropriate cross-functional teams. While Poka yoke improvements are expedited through Kaizen / QC problem-solving approach, integrated control automation projects for critical parameters are being implemented with due intervention from process engineering experts. Expansion of AOI (Automated Optical Inspection) equipment is spearheaded in carefully chosen applications.

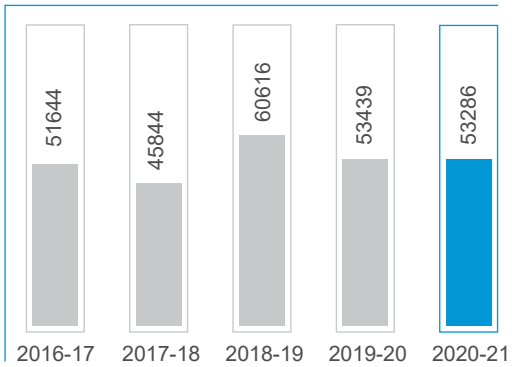
Manufacturing Strategy

With a vision of sustaining leadership position in manufacturing competitiveness, your Company has launched “PRocess engineering Inflexion for Smart Manufacturing” (PRISM) initiative three years back and have already started realising significant results with respect to manufacturing efficiency and productivity improvements. Having successfully installed over 100 stage automations and a few “Cluster automation” projects for niche DC Motor products; we have now embarked on a time bound roadmap to achieve a minimum of 30% productivity improvement (30PI) over the next three years. Dedicated, self-reliant and multi-skilled teams with know-how of installing IoT-based robotic equipment that have been developed over the last couple of years have been gaining momentum to achieve Project 30PI.

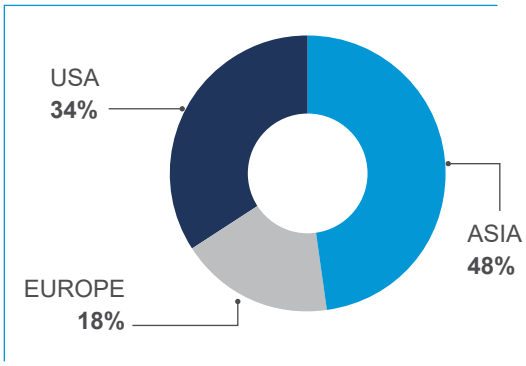
FINANCIAL PERFORMANCE

- Key Financial Highlights for FY 2020-21:

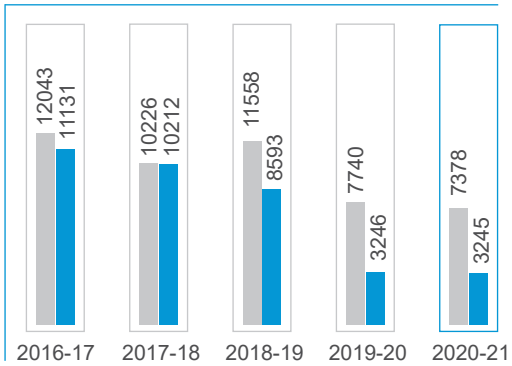
Sales (₹ Lakhs)



Geographical Split of Sales - 2020-21

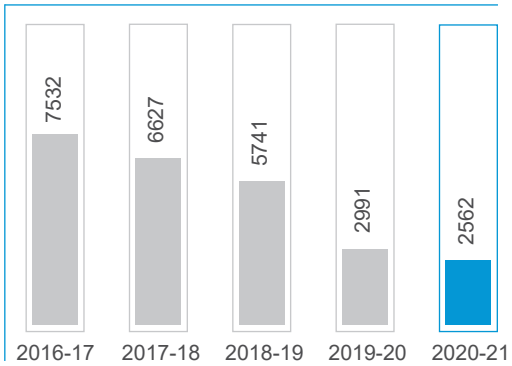


EBITDA & PBT (₹ Lakhs)

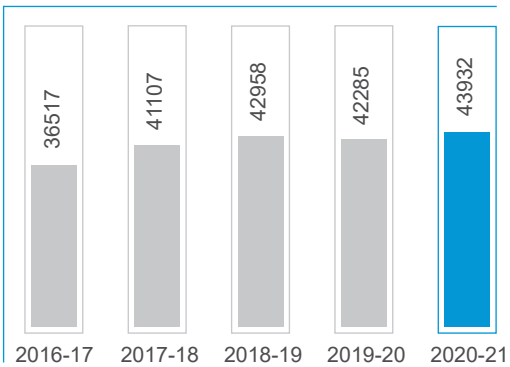


EBITDA ■ PBT

Profit After Tax (₹ Lakhs)



Networth (₹ Lakhs)



Key Financial Ratios as per SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018

S. No.	Key Ratios	FY 2020-21	FY 2019-20
1	Debtors turnover	3.25	3.98
2	Inventory turnover	5.36	7.14
3	Interest coverage ratio	6.25	3.30
4	Current ratio	1.42	1.27
5	Debt : Equity ratio	0.20	0.26
6	Operating profit margin (%)	13.8%	14.5%
7	Net profit margin (%)	4.8%	5.6%
8	Return on Net Worth (%)	5.8%	7.1%

COVID-19 COMMODITY IMPACT

The demand side factors that have been driving the commodity prices for the last one year include rebounding manufacturing activity, weaker currency, and industrial buying.

- **Copper:** Primarily due to supply crunch of copper concentrates due to disruption in mining operations
- **Steel:** Due to increase in iron ore price, shortage in global steel supply, and lower capacity utilisation due to COVID-19 induced disruptions
- **Aluminium:** Strong demand from China

These are expected to stabilise during the current year. Your Company has a commodity pass-through arrangement with all the major customers. Your Company is also working with suppliers for better price negotiations.

RISKS & CONCERNS

The Company has a Risk Management Policy in place which guides the Risk Management Committee and the Internal Risk Management team to effectively manage the business risks.

The Risk Management Committee met on February 09, 2021. The Risk Management Committee consists of Mr. Hemant M Nerurkar (Chairman), Mr. L Ramkumar, Mrs. SM Vinodhini and Mr. R Chandrasekaran.

The key risks faced by the Company are enumerated below:

Nature of Risk	Mitigation Strategy
Macro Risk ■ Global Trade Relationships & Realignment ■ Slowdown in Global Markets due to economic and political factors / pandemic-related disruptions	■ Diversification of products and markets ■ Strengthening customer relationship to align all resources in-line with markets for mutual benefit ■ Exploring possibilities for non-organic growth and strategic alliances
Technology Risk ■ Electrification & autonomous cars ■ Changes in consumer preferences ■ Changes in product technologies	■ Expanding bandwidth of products for Electric Vehicles and improving performance of existing products for autonomous cars ■ Constantly upgrading technology of existing products for enhanced application requirements ■ Expanding the Energy-Efficient BLDC Motors portfolio

Nature of Risk	Mitigation Strategy
Market Risk ■ New entrants and competition from existing players ■ Geographical localisation of facilities ■ Pricing pressure from customers ■ Customer and geographical concentration	■ Improve co-operation with customers by offering multiple value propositions on products and services ■ Real-time monitoring of logistics pipeline and global warehouses to ensure Just-In-Time availability to customers at all locations ■ Continuous cost-competitive actions across value-stream and offer higher performance products to remain preferred supplier to customers ■ New customers and new geographies to be pursued in the business mix regularly
Operational Risk ■ Stringent quality requirements with new performance specifications ■ Supply Chain security ■ Manufacturing automation ■ Capital expenditure and capacity ■ Skilled human resources	■ Upgradation of Design Capability, Validation, FMEA & Testing Capability to meet new standards including collaboration for System Level Validation ■ Strengthen relationships with key supply-chain partners and focus strongly on in-house manufacturing where capacities and capabilities are available ■ Increase cluster automation and robotics on manufacturing lines with minimal investment under PRISM project ■ Flexible higher capacities to use same line for multiple products and multiskilling of human resources
Financial Risk ■ Financial stability ■ Liquidity and capital access ■ Foreign exchange fluctuation ■ Commodity price movements ■ Product liability and warranty	■ Maintain low levels of leverage and continuous dialogues with financial institutions ■ Entering into forward contracts in line with the hedging policy which is monitored by the Audit Committee on a regular basis ■ Arrangement of pass-through mechanisms for commodity price movements ■ Optimal coverage of liability insurance in line with industry practices and customer requirements
Cyber Security Risk ■ Cyber-attacks as a fast and evolving nature of the threat ■ Protection of IT systems and data	■ Internal Control Measures taken to protect networks, computers, programs, and data ■ Cyber Security Threat audits by external experts at regular intervals ■ Continued reinforcement of stringent security policies and procedures ■ Implementation of Advanced Firewalls and Anti-virus software

Nature of Risk	Mitigation Strategy
Health Environment and Safety Risk	■ Complying with regulatory and customer requirements on environment & global sustainability policies ■ Planned wellness programs for all employees ■ Ensuring work safety practices with periodic audits
COVID-19 Pandemic / Natural Calamities Risk ■ Disruption of business operations	■ Management Task Force managed Business Supply Chain Issues, Operations, Employee Health & Safety, Regulatory Compliances minimising disruption impact ■ Managed Effective & Timely Communication to key stakeholders for overcoming COVID-19 challenges ■ Natural calamity financial risks have been mitigated using property & business insurance ■ Adoption of procedures for any natural calamity/ pandemic-like situations

HUMAN RESOURCES

The Company recognises the importance of leadership, technical, and behavioural development of employees across the organisation. The HR policy of the Company ensures creation of a safe and conducive environment wherein employees can deliver their best outcomes. The Company conducts continuous improvement and training programmes to hone the skills and capabilities of employees and keep up their morale. As on March 31, 2021, the total employee strength of the Company was 667, of which majority comprised women workforce.

> ***The Company conducts continuous improvement and training programmes to hone the skills and capabilities of employees and keep up their morale.***

INTERNAL CONTROL SYSTEMS & THEIR ADEQUACY

The Company has an adequate system of internal controls to ensure that transactions are properly authorised, recorded, and reported, apart from safeguarding its assets. The internal control system is supplemented by well-documented policies and procedures and reviews carried out by the Company's Internal Auditor – Ernst & Young LLP which submits reports periodically to the Management and the Audit Committee of the Board.

CAUTIONARY STATEMENT

This report contains forward-looking statements. All such statements are subject to risks and uncertainties. Actual results could differ materially from those expressed or implied depending on the circumstances.

Notice

NOTICE IS HEREBY GIVEN THAT The Twenty Ninth Annual General Meeting ('AGM') of Igarashi Motors India Limited will be held on Monday, August 09, 2021 at 2.30 P.M (IST) through Videoconference (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, 2021, and the Reports of the Board of Directors and Auditor's Report thereon.

2. To declare a dividend of ₹ 1.50/- per equity share for the financial year ended March 31, 2021.

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), Mrs. Eva Maria Rosa Schork (DIN 07159550), Director, who retires by rotation, be and is hereby appointed as a non-executive Director of the Company, liable to retire by rotation."

Place: Chennai
Date: May 25, 2021

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 - not applicable.

b) Pursuant to the Circular Nos. 14/2020 dated April 08, 2020, 17/2020 dated 13th April, 2020, 20/2020 dated May 05, 2020, 02/2021 dated January 13, 2021 ['MCA Circulars"], issued by the Ministry of Corporate Affairs, 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.

c) In view of the massive outbreak of the COVID-19 pandemic, social distancing is to be a pre-requisite and pursuant to the Circulars by the Ministry of Corporate Affairs, physical attendance of the Members to the AGM venue is not required. Hence, Members have to attend and participate in the ensuing AGM though VC/OAVM.

d) As per the MCA General Circulars read with SEBI Circular Nos. SEBI/HO/CFD/CMD2/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 ["SEBI Circulars"] the Notice of 29th 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 whose email IDs are not registered, are requested to register their email ID with Registrar & Share Transfer Agent (RTA) at investor@cameoindia.com with a copy to investorservices@igarashimotors.co.in ; by providing their Name as registered with the RTA, Address, email ID, PAN, DPID/Client ID or Folio Number and Number of shares held by them.

f) The Members can join the 29th 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, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholder"s Relationship Committee, 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 29th 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 29th 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 Meeting e-voting on the date of the 29th AGM will be provided by CDSL

i) In line with the Ministry of Corporate Affairs (MCA) Circulars, the Notice calling the 29th AGM has been uploaded on the website of the Company at www.igarashimotors.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of CDSL (agency for providing the Remote Voting facility) i.e. www.evotingindia.com.

j) 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 and in terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020, 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**. The instructions for e-voting on the date of 29th AGM are given in **Annexure AA**.

k) 29th AGM has been convened through VC/ OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circulars and SEBI Circulars. Instructions for members for attending the 29th AGM through VC/OAVM are given as **Annexure A & B**.

Members are eligible to cast vote electronically only if they are holding shares as on cut-off date. Members who have acquired shares after the dispatch of the Annual Report and before the **cut-off date July 31, 2021** may approach the RTA by e-mail sofia@cameoindia.com for issuance of the User ID and Password for exercising their right to vote by electronic means.

l) Register of Members of the Company will remain closed from **August 01, 2021 to August 09, 2021** (both days inclusive) for the purpose of the final dividend for the financial year ended March 31, 2021 and AGM.

m) Subject to the provisions of the Companies Act, 2013, final dividend as recommended by the Board of Directors, if declared at the meeting, will be paid on or after August 19, 2021 to those members whose names appear on the register of members as on **July 31, 2021 ('cut-off date')**.

n) 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.

o) 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.

p) Shareholders desiring any information as regards the accounts are requested to write e-mail to investorservices@igarashimotors.co.in at least 7 days in advance, so as to enable the Company to keep the information ready.

q) Members who have not so far encashed dividend warrant(s) for the Financial Year 2013-14 (Final); 2014-15, 2015-16, 2016-17, 2017-18, 2018-19 and 2019-20 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 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' and given below:

Year	Type of dividend	Dividend per share (₹)	Date of declaration	Due Date for transfer to IEPF	Unpaid / Unclaimed amount (₹) as on 31.03.2021
2013-14	Final	2.00	30.07.2014	07.09.2021	3,71,256.00
2014-15	Final	4.44	22.07.2015	30.08.2022	10,36,745.48
2015-16	Interim	4.00	14.03.2016	27.04.2023	6,59,208.00
2015-16	Final	1.50	04.08.2016	17.09.2023	2,72,554.00
2016-17	Final	6.61	02.08.2017	07.07.2024	11,18,306.41
2017-18	Final	6.00	14.09.2018	18.09.2025	9,51,324.29
2018-19	Final	4.90	27.09.2019	07.10.2026	8,91,819.45
2019-20	Final	1.20	17.09.2020	21.10.2027	2,42,377.12

Members may note that shares as well as unclaimed dividends [2013-14 (Interim)] transferred to IEPF Authority can be claimed back from the IEPF Authority. The concerned Members/investors are advised to read the procedure for claiming unpaid amounts and shares from IEPF Authority, which is available in the Company's website www.igarashimotors.com under Investor Relations section or visit the weblink of the IEPF Authority http://www.iepf.gov.in/IEPF/corporates.html for detailed procedure to lodge the claim with IEPF Authority.

r) Unclaimed Fractional Bonus Shares Proceeds: The Company had, on November 08, 2018, distributed the sale proceeds of fractional shares arising out of issuance of Bonus Shares, to the eligible Public Shareholders as per their respective fractional entitlements. Fractional entitlements in respect of few shareholders is lying unclaimed with the company.

Accordingly, fractional proceeds remaining unclaimed for a period of 7 years will be transferred by the company to the IEPF. The details are available in the website of the Company., www.igarashimotors.com

s) The remote e-voting period starts on **August 06, 2021 at 9.00 am (IST) and ends on August 08, 2021 at 5.00 pm (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 31, 2021** may cast their votes electronically.

t) 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.

u) 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.

v) 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 (India) Limited (CDSL). The International Securities Identification Number (ISIN) allotted to your Company's shares under the Depository system is INE188B01013. As on March 31, 2021, 99.31% 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.

w) Members may note that the Income Tax Act, 1961, ("the IT Act") as amended by the Finance Act, 2020, mandates that dividends paid or distributed by a company after April 01, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source (TDS) at the time of making the payment of final dividend. In order to enable us to determine the appropriate TDS rate as applicable, members are requested to submit the following documents in accordance with the provisions of the IT Act :-

For **resident shareholders,** taxes shall be deducted at source under Section 194 of the IT Act as follows

Members having valid PAN	10% or as notified by the Government of India
Members not having PAN / valid PAN	20% or as notified by the Government of India

However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them during Financial Year 2021-22 does not exceed ₹ 5,000 and also in cases where members provide Form 15G / Form 15H (applicable to individuals aged 60 years or more) subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower / Nil withholding tax. Registered members may also submit any other document as prescribed under the IT Act to claim a lower / Nil withholding tax. PAN is mandatory for members providing Form 15G / 15H or any other document as mentioned above. Form 15G/15H can be downloaded from the weblink: https://Investors.cameoindia.com to avail the benefit and e-mail to investor@cameoindia.com & investorservices@igarashimotors.co.in by **11.00 a.m (IST) on July 31, 2021**. There is also a provision to upload Form 15G/15H in the weblink viz., https://Investors.cameoindia.com provided by Company's RTA. No communication would be accepted from members after July 31, 2021 regarding the tax withholding matters.

For **non-resident shareholders,** taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable. However, as per Section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the member, if they are more beneficial to them. For this purpose, i.e. to avail the benefits under the DTAA, non-resident shareholders will have to provide the following :

a) Copy of the PAN card allotted by the Indian Income Tax authorities duly attested by the member

b) Copy of Tax Residency Certificate (TRC) for the FY 2021-22 obtained from the revenue authorities of the country of tax residence, duly attested by member

c) Self-declaration in Form 10F

d) Self-declaration by the shareholder of having no permanent establishment in India in accordance with the applicable tax treaty

e) Self-declaration of beneficial ownership by the non-resident shareholder

f) Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by member

In case of **Foreign Institutional Investors / Foreign Portfolio Investors,** tax will be deducted under Section 196D of the IT Act @ 20% (plus applicable surcharge and cess).

The aforementioned documents are required to be submitted by e-mail to investor@cameoindia.com & investorservices@igarashimotors.co.in by **11.00 a.m (IST) on July 31, 2021**. No communication would be accepted from members after August 01, 2021 regarding the tax withholding matters.

For any additional information, we request you to refer "Communication on TDS on Dividend Distribution" available at the weblink http://www.igarashimotors.com/investor-list.php?invescatid=23

If you need any clarification, in this regard you may contact Mrs. Sofia, Assistant Manager, Cameo Corporate Services Ltd. (+91-44-28460395).

x) Re-appointment of Director

Pursuant to Regulation 36(3) & 26(4) 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
Director Identification Number	07159550
Category	Non-Executive, Non- Independent Director
Date of Birth	May 01, 1964
Age (years)	57 years
Nationality	Germany
Date of First appointment on the Board	January 28, 2016
Relationship with Directors and KMPs	There is no relationship with other Directors on the Board
Brief Profile and Expertise	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 over three decades in specific areas of motors business development, application engineering, customer relationship and organization building
Details of Board Meetings attended by the Directors during the year	Refer Corporate Governance Report
Terms and Conditions of Appointment or reappointment along with remuneration	Liable to retire by rotation and eligible to offer herself for the re-appointment.
Remuneration last drawn by such person, if applicable	Nil
Membership of Committees of Igarashi Motors India Limited	Nil
List of Directorships held in other Companies (excluding foreign, private and Section 8 Companies)	NIL
Other Directorships and Membership / Chairmanship of committees of other boards (Only Public Company and Audit Committee and Stakeholders Relationship Committee)	Nil
Shareholding in Igarashi Motors India Limited	Nil

y) The Board of Directors appointed M/s. BP & Associates, Company Secretaries, Chennai (prabhakar@bpcorpadvisors.com) as the scrutinizer for conducting e-voting process in fair and transparent manner. The Scrutinizer will submit his report to the Chairman of the Company ('the Chairman') or to any other person authorized by the Chairman after the completion of the scrutiny of the e-voting (votes casted during the AGM and votes casted through remote e-voting), not later than 48 hours from the conclusion of the AGM. The result declared along with the Scrutinizer's report shall be communicated to the stock exchanges, CDSL and RTA and will also be displayed on the Company's website www.igarashimotors.com.

z) SEBI has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s). Members holding shares in physical form are required to submit their PAN details to the RTA by e-mail to sofia@cameoindia.com. In case of Members are holding shares in physical form, you are advised to convert shareholding into demat form by approaching depository participant.

Members holding shares in physical form and desirous of making/updating Nomination in respect of their shareholdings in the Company, as permitted under Section 72 of the Companies Act, 2013 and Rules made thereunder, are requested to submit the prescribed Form No. SH-13 and SH-14, as applicable for this purpose to the Company's Registrar & Transfer Agents, Cameo Corporate Services Ltd. These forms are also available on the Company's website www.igarashimotors.com under Investor Relations section. Members holding shares in dematerialised form should make/update their nomination with their Depository Participants.

aa) The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. August 09, 2021. Members seeking to inspect such documents can send an email to investorservices@igarashimotors.co.in

ab) Since the AGM will be held through VC/OAVM in accordance with the Circulars, the route map, proxy form and attendance slip are not attached to this Notice.

ANEXURE A

CDSL E-VOTING SYSTEM – FOR REMOTE E-VOTING AND E-VOTING DURING 29TH AGM

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 ['MCA Circulars']. The forthcoming 29th AGM will thus be held through through video conferencing (VC) or other audio visual means (OAVM). Hence, Members can attend and participate in the ensuing 29th AGM through VC/OAVM.

2. 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), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the 29th 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 e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

3. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

4. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the 29th AGM has been uploaded on the website of the Company at www.igarashimotors.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively. The 29th AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM) i.e. www.evotingindia.com.

5. The 29th AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circulars.

THE INSTRUCTIONS FOR SHAREHOLDERS VOTING ELECTRONICALLY ARE AS UNDER:

(i) The voting period begins on **Friday, August 06, 2021 at 9.00 am (IST) and ends on Sunday, August 08, 2021 at 5.00 pm (IST)**. 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 31, 2021** 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.

(iii) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 09, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for **e-Voting and joining 29th AGM through VC/OAVM for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:**

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with **CDSL**	1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi.
	2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly.
	3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration
	4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.
Individual Shareholders holding securities in demat mode with **NSDL**	1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on **Igarashi Motors India Limited** or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the **remote e-Voting or joining 29th AGM through VC/OAVM & voting during the meeting**.
	2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp
	3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on **Igarashi Motors India Limited** or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the **remote e-Voting or joining 29th AGM through VC/OAVM & voting during the meeting**.

Type of shareholders	Login Method
Individual Shareholders (holding securities in demat mode) login through their **Depository Participants**	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on **Igarashi Motors India Limited** or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the **remote e-Voting or joining 29th AGM through VC/OAVM & voting during the meeting.**

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with **CDSL**	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43.
Individual Shareholders holding securities in Demat mode with **NSDL**	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

(v) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form**

1) The shareholders should log on to the e-voting website www.evotingindia.com.

2) Click on "Shareholders" module.

3) 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. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

4) Next enter the Image Verification as displayed and Click on Login.

5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details **OR** Date of Birth (DOB)	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. • 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.

(vi) After entering these details appropriately, click on "SUBMIT" tab.

(vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders 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.

(viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(ix) Click on the EVSN for the relevant **Igarashi Motors India Limited** on which you choose to vote.

(x) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xi) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xii) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xiv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvi) Additional Facility for **Non - Individual Shareholders and Custodians** - For Remote Voting only.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; prabhakar@bpcorpadvisors.com and investorservices@igarashimotors.co.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.

1. For **Physical shareholders-** please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investor@cameoindia.com with a copy to investorservices@igarashimotors.co.in

2. **For Demat shareholders -**, Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

   If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you

can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

ANNURE AA

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE 29th AGM

1. Members will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-voting system on **Monday, August 09, 2021.** Shareholders may access the same at www.evotingindia.com.

2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.

3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the 29th AGM.

4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance on or before **July 31, 2021** mentioning their name, demat account number/folio number, email id, mobile number and queries at investorservices@igarashimotors.co.in. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance advance by July 31, 2021 mentioning their name, demat account number/folio number, email id, mobile number at investorservices@igarashimotors.co.in. These queries will be replied to by the company suitably by email.

8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

ANNURE B

THE INSTRUCTIONS FOR SHAREHOLDERS FOR ATTENDING THE 29TH AGM TRHOUGH VC/OAVM

1. The procedure for attending meeting & e-Voting on the day of the 29th AGM is same as the instructions mentioned above for e-voting (Annexure A).

2. Only those shareholders, who are present in the 29th AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

Directors' Report

To
The Shareholders,

Your Directors have pleasure in presenting their Twenty Ninth Annual Report of your Company, together with the Audited Accounts for the year ended March 31, 2021.

FINANCIAL RESULTS

Your Company's performance during the year as compared with that during the previous year is summarized below:

(₹ in Lakhs)

Particulars	2020-21	2019-20
Manufacturing Sales	53,286	53,439
Add: Other Income	954	1,168
Total Income	**54,240**	**54,607**
Less:		
(i) Materials & Manufacturing Expenses	32,031	31,315
(ii) Value Addition Cost	14,496	15,793
Profit before Depreciation, Amortization	**7,713**	**7,499**
Less: Depreciation & Amortization Expenses	4,468	4,253
Profit before Tax	**3,245**	**3,246**

OPERATIONS

Your Company's Revenues for the year stood at ₹ 53,286 Lakhs as against ₹ 53,439 Lakhs for previous year in spite of operations impacted due to Covid-19 lock-down restrictions in first quarter. Operating Profit before Depreciation & Amortization amounted to ₹ 7,713 Lakhs as against ₹ 7,499 Lakhs for previous year. Profit before Tax amounted to ₹ 3,245 Lakhs as against ₹ 3,246 Lakhs for previous year.

DIVIDEND

Given the un-certainties caused by Pandemic and need for plough back profits into the Business, your Directors are pleased to recommend a dividend of ₹ 1.50/- per Equity Share on Face value of ₹ 10/- each for the year ended March 31, 2021 subject to the approval of the members at 29th Annual General Meeting ("AGM").

Your Company had adopted the Dividend Distribution Policy and the same was hosted on the website of the Company at: http://www.igarashimotors.com/uploads/investor/pdf/14788383387IMIL-Dividend_Distribution_Policy.pdf

The Board has not recommended any transfer to general reserve from the profits of the year under review.

TRANSFER OF UNPAID & UNCLAIMED DIVIDEND AND UNCLAIMED SHARES TO IEPF

As per the provisions of the Companies Act, 2013 read with Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') all unclaimed dividends are required to be transferred by the Company to the IEPF after completion of 7 years. Further according to IEPF Rules, the shares on which dividend has not been claimed by the Shareholders for seven consecutive years or more shall be transferred to the demat account of IEPF Authority. The details relating to amount of dividend FY2013-14 (Interim) transferred to IEPF and such shares on which dividends were un-claimed for seven consecutive years to IEPF are available on the website of the Company at http://www.igarashimotors.com/investor-list.php?invescatid=22

RESERVES

The Reserves at the end of the year March 31, 2021 is at ₹ 43,932 Lakhs as against the Total Reserves of ₹ 42,285 Lakhs as at March 31, 2020.

MATERIAL CHANGES

No material changes or commitments have occurred between the end of the Financial Year and the date of this Report which affect the financial statements of the Company in respect of the reporting year.

INDIAN ACCOUNTING STANDARDS

Pursuant to The Companies (Indian Accounting Standards) Rules, 2015, the financial statements of the Company for the financial year 2020-21 have been prepared as per IndAS.

COVID-19- PANDEMIC - UPDATE

A major part of the period under review was impacted on account of Covid-19 pandemic. This was mainly on account of disruption in supply chain, capacity underutilisation, logistics-related issues, substantial ramp-up costs including additional costs required to ensure the health and safety of all Employees.

Your Company's Management Task Force, comprising key functions , was set up to constantly review the rapidly changing situation to ensure that measures are continuously implemented to keep employees safe (including organising vaccination to eligible employees aged > 45 years) during the Pandemic Period while also attempting to ensure business continuity.

DETAILS OF SUBSIDIARY/ JOINT VENTURES/ ASSOCIATE COMPANIES

Your Company has no Subsidiary/ Associate / Joint Venture Companies as on March 31, 2021. Report under Form AOC-1 is annexed to this report.

During the year, your Company disinvested entire 9.20% stake held in Bosch Electrical Drives India Private Limited (BEDPL) in favour of Robert Bosch Investment Netherland B.V, Netherlands. On April 07, 2021, your Company had received Sale Consideration of ₹ 33.70 Lakhs.

DEPOSITS

During the year under review, your Company has not invited or accepted any deposits from the public under Section 76 of the Companies Act, 2013 and Rules made there under.

EMPLOYEE STOCK OPTION SCHEME

At 25th Annual General Meeting held on August 02, 2017, the Shareholders approved Employee Stock Option Scheme ('The Igarashi Motors Employees Stock Option Scheme 2017') covering 6,00,000 equity shares. There have been no material changes to the Scheme during the year under review. The relevant disclosures pursuant to Rule 12 (9) of the Companies (Share Capital and Debentures) Rules, 2014 and Regulation 14 of SEBI (Share Based Employee Benefits) Regulations, 2014 is forming part of Annual report.

Your Company had received a certificate from the Statutory Auditors of the Company that ESOP Scheme 2017 was implemented in accordance with Regulation 13 of the SEBI (Share Based Employee Benefits) Regulations, 2014 and the resolution(s) passed by the Members of the Company. The certificate is made available for inspection by Members of the Company.

PAID-UP SHARE CAPITAL

Your Company's Paid-up equity share capital is ₹ 3,147.50 Lakhs as on March 31, 2021.

OUT-GOING PROMOTERS- RE-CLASSIFICATION

Pursuant to the approval of the Board of Directors on November 14, 2019 and Shareholders on February 14, 2020, your Company submitted application with Stock Exchanges (NSE and BSE) for reclassification of Mr. P Mukund and MAPE Securities Private Limited ("Outgoing promoters") for re-classification from "Promoter Category" to "Public Category" as per Regulation 31A Listing Regulations. Subsequently, your Company had received approval from Stock Exchanges for re-classification of Outgoing Promoters as Public Category from October 07, 2020. The outgoing Promoters were holding NIL shares in the Company. Mr. P Mukund has not been associated with the Company as Advisor, for Business Development, due his personal passion.

DIRECTORS

During the year, Mr. Keiichi Igarashi (DIN: 00356779) re-appointed as Director at 28th Annual General Meeting.

Mr. K K Nohria (DIN : 00060015) resigned as Chairman & Non-Executive Director from June 05, 2020 after successful association with the Company over two decades. At the unanimous request of your Company's Board Mr. K K Nohria accepted to be designated as Chairman Emeritus for continuing his invaluable association with your Company.

Post approval of shareholders at 28th Annual General Meeting ('AGM'), Mr. K K Nohria was appointed as Chairman Emeritus from October 01, 2020. Consequently, Mr. K K Nohria's continued his guidance and support to your Company. The Board sincerely places on record the appreciation of the leadership and contributions made by Mr. K K Nohria.

Mr. Hemant M Nerurkar (DIN: 00265887) was appointed as Chairman from June 05, 2020.

INDEPENDENT DIRECTORS

During the year, Mr. Hemant M Nerurkar (DIN: 00265887) and Mr. S Radhakrishnan (DIN: 01246033) ceased to be Independent Directors from July 30, 2020 upon completion of their second term.

The Board places on record the appreciation for the valuable services, support, and important contributions rendered by Mr. S Radhakrishnan during his tenure as Director of the Company.

Based on the Nomination & Remuneration Committee recommendation, the Board of Directors at their meeting held on July 16, 2020 and the approval shareholders at 28th AGM by way of Special Resolution, Mr. Hemant M Nerurkar was appointed as Non-Executive, Non-Independent Director from July 30, 2020.

During the year, Mrs. S M Vinodhini (DIN: 08719578) was appointed as Independent Woman Director for five years not liable to retire by rotation from April 01, 2020 and Mr. L Ramkumar (DIN: 00090089) was appointed as Independent Director for five years from July 30, 2020.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

The details of familiarization programmes to Independent Directors is put up on the website of the Company at the link: http://www.igarashimotors.com/investor-list.php?invescatid=23

RETIREMENT BY ROTATION

Mrs. Eva Maria Rosa Schork (DIN 07159550) Director retires by rotation at forthcoming 29th Annual General Meeting and being eligible, offers herself for re-appointment. The brief resume and other details as required under the Listing Regulations are provided in the Notice of the 29th Annual General Meeting of the Company.

EVALUATION OF THE BOARD'S PERFORMANCE

Your Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which include criteria for performance evaluation of the non-executive directors and executive directors. Pursuant to the provisions of Companies Act, 2013 and Regulation 25 of the Listing Regulations, the Board has carried out annual performance evaluation of its own performance, the directors individually as well the evaluation of the working of its Audit, Nomination & Remuneration and Stakeholder Committee for the financial year 2020-21. Each Board member completed a questionnaire providing feedback on the functioning and overall engagement of the Board and its committees on various parameters such as the composition, execution of specific duties, quality, quantity and timelines of flow of information, deliberations at the meeting etc.,. Besides this, one –on-one meeting of the individual directors with the Chairman of the Board was also conducted as a part of self-appraisal and peer group evaluation. The Directors were also asked to provide their valuable feedback and suggestions about the over all functioning of the Board and its committees.

NUMBER OF MEETINGS OF THE BOARD

During the year Five Board Meetings were held on June 04, 2020, July 16, 2020, August 04, 2020, November 11, 2020 and February 09, 2021. The particulars of Directors, their attendance during the financial year 2020-2021 has been disclosed in the Corporate Governance Report forming part of this Annual Report.

For details of the Committees of the Board, please refer to the Corporate Governance Report.

AUDIT COMMITTEE

Your Company has an Audit Committee pursuant to the requirements of the Act read with Rules framed thereunder and SEBI (LODR) Regulations, 2015. The details are relating to the same are given in the report on Corporate Governance forming part of this Report. During FY2020-21, the recommendations of Audit Committee were duly accepted by the Board.

DIRECTORS' RESPONSIBILITY STATEMENT

In compliance of Section 134 (5) of the Companies Act, 2013 your directors, on the basis of information made available to them, confirm the following:

a) In the preparation of the annual accounts for the financial year ended March 31, 2021, the applicable Accounting Standards have been followed with explanation relating to material departures, if any;

b) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company as at March 31, 2021 and of the profit of the Company for that period;

c) Proper care has been taken for maintenance of adequate accounting for safe guarding the assets of the Company and detecting fraud and other irregularities;

d) They have laid down Internal Financial Controls to be followed by the Company and the Audit Committee of the Board of Directors shall ensure that the internal control is adequate and robust;

e) The annual accounts are prepared on a going concern basis;

f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DEMATERIALISATION OF SHARES

99.31% of the Company's paid up Equity Share Capital is in dematerialized form as on March 31, 2021 and balance 0.69% is in physical form. Your Company has already sent three reminders to all concerned shareholders advising them to convert physical shares into demat form. The Company's Registrars are Cameo Corporate Services Limited, No.1, Subramanian Building, Club House Road, Chennai 600 002.

CREDIT RATING

During the year under view, CARE re-affirmed credit ratings of CARE A+ for long term debt and CARE A1+ for short term debt.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION

The information required to be furnished pursuant to Section 134(3) (m) of the Companies Act, 2013, is appended hereto and forms part of this Report.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of expenditure and earnings in foreign currency are given as an annexure to this Report.

PARTICULARS OF LOANS & INVESTMENTS BY COMPANY

Details of loans and investments by the Company covered under Section 186 of the Companies Act, 2013, form part of the notes to the financial statements provided in this report.

RELATED PARTY TRANSACTIONS

All the related party transactions entered during the year were in ordinary course of business and on arm's length basis. Your Company obtained shareholders' approval by way of Postal Ballots on February 10, 2018 & November 06, 2019 and also at 28th AGM held on September 17, 2020 for material related party transactions though such transactions being entered during ordinary course of business and on arm's length basis as required under Listing Regulations.

Your Company's Policy on Related Party Transactions which can be accessed through weblink : http://www.igarashimotors.com/investor-list.php?invescatid=18

Your Company presents a statement of all related party transactions before the Audit Committee. Details of such transactions are given in the accompanying financial statements. Disclosure of Related Party transaction (include details of the transactions with promoter/promoter group is annexed with the report as per the format prescribed).

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company adopted Policy on Prevention, Prohibition and Redressal of Sexual Harassment and Non-discrimination at Work Place in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. A copy of Policy is made available on the Company's website.

All employees (permanent, contractual, temporary, trainees) are covered under this policy. Your Company had arranged external expert consultant trainings on Compliance of Policy to all the employees and service providers. Your Company also launched awareness campaigns on said Policy.

An Internal Complaints Committee (ICC) was set up to redress complaints received regarding sexual harassment and discrimination at work place.

During the year ended March 31, 2021, the ICC has received no complaints pertaining to sexual harassment / discrimination at work place.

KEY MANAGERIAL PERSONNEL

Pursuant to Section 203 of the Companies Act, 2013, the Key Managerial Personnel of the Company are Mr. R Chandrasekaran (DIN: 00012643), Managing Director, Mr. S Vivekchandranth Chief Financial Officer and Mr. P Dinakara Babu, Company Secretary (ICSI Membership No. A14812).

During the year, there are no changes in the Key Managerial Personnel.

AUDITORS

M/s. B S R & Co LL.P, Chartered Accountants (Firm Registration No. 101248W/W-100022), were appointed by the Shareholders at the 25th Annual General Meeting held on August 02, 2017 as Statutory Auditors for a term of five consecutive years (FY2017-18 to FY2021-22) to hold office until conclusion of 30th Annual General Meeting. The appointment is however, subject to ratification by members at every Annual General Meeting in accordance with Section 139 of the Companies Act, 2013 read with applicable rules made thereunder.

Pursuant to the amendment to Section 139 of the Companies Act, 2013 effective from May 07, 2018, ratification by shareholders every year for the appointment of Statutory Auditors is no longer required and accordingly, the Notice of ensuing 29th Annual General Meeting does not include the proposal for seeking shareholders' approval for ratification of Statutory Auditors appointment.

M/s. B S R & Co LL.P, Chartered Accountants, has furnished a certificate of their eligibility and consent under section 139 and 141 of the Companies Act 2013 and the Companies (Audit and Auditors) Rules 2014 for their continuance as the Auditors of the company for the financial year 2021-22.

In terms of the Listing Regulations, the Auditors have confirmed that they hold a valid certificate issued by the Peer Review Board of the ICAI.

AUDITOR'S REPORT

No qualification, adverse remarks or disclaimer made by the Statutory Auditors with regard to the financial statements for the financial year 2020-21.

The Statutory Auditors of the Company have not reported any fraud as specified under Section 143(12) of the Companies Act, 2013.

There have been no instances of fraud reported by above mentioned Auditors under Section 143(12) of the Act and Rules framed thereunder either to the Company or to the Central Government during FY 2020-21.

SECRETARIAL AUDITOR , SECRETARIAL AUDIT REPORT & OTHER CERTIFICATES

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. C Prabhakar, Partner, BP & Associates, Company Secretaries (ICSI Membership No.: A30433; C.P No. 11033) to undertake the secretarial audit of the Company for the year ended March 31, 2021. Your Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and Annual General Meetings.

The Secretarial Audit Report is given in Annexure to this Report. The Report does not contain any qualification, reservation or adverse remark.

Also the Secretarial Audit Report issued under Regulation 24A of SEBI (LODR) Regulations is given in Annexure to this Report.

As required under SEBI (LODR) Regulations, Your Company has obtained a certificate from the Practising Company Secretary that none of the Directors of the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors by MCA/ Statutory Authorities. The said Certificate is forming part of this Report.

COST AUDITOR

As your Company has been operating from MEPZ-Special Economic Zone and having major revenue from exports, appointment of Cost Auditor is exempted under Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audit) Rules, 2014. Your Company has been maintaining such accounts and cost records as required under the Rules.

ANNUAL RETURN AND EXTRACT OF THE ANNUAL RETURN

A copy of Annual Return (Form MGT-7) of the Company has been placed on the website of the Company at http://www.igarashimotors.com/investor-list.php?invescatid=17

Relevant extract of annual return in Form MGT-9 as required under Section 92(3) of the Act read with Rule 12 of Companies (Management and Administration) Rules, 2014 (amended) to be filed with the Registrar of Companies for financial year 2020-21 is given in Annexure to this Report.

INTERNAL CONTROL SYSTEMS

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management.

Internal Audit is carried out in a programmed way and follow up actions were taken for all audit observations. Your Company's Statutory Auditors have, in their report, confirmed the adequacy of the internal control procedures.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

In terms of Section 135 and Schedule VII of the Companies Act, 2013, the Board of Directors of your Company has constituted a CSR Committee. The CSR Committee comprises of four members and the Chairman of Board is heading the Committee. CSR Committee of the Board has developed a CSR Policy. The CSR Committee met one time during the year on August 04, 2020.The details of role and functioning of the Committee are given in Annexure to this Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report of the Company for year under review as required under Regulation 17 of Listing Regulations is given as a separate Statement in the Annual Report.

DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY

Your Company has adopted a Risk Management Policy and constituted a Risk Management Committee for monitoring the same. The Company has been addressing various risks impacting the Company which is provided elsewhere in this Annual Report in Management Discussion and Analysis Report.

BUSINESS RESPONSIBILITY REPORT (BRR)

As required under Regulation 34(2)(f) of Listing Regulations, your Company has provided BRR for the year ended March 31, 2021 as Annexure to this report.

REMUNERATION OF KEY MANAGERIAL PERSONNEL

The information required pursuant to Section 197 read with Rule 5 (1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of the statement of particulars Appointment and Remuneration of Key Managerial Personnel is forming part of this Report.

The remuneration paid to all Key Managerial Personnel was in accordance with remuneration policy adopted by the Company.

STATEMENT ON EMPLOYEE REMUNERATION

The information required pursuant to Section 136(1) of the Companies Act, 2013, the Report of the Board of Directors is being sent to all the shareholders of the Company excluding statement prescribed under Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Statement will be sent by e-mail to the Shareholders, if such request is mailed to the Company.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There have been no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations.

HUMAN RESOURCES

Your Company has 667 number of permanent employees on the rolls of the Company as on March 31, 2021. The Board of Directors wishes to place on record their sincere appreciation to all the employees of the Company for their dedication, commitment and loyalty to the Company.

CORPORATE GOVERNANCE

A Report on Corporate Governance along with a certificate from the Auditors of the Company regarding compliance of the requirements of Corporate Governance pursuant to Listing Regulations is annexed hereto.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Your Company has a vigil mechanism established Whistle Blower Policy, as per the requirement of the Companies Act, 2013 and the Listing Regulations, to enable all employees and the directors to report in good faith any violation of the Policy. The Audit Committee of the Board oversees the functioning of Whistle Blower Policy. Your Company has disclosed the details of Whistle Blower policy on its website: http://www.igarashimotors.com/investor-list.php?invescatid=18

PREVENTION OF INSIDER TRADING

Your Company has adopted a code of conduct for prevention of "Insider Trading" as mandated by the SEBI and same is available on the website of the Company: http://www.igarashimotors.com/investor-list.php?invescatid=18. Your Company's Audit Committee monitors implementation of said Policy.

CODE OF CONDUCT

Your Company has laid down a Code of Conduct Policy which can be accessed on the Company's website: http://www.igarashimotors.com/investor-list.php?invescatid=18

LISTING

The shares of your Company continued to be listed at National Stock Exchange Limited and Bombay Stock Exchange Limited. Listing fee has already been paid for the financial year 2020-21.

29TH ANNUAL GENERAL MEETING THROUGH VIDEO CONFERENCE

As per Ministry of Corporate Affairs Circular Nos. 14/2020 dated April 08, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 05, 2020, 02/2021 dated January 13, 2021 and SEBI Circulars No. SEBI/HO/CFD/CMD2/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 regarding COVID-19 Pandemic and relaxations (e.g VC, no physical report) thereon, your Company made arrangement to conduct 29th AGM through Video Conference / Other Audio Visual Means for which necessary information has been given separately in Notice of 29th AGM.

Also your Company will be complying with said Circulars by sending 29th Annual Report along with Annexures by way of e-mail to the shareholders as such no physical copies shall be distributed. Those Shareholders whose email IDs are not registered, have to register their email ID with Registrar & Share Transfer Agent (RTA) of the Company.

ACKNOWLEDGEMENT

The Board wishes to place on record its sincere appreciation of the efforts put-in by your Company's employees for achieving encouraging results under difficult conditions. The Board also wishes to thank for the continued support of the relevant Government Authorities, Promoters, Shareholders, Suppliers, Customers, and other business associates for their strong support.

For and on behalf of the Board of Directors

Hemant M Nerurkar
Chairman
DIN: 00265887

Place: Mumbai
Date: May 25, 2021

ANNEXURE TO THE DIRECTORS' REPORT

A. CONSERVATION OF ENERGY

1) Energy Conservation Measures Taken

   i. In-house built BLDC fans installed in manufacturing lines and other facility service area. Thereby saving 460 KWh / Month

   ii. CFL light - LED light changed, 216 watts CFL changed to 100 watts LED Light substantial energy saved is 480 kWh/ month

2) Steps taken by the Company for utilizing alternate sources of energy are

   The Company uses green energy (Wind power) at a tariff less than Tamil Nadu Electricity Board

3) The capital investment on energy conservation equipment's : N.A

B. TECHNOLOGY ABSORPTION

1) the efforts made towards technology absorption : continuous process

2) the benefits derived (like product improvement, cost reduction, product development or import substitution) : continuous process

3) Information regarding imported technology (last three years): Not applicable

4) Expenditure on Research and Development:

   a) Capital : ₹ Nil (₹ Nil lakhs previous year)

   b) Recurring : ₹ Nil lakhs (₹ 412.59 lakhs previous year)

   c) Total : ₹ Nil (₹ 412.59 Lakhs previous year)

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Total Foreign exchange earnings used during year was ₹ **36,023.04** Lakhs and the total foreign exchange earned during the year was ₹ **52,043.56** Lakhs

For and on behalf of the Board of Directors

Hemant M Nerurkar
Chairman
DIN 00265887

Place: Mumbai
Date: May 25, 2021

ANNEXURE TO THE DIRECTORS' REPORT TO THE SHAREHOLDERS

a) Section 197(12) read with Rule, 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is as follows:

i) Ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year.

S. No.	Name	Designation	Remuneration* paid FY 2020-21 (₹ Lakhs)	Remuneration paid FY 2019-20 (₹ Lakhs)	Increase in remuneration from previous year (₹ Lakhs)	Ratio/Times per Median of employee remuneration
1	Mr. Hemant M Nerurkar&@	Chairman	12.50	10.25	2.25	1.08
2	Mr. K.K. Nohria#	Director	2.00	13.25	NA	0.17
3	Mr. S. Radhakrishnan@	Independent Director	1.75	10.25	NA	0.15
4	Mr. Keiichi Igarashi	Director	-	-	-	-
5	Mr. L Ramkumar&&	Independent Director	6.75	NA	NA	0.58
6	Mrs. S M Vinodhini^^	Independent Woman Director	8.50	NA	NA	0.73
7	Mrs. Eva Maria Rosa Schork	Director	-	-	-	-
8	Mr. R. Chandrasekaran	Managing Director	153.36$	128.82$$	NA	13.25$

@ Second Term of Independent Director ended on July 29, 2020

& Appointed as Non-Executive Non-Independent Director from July 30, 2020.

&& Appointed as Non-Executive Independent Director from July 30, 2020.

* includes sitting fees paid for Board & Committee meeting and remuneration FY 2020-21

$ Includes commission, $$ includes remuneration as CFO from April 01, 2019 to September 30, 2019 and M.D from October 01, 2019 to March 31, 2020

Resigned as Director from June 05, 2020 and was appointed as Chairman Emeritus from October 01, 2020. Includes Sitting fees paid during October 01, 2020 and March 31, 2021.

^^ Appointed as Independent Woman Director from April 01, 2020

ii) The percentage increase in remuneration of each director, Managing Director, Chief Financial Officer, Company Secretary in the financial year:

Mr. K K Nohria, Director – N.A

Mr. Hemant M Nerurkar, Chairman – 22%

Mr. S. Radhakrishnan, Director – NA

Mr. R Chandrasekaran, Managing Director $$ – NA

Mr. L Ramkumar && – N.A

Mrs. S M Vinodhini ^^ – N.A

Mr. P Dinakara Babu, Company Secretary – 1.74%

Mr. S Vivekchandranth, Chief Financial Officer – 28.63%

$$ includes remuneration as CFO from April 01, 2019 to September 30, 2019 and M.D from October 01, 2019 to March 31, 2020. He had received remuneration as M.D from April 01, 2020 to March 31, 2021

^^ Appointed as Independent Woman Director from April 01, 2020

&& Appointed as Non-Executive Independent Director from July 30, 2020

iii) The percentage increase in the median remuneration of employees in the financial year : 7.13%

iv) The number of permanent employees on the rolls of Company : 667

v) The explanation on the relationship between average increase in remuneration and Company performance: Not Applicable.

vi) Comparison of the remuneration of the key managerial personnel against the performance of the Company:

During the year, the Company has given marginal revision to employees and also compensated employees through variable earnings based on individual performance vis-à-vis Company performance.

vii) Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year:

Particulars	March 31, 2021	March 31, 2020	% Change
Market Capitalization (₹ Crores)	857.70	580.24	48%
P/E Ratio	33.48	19.40	73%

viii) Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:

Particulars	March 31, 2021 (₹)	IPO*	% Change
Market Price (BSE)	277.35	10	2673%
Market Price (NSE)	272.50	10	2625%

*During the year 1993-94

ix) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: Not Applicable

x) Comparison of each remuneration of the key managerial personnel against the performance of the Company:

	Mr. R Chandrasekaran, Managing Director	Mr. S Vivekchandranath Chief Financial Officer	Mr. P Dinakara Babu, Company Secretary
Remuneration in FY20-21 (₹ Lakhs)	153.36	40.52	51.42
Revenue (₹ Lakhs)		54,239.62	
Remuneration % of Revenue	0.28%	0.07%	0.09%
Profit before Tax (PBT) (₹ Lakhs)		3,244.94	
Remuneration (as % of PBT)	4.73%	1.25%	1.59%

xi) The key parameters for any variable component of remuneration availed by the directors –

Not Applicable

xii) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: None

xiii) Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company affirms that the remuneration is as per the remuneration policy of the Company.

For and on behalf of the Board of Directors

Hemant M Nerurkar
Chairman
DIN 00265887

Place: Mumbai
Date: May 25, 2021

DETAILS OF STOCK OPTIONS PURSUANT TO SEBI (SHARE BASED EMPLOYEE BENEFITS) REGULATION, 2014 READ WITH SEBI CIRCULAR DATED 16TH JUNE, 2015 FOR THE FINANCIAL YEAR 2020-21

	Description	ESOP Scheme- 2017
A.	Relevant disclosures in terms of the 'Guidance note on accounting for employee share-based payments' issued by ICAI or any other relevant accounting standards as prescribed from time to time.	Please refer Notes to Accounts of the 29th Annual Report 2020-21
B.	Diluted EPS on issue of shares pursuant to all the schemes covered under the regulations shall be disclosed in accordance with 'Accounting Standard 20 - Earnings Per Share' issued by ICAI or any other relevant accounting standards as prescribed from time to time.	₹ 8.14/-
C	Details related to ESOS	
i	A description of Each ESOS that existed at any time during the year, including general terms and conditions of each ESOS	
	a) Date of shareholders approval	a) August 02, 2017
	b) Total number of Options approved under ESOS	b) 6,00,000
	c) Vesting requirements	c) 2 years
	d) Exercise Price or formula	d) ₹ 650/-
	e) Maximum term of options granted	e) 2 years
	f) Source of shares (primary, secondary or combination)	f) Primary
	g) Variation of terms of options	g) Nil
ii	Method used to account for ESOS - Intrinsic or fair value.	The Company has calculated the employee compensation cost using fair value method of accounting to account for options issued under "ESOP-2017"
iii	Where the company opts for expensing of the options using the intrinsic value of the options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognized if it had used the fair value of the options shall be disclosed. The impact of this difference on profits and on EPS of the company shall also be disclosed.	Not applicable
iv	Option movement during the year	
	Particulars	**Details**
	Number of options outstanding at the beginning of the period	426,625
	Number of options granted during the year	Nil
	Number of options forfeited / lapsed during the year	227,925
	Number of options vested during the year	198,700
	Number of options exercised during the year	Nil
	Number of shares arising as a result of exercise of options	Nil
	Money realized by exercise of options (INR), if scheme is implemented directly by the company	Nil

	Description	ESOP Scheme- 2017
	Loan repaid by the Trust during the year from exercise price received	Not applicable
	Number of options outstanding at the end of the year	198,700
	Number of options exercisable at the end of the year	Nil
v	Weighted-average market price of Company's shares on NSE at the time of grant i.e 22-May-2018	₹ 795.85/-
vi	Employee-wise details of options granted to	Details as under
	i) Senior Managerial Personnel	34,000
	ii) Any other employee who receives a grant in any one year of option amounting to 5% or more of option granted during the year	No employee of the Company received grant of options during the year amounting to 5% or more of options granted or exceeding 1% of issued capital of the Company
	iii) Identified employees who were granted option , during any one year , equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	
vii	A description of the method and significant assumptions used during the year to estimate the fair values of options, including the following weighted average information :	
	1) the weighted-average values of share price, exercise price, expected volatility, expected option life, expected dividends, the risk-free interest rate and any other inputs to the model	Risk free interest rate -7.28% (Vesting 1) ~7.48% (Vesting 2) Expected life -1.5 (Vesting 1) ~2.5 (Vesting 2) volatility – 27% (Vesting 1) ~ 33% (Vesting 2) Expected Dividends -0.88% The Price of underlying share in the market at the time of option grant : ₹ 795.85/- Option Exercise Price : ₹ 650/- Option Fair value : ₹ 255/-
	2) the method used and the assumptions made to incorporate the effects of expected early exercise	Fair-valuation of ESOP under Black Scholes method
	3) how expected volatility was determined, including an explanation of the extent to which expected volatility was based on historical volatility	Daily volatility of stock price on NSE over a period prior to the date of grant corresponding with expected life of options. Daily volatility is then annualized.
	4) Whether and how any other features of the option grant were incorporated into the measurement of fair value, such as a market condition.	The expected life of share option is based on historical data. Future market conditions are not used for measurement of fair value

For and on behalf of the Board of Directors

Hemant M Nerurkar
Chairman
DIN 00265887

Place: Mumbai
Date: May 25, 2021

FORM AOC-1

(PURSUANT TO FIRST PROVISO TO SUB-SECTION (3) OF SECTION 129 READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014)

Statement containing salient features of the financial
Statement of Subsidiaries/Associate Companies/Joint Ventures

PART "A": SUBSIDIARIES

(Information in respect of each subsidiary to be presented with amounts in ₹)

S. No	Particulars	
1	Name of the Subsidiary	NIL
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	
3	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	
4	Share capital	
5	Reserves & surplus	
6	Total assets	
7	Total Liabilities	
8	Investments	
9	Turnover	
10	Profit before taxation	
11	Provision for taxation	
12	Profit after taxation	
13	Proposed Dividend	
14	% of shareholding	

PART "B": ASSOCIATES AND JOINT VENTURES

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

S. No	Name of the Associates / Joint Venture	
1	Latest audited Balance Sheet Date	Nil
2	Shares of Associate /Joint Ventures held by the company on the year end	
	No. of Shares	
	Amount of investment in Associates / Joint Venture	
	Extent of holding %	
3	Description of how there is significant influence	
4	Reason why the associate / joint venture is not consolidated	
5	Net worth attributable to shareholding as per latest audited Balance Sheet	
6	Profit / Loss for the year	
	i) Considered in consolidation	
	ii) Not considered in consolidation	

1. Names of subsidiaries which are yet to commence operations: N.A
2. Names of subsidiaries which have been liquidated or sold during the year: N.A

Note: This Form is certified in the same manner in which the Balance Sheet is certified.

PARTICULARS OF LOANS, GUARANTEES, OR INVESTMENTS PURSUANT TO SECTION 134(G) OF THE COMPANIES ACT, 2013

A. Amount Outstanding as on March 31, 2021

Particulars	Amount (₹ Lakhs)	Purpose
Loans given	Nil	Nil
Guarantees Given	Nil	Nil
Investments made	89.71	Business

Refer Notes to Accounts given along with Financial Statements for the year ended March 31, 2021

B. Loans , Guarantees, Investments made during financial year 2020-21

Name of the entity	Relation	Amount (₹ Lakhs)	Particulars of Loans, Guarantees given or investments made	Purpose for which the loans, Guarantees and investments are proposed to be utilised
Nil	Nil	Nil	Nil	Nil

Refer Notes to Accounts given along with Financial Statements for the year ended March 31, 2021

For and on behalf of the Board of Directors

Hemant M Nerurkar
Chairman
DIN 00265887

Place: Mumbai
Date: May 25, 2021

FORM NO. AOC.2

[PURSUANT TO CLAUSE (H) OF SUB-SECTION (3) OF SECTION 134 OF THE ACT AND RULE 8(2) OF THE COMPANIES (ACCOUNTS) RULES, 2014]

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis:

   There were no contracts or arrangements or transactions entered into during the financial year ended March 31, 2021 which were not at arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis :

   The details of material contracts or arrangements or transactions[$] at arm's length basis entered into during the financial year ended March 31, 2021 are as follows

S. No	Name(s) of the related party and nature of relation ship	Nature of contracts/ arrangements/ transactions	Value of contracts/ arrangements/ transactions (₹ in Lakhs)	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions	Date(s) of approval by the Board and subsequent approvals by way of Postal Ballot/ General Meetings	Amount paid as advances, if any:
1	Agile Electric Sub Assembly Private Limited [Holding Company]	Sale of goods and services	619.77	year on year basis	The related party transactions entered into during the year were in the ordinary course and at arm's length basis	For sale and purchase: Necessary approvals were granted by the Audit Committee and subsequently at the Board Meeting held as on 10/09/2019. Moreover the Public shareholders of the Company by Ordinary Resolution passed through Postal Ballot on 06/11/2019, accorded their approval.	Nil
		Purchase of goods	263.96	year on year basis			Nil
2	Igarashi Electric Works Limited, Japan [Ultimate Holding Company]	Sale of goods and services	3,748.52	year on year basis		For sale and purchase: As stated above	Nil
		Purchase of goods and services[@]	492.65				
3	Igarashi Electric Works (H.K) Limited, Hong Kong [Fellow subsidiary]	Sale of goods and services	Nil	year on year basis		For sale: As stated above	Nil
4	Igarashi Motoren Gmbh, Germany [Fellow subsidiary]	Sale of goods and services	6.70	year on year basis		For sale: As stated above	Nil

S. No	Name(s) of the related party and nature of relation ship	Nature of contracts/ arrangements/ transactions	Value of contracts/ arrangements/ transactions (₹ in Lakhs)	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions	Date(s) of approval by the Board and subsequent approvals by way of Postal Ballot/ General Meetings	Amount paid as advances, if any:
5	Igarashi Motor Sales USA LLC, USA- [Fellow subsidiary]	Sale of goods and services	333.71	year on year basis	The related party transactions entered into during the year were in the ordinary course and at arm's length basis	For sale: As stated above	Nil
6	Igarashi Electric Works International Ltd, Hong Kong [Fellow subsidiary]	Sale of goods and services	32.35	year on year basis		For sale: As stated above	Nil
7	Yat Yue Industrial Co.(HK) Ltd, Hong Kong [Fellow subsidiary]	Sale of goods and services	Nil	year on year basis		As stated above	Nil
		Purchase of goods and services	670.42				
8	Igarashi Electric Works (Zhuhai) Limited, China [Fellow subsidiary]	Sale of goods and services	Nil	year on year basis		As stated above	Nil
		Purchase of goods and services	58.18				
9	Igarashi Electric Works (Shenzhen) Ltd [Fellow subsidiary]	Sale of goods and services	1.07	year on year basis		Audit Committee Prior approval had been obtained on 10/09/2019	Nil
		Purchase of goods and services	14.25				

$ Also refer Note 38 of Related Party Schedule to the Financial Statements

@ Services include bundled royalty/technical fee payment for trademarks, technological know-how and support received in relation to procurement & other strategic management.

All related party transactions that were entered into during the financial year were on arm's length basis and in the ordinary course of business.

For and on behalf of the Board of Directors

Hemant M Nerurkar
Chairman
DIN 00265887

Place: Mumbai
Date: May 25, 2021

Business Responsibility Report

Section A: General Information about the Company:

Sl. No	General Information	Details
1	Corporate Identity Number (CIN) of the Company	L29142TN1992PLC021997
2	Name of the Company	IGARASHI MOTORS INDIA LIMITED
3	Registered address	Plot No.B-12 to B-15,Phase-II,MEPZ,Tambaram Chennai – 600 045
4	Website	www.igarashimotors.com
5	E-mail id	investorservices@igarashimotors.co.in
6	Financial Year Reported	2020-21
7	Sector(s) that the Company is engaged in (industrial activity code-wise)	Electric Micro Motors – 2710 Stamping and Motor Components – 2591
8	List three key products/services that the Company manufactures/provides (as in balance sheet)	Electric Micro Motors Stamping and Motor Components
9	Total number of locations where business activity is undertaken by the Company	One location, Chennai, Tamil Nadu
a	Number of International Locations (Provide details of major 5)	Nil
b	Number of National Locations	One location, Chennai, Tamil Nadu
10	Markets served by the Company: Local/State/ National/International	India, USA, Europe, China and Asia

Section B: Financial Details of the Company:

Sl. No	Particulars	Amount
1	Paid up Capital	314,750,480
2	Total Turnover (₹ Lakhs)	53,286
3	Total profit after taxes (₹ Lakhs)	2,562
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	2%
5	List of activities in which expenditure in 4 above has been incurred	Cancer Awareness Project Health, Medical and Hygiene Support Prime Ministers National Relief Fund (PMNRF)

Section C: Other Details

Sl. No	Other Details	Details
1	Does the Company have any Subsidiary Company/ Companies?	No
2	Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)	Not Applicable
3	Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]	All our customers are Global Tier I and as per our understanding & information, all of them have their own BR initiatives.

Section D: BR Information

1. Details of Director/Directors Responsible for BR

a. Details of the Director/Directors responsible for implementation of the BR policy/policies

DIN	00012643
Name	Mr. R Chandrasekaran
Designation	Managing Director

b. Details of the BR head

DIN (if applicable)	00012643
Name	Mr. R Chandrasekaran
Designation	Managing Director
Telephone Number	+91 44 42298199
e-mail id	investorservices@igarashimotors.co.in

List of Principles:

Principle - 1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
Principle - 2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
Principle - 3	Businesses should promote the wellbeing of all employees
Principle - 4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
Principle - 5	Businesses should respect and promote human rights
Principle - 6	Business should respect, protect, and make efforts to restore the environment
Principle - 7	Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner
Principle - 8	Businesses should support inclusive growth and equitable development
Principle - 9	Businesses should engage with and provide value to their customers and consumers in a responsible manner

2. Principle - Wise (As per National Voluntary Guidelines) Business Responsibility Policy/ Policies (Reply in Y/N)

Sl. No	Question	Principle (Yes/No)								
		1	2	3	4	5	6	7	8	9
1	Do you have policy/policies for?	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national /international standards? If yes, specify? (The policies conformance to the spirit of international standards like ISO 9000, ISO 14000, OHSAS 18000, SA 8000, UNGC guidelines and ILO principles and meet the regulatory requirements as per SEBI Listing Regulations, Sarbanes Oxley Act etc. The policies reflect the Company commitment to improve the quality of life of the communities it serves and practice of returning to society what it earns)	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/Official to oversee the implementation of the policy?	N	Y	Y	Y	N	N	Y	Y	Y
6	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been communicated to all its internal stakeholders and external stakeholders based on their relevance.								
7	Does the company have in-house structure to implement the policy/policies	Y	Y	Y	Y	Y	Y	Y	Y	Y
8	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Has the company carried out independent audit/evaluation of the working of this policy by an internal or external agency?	Yes, the Company has an internal persons to evaluate the workings of this Policy								

2 A. If answer to Sl. No 1 against any principle, is 'No', Please explain why: (Tick Up to 2 Options)

Sl. No	Question	Principle (Yes/No)								
		1	2	3	4	5	6	7	8	9
1	The Company has not understood the Principles	-	-	-	-	-	-	-	-	-
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
3	The Company does not have financial or manpower resources available for the task.	-	-	-	-	-	-	-	-	-
4	It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
5	It is planned to be done within the next 1 year	-	-	-	-	-	-	-	-	-
6	Any other reason (please specify)	-	-	-	-	-	-	-	-	-

3. **Governance related to BR:**

   a. **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year:**

   Your Company's Board of Directors reviews the performance on quarterly basis. The action points emerged from the discussion at the meetings is reviewed in the subsequent meeting for their closure.

   b. **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

   Your Company has hosted Business Responsibility Report on the Company's website: http://www.igarashimotors.com/investor-list.php?invescatid=17, as part of green initiative under Regulation 34(2)(f) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015.

Section E: Principle wise Performance

Principle -1 Business should conduct and govern themselves with Ethics, Transparency and Accountability

1. **Does the policy relating to ethics, bribery and corruption cover only the company?**

   Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?

   Our Company has adopted Whistle Blower Policy in conducting its affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior in consonance with Code of Conduct.

   The Company in order to attain the highest legal and ethical standard has adopted Anti-Corruption Compliance Policy. The policy covers instances pertaining to bribery, kickbacks, or corruption of any kind directly or through third parties, whether or not explicitly prohibited by this policy or law. The policy applies to all the stakeholders involved in the business environment.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof**

   Stakeholders Complaint Received – 1

   Stakeholders Complaint Resolved – 1

   Stakeholders Complaint Pending – 0

   Percentage of Stakeholders Complaint Resolved – 100%

Principle – 2 Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities**

   Given below is a list of products whose design has incorporated social or environmental concerns:

   a. Electric DC Micro Motors

   b. Stamping and Motor Components

   c. PCB

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional)**

Steel and copper are the major raw material in all these three products. All the resources used in the production of these products are used efficiently and hence it reduces the impact and recourse depletion on the environment.

a. **Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?**

The Company is working closely with Global Suppliers for reducing wastage. This has in turn paved away for effective use of optimal recourse.

b. **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

Yes. The Company adopts the latest Tier - I technology in its products to provide high fuel efficiency, better emission control and stronger engine dynamics.

Wind power is used for Shopfloor Light and waste water goes through treatment plant and is reused for Gardening purpose .

3. **Does the company have procedures in place for sustainable sourcing (including transportation)?**

Yes

a. **If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so**

The Company is being a major exporter to Global Tier I customers, The Company continuously works with its vendor and suppliers to reduce the environmental impact of sourcing .At the same time,it has to meet the huge demands of the customers by providing timely delivery and international standard quality products, hence to meet the demand it has to obtain its inputs from global market. As the local suppliers find it difficult to meet the vast quantity and global demands, 74% of raw material, components and spares are being imported.

4. **Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

Your Company has to sustain the global market competition and to the meet the demands of the Global Tier I customers. In this capacity, many local and small communities including communities surrounding our place of work are encouraged and utilized for their products and services. These local firms are given adequate quality and safety standards, including guidance, to achieve and they are also rewarded for their performance.

5. **Does the company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%) Also, provide details thereof, in about 50 words or so**

Yes, the company recycle its waste by efficiently uses its raw material and products through the process of continuous learning and effective usage of resources, 100% of waste materials are being given to identified recycle suppliers.

Principle – 3 Businesses should promote the wellbeing of all employees

1. **Please indicate the Total number of employees.**

The total number of employees was 667 as on March 31, 2021 in the Company.

2. **Please indicate the Total number of employees hired on temporary/contractual/casual basis**

   The total contractual/temporary manpower employed was 1,254 as on March 31, 2021 in the Company.

3. **Please indicate the Number of permanent women employees**

   There were 271 permanent female employees as on March 31, 2021 in the Company.

4. **Please indicate the Number of permanent employees with disabilities**

   There were no employees with disabilities as on March 31, 2021

5. **Do you have an employee association that is recognized by management**

   No

6. **What percentage of your permanent employees is members of this recognized employee association?**

   Not Applicable

7. **Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year**

Sl. No	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child Labour/Forced Labour/Involuntary Labour	Nil	Nil
2	Sexual harassment	Nil	Nil
3	Discriminatory Employment	Nil	Nil

8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

Sl. No	Particulars	Percentage
a	Permanent Employees	100%
b	Permanent Women Employees	100%
c	Casual/Temporary/Contractual Employees	100%
d	Employees with Disabilities	Nil

Principle – 4 Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

1. **Has the company mapped its internal and external stakeholders?**

   Yes, the Company has mapped all its internal stakeholders and external stakeholders based on their relevance. Individual Departments within the company have their own roles and responsibilities to be identified with its stakeholders.

2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders?**

   Yes.

3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so:**

   Yes, your Company has implemented the following five CSR initiatives

   a. **Cancer awareness Project:**

      Your Company has joined hands with Indian Cancer Society and created cancer awareness programs to remove the fear of cancer from Individuals & Society, start conversations on busting myths, lead people to go for regular check-ups, advise to act promptly if diagnosed, promote healthy life style to prevent the occurrence of cancer.

   b. **Multiple Sclerosis Patient Care Project :**

      Your Company has joined hands with Multiple Sclerosis Society of India for supporting Multiple Sclerosis patient care covering rehabilitation care, personal care and general wellness by trained staff.

   c. **Viswajayam Foundation : Patient Health and Hygiene Services**

      Your Company has joined hands Viswajayam Foundation for proving Patient Health and Hygiene Services at Government Hospital, Chennai.

   d. **MEPZMA Helath Center Project :-**

      Your Company has joined hands with MEPZ Manufacturers Association for re-furbishing Health Center for providing immediate medical health facility, medical services for minor aliments, health check-up and emergency treatment to the employees working in the SEZ Units located in MEPZ-SEZ, Tambaram, Chennai. This project would improve medical facilities in the MEPZ-SEZ.

   e. **Prime Ministers National Relief Fund (PMNRF):**

      Your Company has contributed the Prime Ministers National Relief Fund for medical assistance, floods, drought, terrorist violence and other such unforeseen occurrences, with a reserve for emergencies.

Principle – 5 Businesses should respect and promote human rights

1. **Does the policy of the company on human rights cover only the company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGO's / others?**

   Yes the policy extends to its suppliers and contractors also.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   The Company did not receive any stakeholder compliant regarding Human Rights in the year 2020-21

Principle – 6: Business should respect, protect, and make efforts to restore the environment

1. **Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/Suppliers/ Contractors/NGOs/others**

   The company has adopted Environment Policy and it extends to all the personnel under the control of the organization.

2. **Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? If yes, please give hyperlink for webpage etc.**

   The Company has taken several initiates to reduce the consumption of power. Refer Directors Report for details in Conservation of Energy, Technology and Absorption.

3. **Does the company identify and assess potential environmental risks?**

   Yes, The company risk management policy frames the procedure to identify the potential environmental risks. This is being regularly reviewed and thereby helps us in mitigating risks.

4. **Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

   The company has adopted ISO/TS 16949:2009 certification by DQS UL Management Solutions for their design, development and manufacture.

5. **Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc**

   The Company has initiated wind power sourcing and has installed solar cell to tap clean energy. Refer Directors Report for details in Conservation of Energy, Technology and Absorption.

6. **Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

   Yes, all the emission/waste generated by the company is within the permissible limits given by CPCB/SPCB.

7. **Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year**

   There were no show cause/ legal notices received during the year 2020-21

Principle – 7: Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. **Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

   Yes, member of Export Promotion Council for EOUs & SEZs and also member of Indian Fan Manufacturers Association.

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

   No

Principle – 8 Businesses should support inclusive growth and equitable development

1. **Does the company have specified program/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

   The Company supports inclusive growth and equitable development through its Corporate Social Responsibility (CSR) programmes. The Company has initiated projects like Indian Cancer Society, Multiple Sclerosis Society of India, Viswajayam Foundation, MEPZ Manufacturers Association and Prime Ministers National Relief Fund (PMNRF).

2. **Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?**

   The CSR programs of the company are run through NGO and other organizations having experience.

3. **Have you done any impact assessment of your initiative?**

   The CSR programs and their impacts/ outcomes are monitored and reviewed by the CSR Committee periodically.

4. **What is your company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.**

   a. Indian Cancer Society - ₹ 30 Lakhs

   b. MEPZ Manufacturers Association- ₹ 10 Lakhs

   c. Viswajayam Foundation – ₹ 5 Lakhs

   d. Multiple Sclerosis Society of India – ₹ 5 Lakhs

   e. Prime Ministers National Relief Fund (PMNRF) – ₹ 98 Lakhs

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so**

   Yes, Initiatives conducted under CSR are tracked to determine the outcomes achieved and the benefits gained by the community through CSR Committee

Principle – 9 Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year**

   During the year 2020-21 there were no customer complaints or cases pending at the year end.

2. **Does the company display product information on the product label, over and above what is mandated as per local laws?**

   Not applicable as the company's product is not directly visible to the end user

3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so**

   There were no cases filed by any stakeholder against the company.

4. **Did your company carry out any consumer survey/ consumer satisfaction trends?**

   Not Applicable.

Corporate Governance Report

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company is committed to adopt the best Global practices of Corporate Governance. Corporate Governance envisages commitment of the Company towards the attainment of high levels of transparency, accountability and equity with the ultimate objective of increasing long-term shareholder value, keeping in view the needs and interests of all other stakeholders.

Your Company also believes that good Corporate Governance makes good business sense. As such your Company not only complies with all the requirements of Corporate Governance under Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 ['Listing Regulations'] but follows it in spirit also.

During the year ended March 31, 2021, your Company had complied with the provisions set out on Corporate Governance Practices required under Listing Regulations.

2. BOARD OF DIRECTORS

As on March 31, 2021 the Board of Directors comprised the Managing Director and 5 Non-Executive Directors.

The Board of Directors of the Company comprises an optimum combination of Executive and Non-Executive Directors, which is in conformity with the Listing Regulations as of the year ended March 31, 2021, the Board consists of 6 Directors comprising of One Executive Director, Three Non-Executive Non-Independent Directors and Two Independent Directors (out of which one Director is a Independent Woman Director). The Chairman of the Board is a Non-Executive Non-Independent Director.

During the year, Five Board Meetings were held on June 04, 2020, July 16, 2020, August 04, 2020, November 11, 2020 and February 09, 2021.

Mr. C Prabhakar, Partner, BP & Associates, Company Secretaries (Membership No: A30433; Certificate of Practice No; 11033) have certified none of the Directors on the Board of the Company as stated for the Financial Year ending on March 31, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

The particulars of Directors, their attendance during the financial year 2020-21 and also other Directorships and Board Committee Representations of Public Limited Companies are as under:

Name of Director & Designation	Category	Attendance		Other Board Representations	
		Board Meetings	Last AGM	Directorship in Indian Public Companies	Committees$
Mr. K.K. Nohria# (Chairman)	Non-Executive Non-Independent	1	NA	4	2 (Member)
Mr. Hemant M Nerurkar* (Chairman)	Non-Executive Non-Independent	5	Yes	7	5 (Member) 3 (Chairperson)
Mr. R. Chandrasekaran (Managing Director)	Executive	5	Yes	Nil	Nil
Mr. S. Radhakrishnan@	Non-Executive Independent	2	NA	Nil	Nil
Mr. Keiichi Igarashi	Non-Executive Non-Independent	5	Yes	Nil	Nil
Mrs. Eva Maria Rosa Schork	Non-Executive Non Independent	5	Yes	Nil	Nil

Name of Director & Designation	Category	Attendance		Other Board Representations	
		Board Meetings	Last AGM	Directorship in Indian Public Companies	Committees$
Mr. L Ramkumar^	Non-Executive Independent	3	Yes	1	1 (Member) 2 (Chairperson)
Mrs. S M Vinodhini**	Non-Executive Independent Woman Director	5	Yes	Nil	1(Member) 1 (Chairperson)

$ Committees considered are Audit Committee & Stakeholders' Relationship Committee including of Igarashi Motors India Limited (IMIL).

Resigned from June 05, 2020 and was appointed as Chairman Emeritus of the Company w.e.f October 01, 2020

@ Ceased to be Independent Director as Second Term ended on July 29, 2020

* Post completion of second term as Independent Director, he was appointed as Non-Executive, Non-Independent Director and Chairman from July 30, 2020.

** Appointed as Independent Woman Director w.e.f April 01, 2020 for 5 years

^ Appointed as Independent Director w.e.f. July 30, 2020 for 5 years

NAME OF THE OTHER LISTED ENTITIES IN WHICH IMIL DIRECTOR HAVING DIRECTORSHIP AND THEIR CATEGORY OF DIRECTORSHIP:

1. Mr. Hemant M Nerurkar (DIN: 00265887)

S. No	CIN	Name of the Company	Category of Directorship
1	L153311DL1993PLC052624	DFM Foods Limited	Non-Executive Independent Director
2	L31900MH2015PLC262254	Crompton Greaves Consumer Electricals Limited	Non-Executive Independent Director
3	L51100GJ1993PLC019067	Adani Enterprises Limited	Non-Executive Independent Director
4	L72200TG1990PLC011146	NCC Limited	Non-Executive Independent Director

2. Mr. L Ramkumar (DIN: 00090089)

S. No	CIN	Name of the Company	Category of Directorship
1	L29130TZ1972PLC000649	Shanthi Gears Limited	Non-Executive Non- Independent Director

None of the other four directors of the Company have directorship in any other listed entity except above mentioned two Directors.

None of the directors are holding shares in our Company.

During the year, separate meeting of the Independent Directors was held on June 04, 2020 without the attendance of non-independent directors and members of the management. All Independent Directors attended the said meeting.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

Our company has imparted familiarization programme to Non-Executive Independent Directors and the web link of the same is as under:

http://www.igarashimotors.com/investor-relations.php

Board Skill Matrix:-

Skill & Experience		Names of Directors
A)	**Governance & Industry Skills**	
1)	Executive & International Leadership Senior Executive experience, international leadership experience in Global markets, exposed to a range of political, cultural, regulatory and business environments	Mr. Hemant M Nerurkar Mr. Keiichi Igarashi Mr. L Ramkumar Mrs. Eva Maria Rosa Schork Mr. R Chandrasekaran
2)	Financial Acumen Senior Executive experience in financial accounting & reporting, Corporate Finance, Risk and Internal Controls	Mr. Hemant M Nerurkar Mr. L Ramkumar Mrs. S M Vinodhini Mr. R Chandrasekaran
3)	Strategy Experience in developing, implementing, and challenging a plan of action designed to achieve the long term goals of an organization, mergers & acquisitions and implementation	Mr. Hemant M Nerurkar Mr. Keiichi Igarashi Mr. L Ramkumar Mrs. Eva Maria Rosa Schork Mrs. S M Vinodhini Mr. R Chandrasekaran
4)	Automotive Industry / Automotive Commodity Industry / Motor Industry (AC/DC) Senior Executive Experience in Automotive / Commodity / Motor (AC/DC) industry with an understanding of Group Strategy, markets, competitors operational issues technology, and Regulatory concerns	Mr. Hemant M Nerurkar Mr. Keiichi Igarashi Mr. L Ramkumar Mrs. Eva Maria Rosa Schork Mrs. S M Vinodhini Mr. R Chandrasekaran
B)	**Human Resource & Development Skills**	
5)	Remuneration & Selection of Board members Board remuneration committee membership or management experience in relation to selection , remuneration of senior management, incentive programs, legislation contractual frame work governing remuneration	Mr. Hemant M Nerurkar Mr. Keiichi Igarashi Mr. L Ramkumar Mrs. S M Vinodhini Mr. R Chandrasekaran
6)	Learning & Development experience relating to education and growth of knowledge base	Mr. Hemant M Nerurkar Mr. Keiichi Igarashi Mr. L Ramkumar Mrs. Eva Maria Rosa Schork Mrs. S M Vinodhini Mr. R Chandrasekaran
C)	**Other Skills**	
7)	Work, Health , safety , Information Technology and sustainability Experience related to health, safety, environment, Social Responsibility, Information Technology and Sustainability	Mr. Hemant M Nerurkar Mr. L Ramkumar Mrs. S M Vinodhini Mr. R Chandrasekaran
8)	Governance & Board Prior experience as a Board Member, Industry or membership of Governance bodies	Mr. Hemant M Nerurkar Mr. Keiichi Igarashi Mr. L Ramkumar Mrs. Eva Maria Rosa Schork Mr. R Chandrasekaran
9)	Regulatory and Public Policy : legal background or experience in regulatory and public policy	Mr. Hemant M Nerurkar Mr. L Ramkumar Mrs. S M Vinodhini Mr. R Chandrasekaran

3. AUDIT COMMITTEE (AC): MANDATORY COMMITTEE

The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under Regulation 18 of the Listing Regulations and Section 177 of the Companies Act, 2013, as applicable, besides other terms as referred by the Board of Directors.

The role includes oversight of Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible; recommending the appointment, reappointment, remuneration and terms of appointment of auditors and approval of payment for any other services rendered by Statutory Auditors; reviewing with the management quarterly results and annual financial statements before submission to the Board for approval; approval or any subsequent modification of any transactions of the Company with related parties; internal audit reports; review and monitor the auditor's independence and performance and effectiveness of audit process; scrutiny of inter corporate loans and investments, if any; evaluation of Internal Financial Controls and risk management system; Review of Statutory Compliances and reviewing the functioning of the whistle blower mechanism.

Mr. L Ramkumar, a Non-Executive Independent Director, is the Chairman of Committee (w.e.f July 30, 2020). Mrs. S M Vinodhini, Non-Executive Independent Woman Director Mr. Hemant M Nerurkar, Non Executive Non-Independent Director (AC Chairman until July 29, 2020), Mr. S Radhakrishnan, Non Executive Independent Director (Until July 29, 2020), Mr. K K Nohria, Non-Executive Director Non-Independent (Until June 04, 2020), are members of the Audit Committee. The Company Secretary acts as the Secretary to the Committee.

During the year, the Audit Committee met Four times on June 04, 2020, August 04, 2020, November 11, 2020 and February 09, 2021. The details of attendance of each member of the Committee are as follows:

Name of the Director	No of Meetings Attended
Mr. L Ramkumar (Chairman)(w.e.f 30-Jul-2020)	3
Mrs. S M Vinodhini (w.e.f 01-Apr-2020)	4
Mr. Hemant M Nerurkar	4
Mr. S Radhakrishnan (until 29-Jul-2020)	1
Mr. K K Nohria (until 04-Jun-2020)	1

4. NOMINATION AND REMUNERATION COMMITTEE (NRC): MANDATORY COMMITTEE

Pursuant to Regulation 19 of the Listing Regulations and Section 178 of the Companies Act, 2013 the Company has constituted a Nomination and Remuneration Committee.

The role includes formulation of criteria for determining qualifications, positive attributes and independence of a director and recommending to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees; formulation of criteria for evaluation of Independent Directors and the Board; and identification of persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of their appointment and removal.

Mr. L Ramkumar, Non-Executive Independent Director, is the Chairman of the Committee (w.e.f July 30, 2020). Mrs. S M Vinodhini, Non-Executive Independent Woman Director, Mr. Hemant M Nerurkar, Non Executive Non Independent Director, Mr. K K Nohria, Non-Executive Director Non-Independent (Until June 04, 2020) and Mr. S Radhakrishnan, Non Executive Independent Director (NRC Chairman until July 29, 2020) are the members of Committee.

During the year, the Nomination and Remuneration Committee met Two times on June 04, 2020 and July 16, 2020.

The details of attendance of each member of the Committee are as follows:

Name of the Director	No of Meetings Attended
Mr. L Ramkumar (Chairman) (w.e.f 30-Jul-2020)	0
Mrs. S M Vinodhini (w.e.f 01-Apr-2020)	2
Mr. Hemant M Nerurkar	2
Mr. S Radhakrishnan (until 29-Jul-2020)	2
Mr. K K Nohria (until 04-Jun-2020)	1

Performance Evaluation

The criteria for performance evaluation cover the areas relevant to the functioning as Independent Directors such as preparation, participation, conduct and effectiveness. The performance evaluation of Independent Directors was done by the entire Board of Directors and in the evaluation of the Directors who are subject to evaluation had not participated.

5. REMUNERATION OF DIRECTORS

A) Pecuniary Relationship of Non-Executive Directors

The Company has no pecuniary relationship or transaction with its Non Executive & Independent Directors other than payment of sitting fees to them for attending Board & Committee meetings and Commission as approved by members for their invaluable services to the Company.

B) Remuneration Policy (Web link): http://www.igarashimotors.com/investor-relations.php

C) Details of Remuneration paid to Directors

(₹ Lakhs)

Name of the Director	Sitting Fee *	Salary	Perquisites	Performance Incentive/ Commission	Other Allowances	Total
Mr. Hemant M Nerurkar **	4.50	-	-	8.00	-	12.50
Mr. K.K. Nohria#	2.00	-	-	N.A	-	2.00
Mr. R. Chandrasekaran (Managing Director)	-	99.36	-	54.00	-	153.36
Mr. S. Radhakrishnan@	1.75	-	-	N.A	-	1.75
Mr. L Ramkumar^	2.75	-	-	4.00	-	6.75
Mrs. S M Vinodhini^^	4.50	-	-	4.00	-	8.50

* sitting fees paid for Board & Committee meetings

Resigned as Director from June 05, 2020 and was appointed as Chairman Emeritus from October 01, 2020. Includes Sitting fees paid during October 01, 2020 and March 31, 2021.

@ Ceased to be Independent Director as Second Term ended on July 29, 2020

** Post completion of second term as Independent Director, he was appointed as Non-Executive, Non-Independent Director from July 30, 2020.

^^ Appointed as Independent Woman Director w.e.f April 01, 2020

^ Appointed as Independent Director w.e.f. July 30, 2020

The Payment of remuneration to the Managing Director is governed by the resolution recommended by the Board and approved by the Shareholders. The appointment of Managing Director is done for 3 years.

The Non-executive directors are paid remuneration based on their contribution and current trends. Sitting fees is paid for attending each meeting of the Board and Committees thereof. Additionally, the Non-Executive Directors are entitled to remuneration up to an aggregate limit of 0.50% per annum of the net profits of the Company as approved by the members at the 22nd Annual General Meeting held on July 30, 2014. Within the aforesaid limit, the commission payable is determined by the Board Non-Executive Directors.

6. STAKEHOLDERS RELATIONSHIP COMMITTEE (SRC): MANDATORY COMMITTEE

The Stakeholders Relationship Committee oversees, inter-alia, redressal of shareholder and investor grievances, transfer/ transmission of shares, issue of duplicate shares, exchange of new design share certificates, recording dematerialization / rematerialization of shares and related matters.

Mrs. S M Vinodhini, a Non-Executive Independent Woman Director, is the Chairman of Committee.

Mr. L Ramkumar, Non-Executive Independent Director (w.e.f July 30, 2020) Mr. Hemant M Nerurkar, Non-Executive Non-Independent Director, Mr. S Radhakrishnan, Non-Executive Independent Director (SRC Chairman Until July 29, 2020), Mr. K K Nohria, Non-Executive Non-Independent Director (Until June 04, 2020) and Mr. R Chandrasekaran, Managing Director (Until July 29, 2020), are the members of Committee.

Mr. P Dinakara Babu, Company Secretary, acts as the Compliance Officer to the Committee.

During the year, the Stakeholders Relationship Committee met four times on June 04, 2020, August 04, 2020, November 11, 2020 and February 09, 2021.

The details of attendance of each member of the Committee are as follows:

Name of the Director	No of Meetings Attended
Mrs. S M Vinodhini (Chairman) (w.e.f 01-Apr-2020)	4
Mr. L Ramkumar (w.e.f 30-Jul-2020)	3
Mr. Hemant M Nerurkar	4
Mr. S Radhakrishnan (until 29-Jul-2020)	1
Mr. K K Nohria (until 04-Jun-2020)	1
Mr. R Chandrasekaran (Untill 29-July-2020)	1

During the year 2020-21, the Company received 01 (One) complaint from the investors. As on March 31, 2021, there were no investor grievances pending and no transfers were pending for approval.

7. GENERAL BODY MEETINGS

A. Particulars of Annual General Meetings (AGM) held during last three years:

Financial Year	Date	Venue	Time	Special Resolutions Passed
2019-20	September 17, 2020	Through Video Conference (VC) / Other Audio Visual Means (OAVM)	11.00 A.M	i) To Amend the Articles of Association for Insertion of Clause- “Appointment of Chairman Emeritus” ii) Appointment of Mr. Hemant M Nerurkar (DIN: 00265887) as Director
2018-19	September 27, 2019$	Welcome Hotel (Formerly ‘Hotel Chola’) Cathedral Road, Chennai - 600 086.	2.00 P.M	NIL
2017-18	September 14, 2018@	Welcome Hotel (Formerly ‘Hotel Chola’) Cathedral Road, Chennai - 600 086.	2.00 P.M	Approval for Appointment of Mr. K K Nohria (DIN: 00060015) as Non Executive, Non Independent Director, liable to retire by rotation.

$ Re-scheduled from August 08, 2019: @ Re-scheduled from August 08, 2018

B) Extra Ordinary General Meeting held during the year- No

C) Details of Special Resolutions passed last year through Postal Ballot- No

D) Person who conducted the Postal Ballot exercise – NA

E) Details of Special Resolution was proposed to be conducted through postal ballot : NA

F) Procedure for Postal Ballot : NA

8. MEANS OF COMMUNICATION

During the year under reference, quarterly results were published in widely circulating national and local daily newspapers such as the Business Standard (English) and The Tamil Hindu (Tamil). These were not sent individually to the shareholders. The quarterly and the annual results of the Company are made available online filing to the stock exchanges on which the Company's shares are listed, immediately after of closure of meeting of the Board of Directors. The said results were also posted on the website of the Company viz. www.igarashimotors.com. The Management's Discussion and Analysis forms part of the Annual Report.

9. GENERAL SHAREHOLDER INFORMATION

i) Annual General Meeting (AGM)

Date	:	August 09, 2021 (Monday)
Venue	:	Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")
Time	:	02:30 PM (IST)
ii) Financial Calendar	:	April 01, 2020 to March 31, 2021
a. First Quarter Results	:	August 04, 2020
b. Second Quarter Results	:	November 11, 2020
c. Third Quarter Results	:	February 09, 2021
d. Last quarter Results and Annual	:	May 25, 2021
iii) Date of Book Closure	:	August 01, 2021 to August 09, 2021
iv) Dividend Payment Date	:	On or after August 19, 2021
v) Listing on Stock Exchange	:	The Company's Shares are Listed on: 1 Bombay Stock Exchange Limited (BSE), Phiroze Jeejeebhoy towers Dalal Street, Mumbai – 400023 2 National Stock Exchange India Limited (NSE), Exchange Plaza, 5th Floor, G-Block, Bandra Kurla Complex, Bandra (West), Mumbai – 400051
vi) Listing Fees	:	The Listing fee of all the stock exchanges for the Year 2020- 2021 has already been paid.
vii) Stock Code	:	

Name of the Stock Exchange	Stock Code
National Stock Exchange	IGARASHI
Bombay Stock Exchange	517380

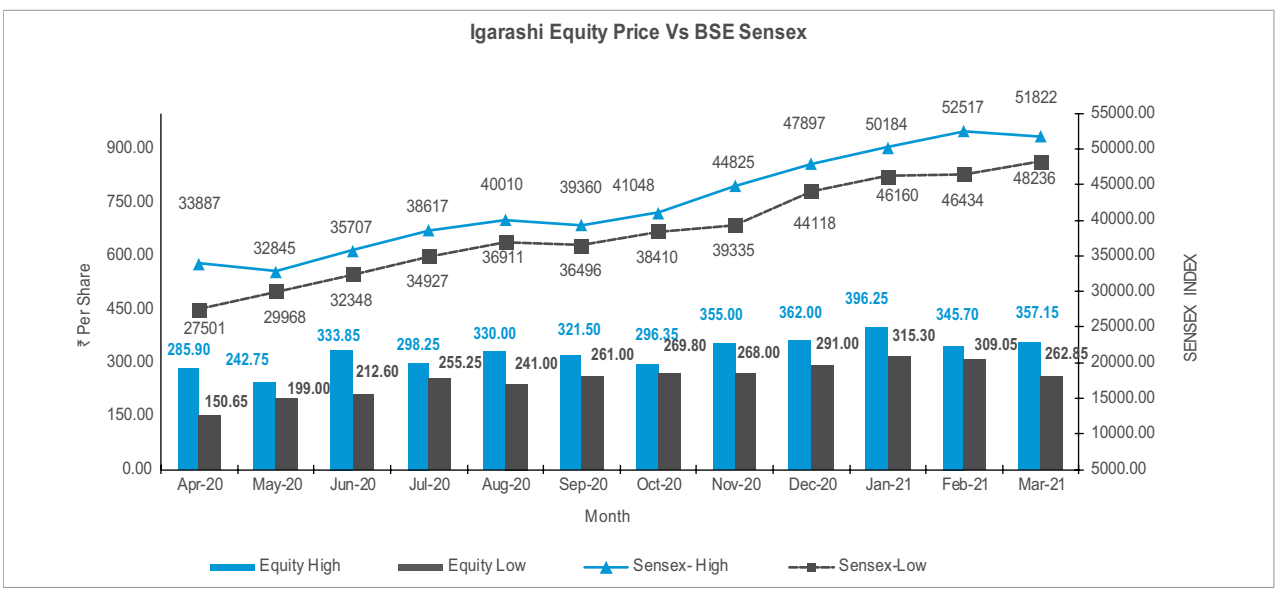
viii) International Securities identification Number (ISIN) : INE188B01013 (NSDL & CDSL)

Statutory Reports

ix) Market Price Data:

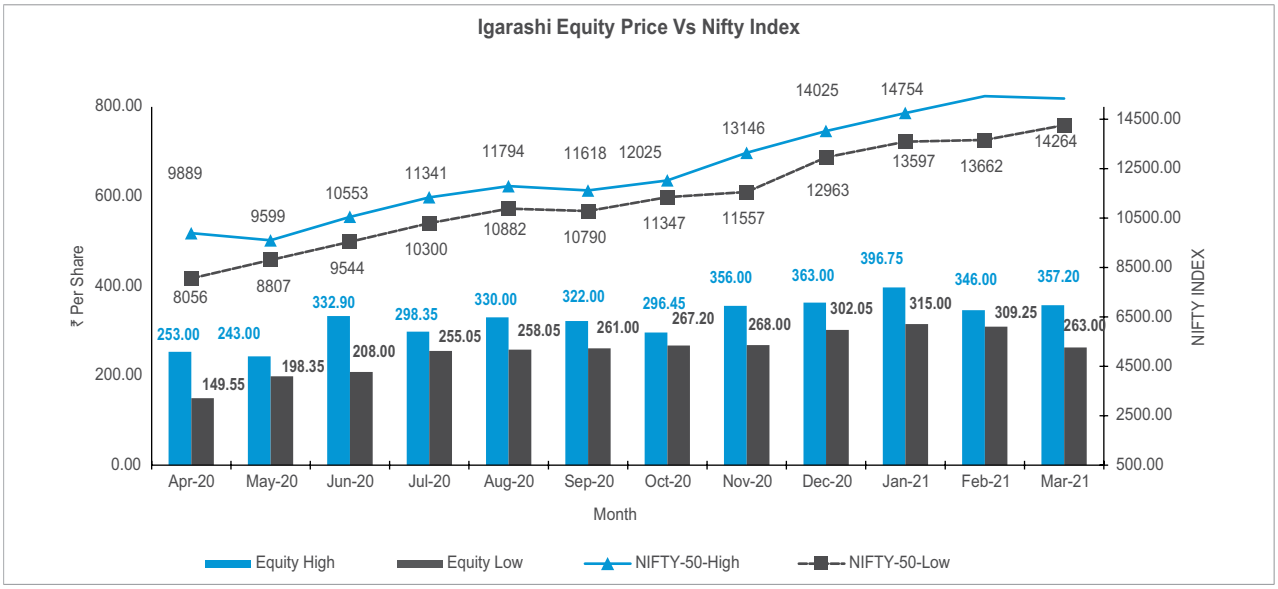
IGARASHI PRICE VS BSE SENSEX

MONTH	IGARASHI 2020-21		BSE SENSEX 2020-21	
	Equity High (₹)	Equity Low (₹)	SENSEX-High	SENSEX-Low
Apr-20	285.90	150.65	33887.25	27500.79
May-20	242.75	199.00	32845.48	29968.45
Jun-20	333.85	212.60	35706.55	32348.10
Jul-20	298.25	255.25	38617.03	34927.20
Aug-20	330.00	241.00	40010.17	36911.23
Sep-20	321.50	261.00	39359.51	36495.98
Oct-20	296.35	269.80	41048.05	38410.20
Nov-20	355.00	268.00	44825.37	39334.92
Dec-20	362.00	291.00	47896.97	44118.10
Jan-21	396.25	315.30	50184.01	46160.46
Feb-21	345.70	309.05	52516.76	46433.65
Mar-21	357.15	262.85	51821.84	48236.35



IGARASHI PRICE VS NSE NIFTY 50

MONTH	IGARASHI 2020-21		NIFTY 50 2020-21	
	Equity High (₹)	Equity Low (₹)	NIFTY-50-High	NIFTY-50-Low
Apr-20	253.00	149.55	9889.05	8055.80
May-20	243.00	198.35	9598.85	8806.75
Jun-20	332.90	208.00	10553.15	9544.35
Jul-20	298.35	255.05	11341.40	10299.60
Aug-20	330.00	258.05	11794.25	10882.25
Sep-20	322.00	261.00	11618.10	10790.20
Oct-20	296.45	267.20	12025.45	11347.05
Nov-20	356.00	268.00	13145.85	11557.40
Dec-20	363.00	302.05	14024.85	12962.80
Jan-21	396.75	315.00	14753.55	13596.75
Feb-21	346.00	309.25	15431.75	13661.75
Mar-21	357.20	263.00	15336.30	14264.40



x) Registrar and share Transfer Agent : Cameo Corporate Services Ltd
"Subramanian Building"
1, Club House Road, Chennai – 600002
Phone: + 91-44-28460390
E-mail: investor@cameoindia.com

xi) Share Transfer system:

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. April 1, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. The Directors and certain Company officials (including Company Secretary) are authorised by the Board severally to approve transfers, which are noted at subsequent Board Meetings.

Distribution schedule as on March 31, 2021:

Category	No of Shareholders	Percentage of Shareholders	No of shares	Percentage of Shares
1 - 100	17,903	64.80	6,47,252	2.05
101 - 500	7,459	27.00	14,84,630	4.71
501- 1000	1,152	4.16	8,71,496	2.76
1001-2000	645	2.33	9,14,972	2.90
2001 - 3000	175	0.63	4,31,751	1.37
3001 - 4000	81	0.29	2,85,250	0.90
4001 - 5000	61	0.22	2,81,173	0.89
5001 - 10000	99	0.35	7,24,945	2.30
10001 - and Above	55	0.19	2,58,33,579	82.07
Total	**27,630**	**100.00**	**3,14,75,048**	**100.00**

Shareholding Pattern as on March 31, 2021

Category	No of Shares	% of holding
Promoters and Promoter Group	2,36,06,288	75.00
Body Corporate	9,88,461	3.14
Mutual Fund	7,01,894	2.23
Clearing Members	1,45,528	0.46
FII/FPI/Banks	16,470	0.05
NRI	2,87,551	0.91
HUF	2,96,574	0.94
Public	54,32,282	17.26
Total	**3,14,75,048**	**100.00**

Top 10 Shareholders as on March 31, 2021 (Other than Promoters)

Serial No	Name of the Shareholders	No of Shares	Percentage of Holding
1	AXIS MUTUAL FUND TRUSTEE LIMITED A/C AXIS MUTUAL FUND A/C AXIS SMALL CAP FUND	4,58,858	1.46
2	GINNI FINANCE PVT LTD	3,17,500	1.01
3	KOTAK PIONEER FUND	2,00,000	0.64
4	GANESH SRINIVASAN	1,60,000	0.51
5	VIRAL AMAL PARIKH	1,59,156	0.51
6	GOVIND PARIKH SECURITIES PRIVATE LTD	69,628	0.22
7	KEWAL KUMAR VOHRA	58,003	0.18
8	ROOPA CORPORATE SERVICES PVT. LTD.	55,161	0.18
9	NEETA JATIN JHAVERI	50,000	0.16
10	GLOBE CAPITAL MARKET LTD	31,629	0.10

xii) Dematerialization of Shares :99.31% of equity shares have been dematerialized Up to March 31, 2021, Trading in your Company's shares is permitted only in the dematerialized form as per Notifications issued by SEBI.

xiii) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments: NA

xiv) Credit Rating Obtained : CARE has given credit ratings of CARE A+ for long term debt, CARE A1+ for short term debt.

xv) Commodity Price Risk / Foreign Exchange Currency Risk and Commodity Hedging activities:

The Company manages foreign exchange risk as per its adopted policies. The Company uses forward contracts to manage foreign exchange risk. The details of foreign exchange exposures are disclosed in Notes to Financial Statements for the year ended March 31, 2021.

Regarding Commodity risk, your Company had arrangement with Key Customers for passing on increase/ decrease of commodity prices from agreed base price. As such your Company does not undertake commodity hedging activity through commodity derivatives.

xvi) Plant Location :

1. Plot B-12 to B-15, Phase II
   MEPZ-SEZ, Tambaram,
   Chennai 600 045
2. Plot 8,9,10, Phase I
   MEPZ-SEZ, Tambaram,
   Chennai 600 045
3. Plot D-6/II-D & C, D6-III, Phase II, MEPZ-SEZ,
   Tambaram, Chennai 600045
4. Plot B-3 & 4 , Phase I, MEPZ-SEZ,
   Tambaram, Chennai 600045
5. Plot A-17 & 18, Phase II, MEPZ-SEZ,
   Tambaram, Chennai 600045
6. Plot B-16, Phase II, MEPZ-SEZ,
   Tambaram, Chennai 600045.
7. Plot A-33 & 36, Phase I, MEPZ-SEZ,
   Tambaram, Chennai 600045
8. Plot A-34, Phase I, MEPZ-SEZ,
   Tambaram, Chennai 600045.
9. Plot No. 7 & 8, Subramaniya Siva Salai Industrial
   Estate, Maraimalai Nagar 603209

xvii) Investor Correspondence

The Company Secretary
Igarashi Motors India Ltd
Plot B-12 to B-15, Phase II
MEPZ-SEZ, Tambaram,
Chennai 600045.
Phone No.: +91-44-42298199
E-mail: investorservices@igarashimotors.co.in

10. DISCLOSURES

a) Disclosures on materially significant related party transactions that may have potential conflict with the interests of the Company at large.

There were no materially significant related party transactions having potential conflict with the interests of the Company at large during the financial year ended March 31, 2021. Transactions with related parties are disclosed in Notes to the Annual Accounts.

b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange(s) or SEBI or any statutory authority on any matter related to capital markets, during the last three years - Nil

c) The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 regarding Board of Directors, Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee etc., and clauses (b) to (i) of sub–regulation (2) of Regulation 46 of the Listing Regulations pertaining to certain data on the Company's website.

d) The Company has complied with Secretarial Standards viz. SS-1 and SS-2 with respect to General and Board Meetings issued by the Institute of Company Secretaries of India.

e) The Company has no Subsidiary Company.

f) Policy on dealing with related parties is displayed on the Company's website (Web link): http://www.igarashimotors.com/investor-relations.php

g) During the year ended March 31, 2021, the Internal Complaints Committee (ICC) has received Nil complaints pertaining to sexual harassment/discrimination at work place.

11. WHISTLE BLOWER POLICY

Pursuant to Section 177(9) of the Companies Act, 2013 and Regulation 22 of Listing Regulations, the Board has established a Vigil Mechanism to report concerns about unethical behavior, actual or suspected fraud or violation of our code of conduct policy. It also provides for adequate safeguards against victimization of employees who avail of the mechanism and also allows direct access to the Chairperson of the audit committee in exceptional cases.

We further affirm that no employee has been denied access to the Audit Committee Chairman.

12. COMPLIANCE WITH MANDATORY CORPORATE GOVERNANCE REQUIREMENTS

During the financial year 2020-21, the Company has complied with Corporate Governance requirements specified in the Listing Regulations.

13. COMPLIANCE WITH NON- MANDATORY CORPORATE GOVERNANCE REQUIREMENTS

i) The Board :

The Company does not maintain a separate office for non executive Chairman.

The independent directors are having requisite qualification and experience to act as director on the Board.

ii) Shareholders rights:

Quarterly results were published in widely circulating national and local daily newspapers such as the Business Standard and Tamil Hindu. These were not sent individually to the shareholders.

iii) **Audit Qualifications:**

The auditor's report does not contain any qualification.

iv) **Separate post of Chairman and Chief Executive Officer:**

The Company has separate person to the post of Chairman and Managing Director.

v) **Reporting of Internal Auditor:**

The internal auditor reports to the Audit Committee

vi) **Total Fee paid to the Statutory Auditors:** Please refer Note 35 (a) of financial statements.

14. CODE OF CONDUCT & INSIDER TRADING CODE

The Company has in place a Code of Conduct applicable to the Board Members as well as the Senior Management and the same was posted on the website of the Company viz. www.igarashimotors.com. All the Board Members and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct as on March 31, 2021.

The Company also has in place a prevention of Insider Trading Code based on SEBI (Prohibition of Insider Trading) Regulations, 2015. This code is applicable to all Directors and designated employees. The code ensures prevention of dealing in shares by persons having access to unpublished price sensitive information.

15. MAINTENANCE OF A WEBSITE

In order to ensure / enhance public dissemination of all basic information about the Company, we have been maintaining functional website containing basic information about the Company with duly updated all statutory filings. The Website of the Company is www.igarashimotors.com

16. COMPLIANCE CERTIFICATE

As on March 31, 2021, Mr. R Chandrasekaran, Managing Director and Mr. S Vivekchandranath, CFO have certified to the Board with respect to the Financial Statements, Internal Controls and other matters as required by the Regulation 17(8) read with Schedule II of the Listing Regulations and said Certificate is contained in this Annual Report.

17. AUDITORS CERTIFICATION ON CORPORATE GOVERNANCE

The Company has obtained a Certificate from the Auditors of the Company regarding compliance with the provisions relating to Corporate Governance prescribed by Listing Regulations, which is attached herewith.

18. DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT

Company after sending 03 reminders to respective shareholders transferred their unclaimed bonus shares (539 shareholders representing 6,986 unclaimed bonus shares) to unclaimed suspense account on March 22, 2021.

19. NOTE TO THE INVESTORS / SHAREHOLDERS:

a. Transfer of Shares in Demat Mode Only: As per the SEBI Norms, with effect from April 01, 2019, only transmission or transposition requests for transfer of securities shall be processed in physical form, all other transfers shall be processed in dematerialised form only. You may refer our Website - www.igarashimotors.com for additional details.

b. Updation of KYC Details: As per the SEBI Norms, efforts are underway to update Permanent Account Number (PAN) and Bank Account details of its concerned Shareholder(s) and One Communications (AGM Notice) have already been sent by the Company to eligible shareholders in this regard. It is requested to update these details with our RTA/ Company at the earliest.

c. Electronic fund transfer details for remittance: It is in Shareholders' interest to claim any Un-encashed dividend and for future, opt for providing National Electronic Clearance System (NECS) / National Automated Clearing House (NACH) mandate to company in case of shares in physical form and ensure that correct and updated particulars of bank account are available with Depository Participant (DP) in case shares held in dematerialised Form, so that dividends paid by the company are credited to shareholder(s) account on time.

d. Nomination: it has been observed by the company that many of its shareholders have not opted for nomination to the shares held by them and in case of demise of the shareholders without nomination, the lengthy and costly process of Transmission of shares has to be followed. Thus, Shareholders who have not yet provided their nomination are requested to do so at an early date by filling and submitting the nomination forms (to the Company / RTA Cameo Corporate Services Limited – for physical shares; to DP – for dematerialised shares)

e. Submission of valid documents for effecting transfer of shares prior to book closure / Record Date will be eligible for corporate benefits.

20. DECLARATION

As provided under Listing Regulations, the Board of Directors and select employees have confirmed Compliance with the Code of Conduct.

For **IGARASHI MOTORS INDIA LIMITED**

R. Chandrasekaran
Managing Director
DIN: 00012643

Place: Chennai
Date: May 25, 2021

MANAGING DIRECTOR & CHIEF FINANCIAL OFFICER CERTIFICATION

(Pursuant to Regulation 17(8) read with Schedule II of the Listing Regulations)

To,
The Board of Directors,
Igarashi Motors India Limited

We, R Chandrasekaran, Managing Director and S Vivekchandranath, Chief Financial Officer, hereby certify that:

A. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2021 and that to the best of our knowledge and belief:

   1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   2) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate of the Company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company's pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated wherever applicable, to the Auditors and the Audit Committee

   1) significant changes in internal control over financial reporting during the year;

   2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

   3) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Chennai
Date: May 25, 2021

R Chandrasekaran
Managing Director

S Vivekchandranath
Chief Financial Officer

INDEPENDENT AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CORPORATE GOVERNANCE REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To the Members of Igarashi Motors India Limited

1. The Certificate is issued in accordance with the terms of our engagement letter dated April 30, 2021.

2. We have examined the compliance of conditions of Corporate Governance by Igarashi Motors India Limited ('the Company') for the year ended 31 March 2021, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended from time to time ('the Listing Regulations'), pursuant to the Listing Agreement of the Company with Stock Exchanges.

Management's Responsibility for compliance with the conditions of Listing Regulations

3. The Company's Management is responsible for compliance of conditions of Corporate Governance requirements as stimulated under the Listing Regulations. This responsibility includes the design, implementation and maintenance of corporate governance process relevant to the compliance of the conditions. Responsibility also includes collecting, collating and validating data and designing, implementing and monitoring of Corporate Governance process suitable for ensuring compliance with the Listing Regulations.

Auditor's Responsibility

4. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31 March 2021.

6. We conducted our examination of the Corporate Governance compliance by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016), Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ('ICAI') and the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate. The Guidance Note on Reports or Certificates for Special Purposes requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC-1), Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stimulated in the above mentioned Listing Regulations.

9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

10. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

for **B S R& Co. LLP**
Chartered Accountants
Finn's Registration No. 101248W/W-100022

Harsh Vardhan Lakhotia
Partner
Membership No. 222432
ICAI UDIN: 21222432AAAABW9152

Place: Chennai
Date: June 22, 2021

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company has constituted a Corporate Social Responsibility committee (CSR) pursuant to provisions of Section 135 of The Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 are provided herein below:

1. **A brief outline of the Company's CSR policy**

   Our Corporate Social Responsibility program is based on to promote women skill development, Health, Environment protection and other activities covered under Schedule VII of the Companies Act, 2013

2. **The Composition of the CSR Committee**

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mr. Hemant M Nerurkar	Chairman, Non-Executive Non-Independent Director	1	1
2	Mr. L Ramkumar	Non-Executive, Independent Director	1	1
3	Mrs.SM Vinodhini	Non-Executive, Independent Woman Director	1	1
4	Mr. R Chandrasekaran	Managing Director	1	1

3. **Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company**

   The Company's CSR policy and other details have been uploaded on the website of the Company under the web link; http://www.igarashimotors.com/uploads/investor/pdf/14531240404IMIL-CSR_Policy.pdf

4. **Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).**

   Not Applicable

5. **Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any**

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (₹)	Amount required to be setoff for the financial year, if any
1	2020-21	-	-

6. **Average net profit of the company as per Section 135(5)**

   ₹ 7,350.02 Lakhs (2017-18, 2018-19, 2019-20)

7. (a) **Two percent of average net profit of the company as per Section 135(5)**

   ₹ 147.00 Lakhs

   (b) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years**

   NIL

(c) Amount required to be set off for the financial year, if any

NIL

(d) Total CSR obligation for the financial year (7a+7b- 7c).

₹ 147.00 Lakhs

8. (a) CSR amount spent or unspent for the financial year:

(₹ In Lakhs)

Total Amount Spent for the Financial Year.	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer	Name of the Fund	Amount.	Date of transfer
148.00	-	-	-	-	-

(b) Details of CSR amount spent against ongoing projects for the financial year:

(₹ In Lakhs)

(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)	(9)	(10)	(11)	
				Location of the project.							Mode of Implementation – Through Implementing Agency	
Sl No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	State	District	Project duration	Amount allocated for the project	Amount spent in the current financial Year	Amount transferred to Unspent CSR Account for the project as per Section 135(6)	Mode of Implementation-Direct (Yes/No)	Name	CSR Registration number
1	Cancer awareness Project	Health	No	Pan-India	Pan- India	3	30.00	30.00	Nil	No	Indian Cancer Society	CSR00000792
2	MEPZMA Health Center	Health	Yes	Tamil Nadu	Chengalpattu	3	10.00	10.00	Nil	No	MEPZ Manufacturers Association	Awaited
3	Multiple Sclerosis Patient Care	Health	No	Pan-India	Pan- India	3	5.00	5.00	Nil	No	Multiple Sclerosis Society of India	CSR00004961
4	Patient Health and Hygiene Services at Govt Hospitals	Health	Yes	Tamil Nadu	Chennai	3	5.00	5.00	Nil	No	Viswajayam Foundation	CSR00004440
5	Prime Ministers National Relief Fund (PMNRF)	For medical assistance, floods, drought and other such unforeseen occurrences, with a reserve for emergencies.	No	Pan-India	Pan- India	NA	98.00	98.00	Nil	Yes	Direct	NA

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

(1)	(2)	(3)	(4)	(5)	(6)	(7)		(8)	(9)
				Location of the project				Mode of Implementation Through Implementing Agency	
Sl No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	State	District	Amount allocated for the project (₹)	Mode of Implementation-Direct (Yes/No)	Name	CSR Registration number
					Nil				

(d) Amount spent in Administrative Overheads – Nil

(e) Amount spent on Impact Assessment, if applicable – Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) – ₹ 148.00 Lakhs

g) Excess amount for set off, if any

(₹ In Lakhs)

	Particular	Amount
(i)	Two percent of average net profit of the company as per section 135(5)	147.00
(ii)	Total amount spent for the Financial Year	148.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	1.00
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	1.00

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (₹ Lakhs)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (₹ Lakhs)
			Name of the Fund	Amount (₹ Lakhs)	Date of transfer	
			Nil			

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Not applicable, as the concept of 'ongoing projects' has been introduced in the CSR Amendment Rules, relevant from fiscal 2021. Details of spend on all ongoing projects during fiscal 2021 are covered under 8(b) above.

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).

(a) Date of creation or acquisition of the capital asset(s) – NA

(b) Amount of CSR spent for creation or acquisition of capital asset - NA

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. - NA

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset - NA

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section - NA

On behalf of the CSR Committee of the Board

Hemant M Nerurkar
DIN: 00265887
Chairman of the CSR Committee

R Chandrasekaran
DIN: 00012643
Managing Director & Member of the CSR Committee

Place: Mumbai
Date: May 25, 2021

Place: Chennai
Date: May 25, 2021

Form No. MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year Ended March 31, 2021
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Renumeration of Key Managerial Personnel) Rules, 2014]

To,
The Members,
Igarashi Motors India Limited
Plot No. B-12 to B-15,
Phase-II, MEPZ-SEZ, Tambaram,
Chennai – 600 045.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Igarashi Motors India Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Igarashi Motors India Limited's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit and as per the explanations given to us and the representations made by the management and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the company has during the audit period covering the financial year ended on March 31, 2021 generally complied with the statutory provisions listed hereunder and also that the company has proper board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by Igarashi Motors India Limited for the financial year ended on March 31, 2021 according to the applicable provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made there under;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;

   d. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the audit period)

   e. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

   f. Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;

vi. The Special Economic Zones Act, 2005;

vii. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;

viii. Other laws applicable to the Company as per the representations made by the Management;

With respect to Fiscal laws such as Income Tax and Goods and Service Tax, we have reviewed the systems and mechanisms established by the Company for ensuring compliances under various acts and based on the information and explanation provided to us by the management and officers of the company and also on verification of compliance reports taken on record by the Board of Directors of the Company,

we report that adequate systems are in place to monitor and ensure compliance of fiscal laws as mentioned above.

We have also examined compliance with the applicable clauses of the following:

i. Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively, issued by The Institute of Company Secretaries of India have been generally complied with.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

During the period under review there were no events which required specific compliance of the provisions of

i. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

ii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;

iii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the board meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

We report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations, and guidelines.

We further report that during the audit period, the following significant events have taken place:

1. Appointment of Mrs. Vinodhini Sendhil Manian as Independent Woman Director of the company:

   Mrs.Vinodhini Sendhil Manian (DIN: 08719578) appointed as an Additional, Non- Executive and Independent Woman Director of the company for a period of 5 years w.e.f April 01, 2020 at the Board Meeting held on 23rd March 2020 and subsequently obtained members approval at the Annual General Meeting held on September 17, 2020.

2. Resignation of Mr. Kewal Krishan Nohria as Director of the company:

   Mr. Kewal krishan Nohria (DIN: 00060015) resigned as Director of the Company w.e.f 05th June 2020.

3. Appointment of Mr. Kewal Krishan Nohria as Chairman Emeritus of the company:

   Mr. Kewal krishan Nohria (DIN: 00060015) appointed as Chairman Emeritus of the Company w.e.f 01st October 2020 at the Board Meeting held on 04th June 2020.

4. Appointment of Mr. L Ramkumar as an Independent Director of the Company:

   Mr. L Ramkumar (DIN: 00090089) appointed as an Additional, Non Executive and Independent Director of the company for a period of 5 years w.e.f July 30, 2020 at the Board Meeting held on July 16, 2020 and subsequently obtained members approval at the Annual General Meeting held on September 17, 2020.

5. Cessation of Mr. Radhakrishnan Singaram as Independent Director of the Company

   Mr. Radhakrishnan Singaram (DIN: 01246033) was ceased to be Independent Director of the Company w.e.f July 30, 2020 due to the completion of Second term tenure as Independent Director.

6. Mr. Hemant M Nerurkar stepped down as Independent Director of the Company and appointed as Non-Executive, Non Independent Chairman of the Company:

   Mr. Hemant M Nerurkar (DIN: 00265887) stepped down as Independent Director of the Company w.e.f July 30, 2020 due to the completion of Second term tenure as Independent Director.

   Mr. Hemant M Nerurkar (DIN: 00265887) was appointed as an Additional Non Executive and Non Independent Chairman of the Company effective from w.e.f July 30, 2020 at the Board Meeting held on July 16, 2020 and

subsequently his appointment was regularised at the Annual General Meeting held on September 17, 2020.

7. Amendment of the Articles of Association by insertion the Article 112A - "Appointment of Chairman Emeritus":

   Members approved the Amendment of Articles of Association by inserting the Article 112A - "Appointment of Chairman Emeritus" at the Annual General Meeting held on September 17, 2020.

8. Declaration of Dividend:

   The Company has declared and paid a dividend of ₹ 1.20 per Equity Share as Final Dividend for the financial year ended March 31, 2020.

9. Reclassification of Promoters viz., Mr. Padmanabhan Mukund and MAPE Securities Pvt Ltd as Public

   Pursuant to the approval of the Board of Directors on November 14, 2019 and Shareholders on February 14, 2020, Company has submitted application with Stock Exchanges (NSE and BSE) for reclassification of Mr. P Mukund and MAPE Securities Private Limited ("Outgoing promoters") for re-classification from "Promoter Category" to "Public Category" as per Regulation 31A of SEBI (LODR), 2015. Subsequently, the Company had received approval from Stock Exchanges for re-classification of Outgoing Promoters as Public Category from October 07, 2020. The outgoing Promoters were holding NIL shares in the Company.

For BP & Associates
Company Secretaries

C Prabhakar
Partner
M No: A30433
CP No: 11033
UDIN : A030433C000362116

Place: Chennai
Date: May 25, 2021

'ANNEXURE A'

To
The Members,
Igarashi Motors India Limited,
Plot No.B-12 to B-15, Phase-II, MEPZ-SEZ,
Tambaram, Chennai- 600 045.

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3. We have not verified the correctness and appropriateness of financial records and Books of Account of the company.

4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For BP & Associates
Company Secretaries

C Prabhakar
Partner
M No: A30433
CP No: 11033
UDIN : A030433C000362116

Place: Chennai
Date: May 25, 2021

SECRETARIAL COMPLIANCE REPORT OF IGARASHI MOTORS INDIA LIMITED FOR THE YEAR ENDED MARCH 31, 2021

[Pursuant to Regulation 24A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

We have examined:

a) All the documents and records made available to us and explanation provided by IGARASHI MOTORS INDIA LIMITED.

b) The filings/ submissions made by the listed entity to the stock exchanges,

c) Website of the listed entity,

d) Any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the year ended March 31, 2021 ("Review Period") in respect of compliance with the provisions of :

i. the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and

ii. the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

i. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

ii. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

iii. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

iv. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the audit period)

v. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

vi. Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and circulars/ guidelines issued thereunder;

and based on the above examination, we hereby report that, during the Review Period:

a) The listed entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder, except in respect of matters specified below:-

Sr. No	Compliance Requirement	Deviations	Observations/ Remarks
		NIL	

b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in sofar as it appears from my/our examination of those records.

c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr. No	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks
		NIL		

d) The listed entity has taken the following actions to comply with the observations made in previous reports:

Sr. No	Observations in the previous reports	Observations made in the secretarial compliance report for the year ended March 31, 2020	Actions taken by the listed entity, if any	Comments on the actions taken by the listed entity
		NIL		

For BP & Associates
Company Secretaries

C Prabhakar
Partner
M No: A30433
CP No: 11033
UDIN : A030433C000362138

Place: Chennai
Date: May 25, 2021

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members,
IGARASHI MOTORS INDIA LIMITED
PLOT NO. B-12 to B-15, PHASE-II, MEPZ-SEZ,
TAMBARAM, CHENNAI -600045.

We have examined the relevant Registers, Records, Forms, Returns and Disclosures received from the Directors of IGARASHI MOTORS INDIA LIMITED having CIN L29142TN1992PLC021997 and having registered office at Plot No. B-12 to B-15, Phase-II, MEPZ-SEZ, Tambaram, Chennai -600045 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of Appointment in Company*
1.	Hemant Nerurkar Madhusudan	00265887	23/06/2014
2.	Keiichi Igarashi	00356779	17/07/2003
3.	Eva Maria Rosa Schork	07159550	28/01/2016
4.	Rajagopalan Chandrasekaran	00012643	01/10/2019
5.	Ramkumar Lakshminarayanan	00090089	30/07/2020
6.	Vinodhini Sendhil Manian	08719578	01/04/2020

*The date of appointment is as per the MCA Portal.

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For BP & Associates
Company Secretaries

C Prabhakar
Partner
M No: A30433
CP No: 11033
UDIN : A030433C000362171

Date: May 25, 2021
Place: Chennai

FORM NO. MGT - 9
EXTRACT OF ANNUAL RETURN
AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2021

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

I	CIN	L29142TN1992PLC021997
II	Registration Date	January 10, 1992
III	Name of the Company	Igarashi Motors India Limited
IV	Category / Sub-Category of the Company	Company Limited by Shares/ Non-Govt Company
V	Address of the Registered office and contact details	Plot B-12 to B-15, Phase II, MEPZ-SEZ, Tambaram, Chennai – 600045 Phone : +91-44-42298199/22628199 e-mail: investorservices@igarashimotors.co.in Website: www.igarashimotors.com
VI	Whether listed company Yes / No	Yes
VII	Name, Address and Contact details of Registrar and Transfer Agent, if any.	Cameo Corporate Services Ltd "Subramanian Building" 1, Club House Road, Chennai – 600002 Phone: + 91-44-28460390 E-mail:investor@cameoindia.com/ investor3@cameoindia.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Electric Micro Motors & Motor Components	85013301	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name & address of the Company	CIN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1.	Agile Electric Sub Assembly Pvt Ltd Plot No. 7 & 8, Subramaniya Siva Salai Industrial Estate, Maraimalai Nagar, Kancheepuram 603209 - Tamil Nadu, India	U34300TN2005PTC057151	Holding Company	54.46%	Section 2(46)

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

A) CATAGORY WISE SHAREHOLDING

Category of Shareholders	No of Shares held at the beginning of the year				No of Shares held at the end of the year				% of Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	0	0	0	0	0	0	0	0	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corporate	1,71,42,121	0	1,71,42,121	54.46	1,71,42,121	0	1,71,42,121	54.46	0
e) Banks/ FI	0	0	0	0	0	0	0	0	0
f) Any Other….	0	0	0	0	0	0	0	0	0
SubTotal(A)(1)	**1,71,42,121**	**0**	**1,71,42,121**	**54.46**	**1,71,42,121**	**0**	**1,71,42,121**	**54.46**	**(0)**
(2) Foreign									
a) NRI's Individual	0	0	0	0	0	0	0	0	0
b) Other Individual	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	64,64,167	0	64,64,167	20.54	64,64,167	0	64,64,167	20.54	0
d) Banks/ FI	0	0	0	0	0	0	0	0	0
e) Any other…	0	0	0	0	0	0	0	0	0
Sub Total (A) (2)	**64,64,167**	**0**	**64,64,167**	**20.54**	**64,64,167**	**0**	**64,64,167**	**20.54**	**0**
Total Shareholding of Promoter (A) = (A)(1)+A)(2)	**2,36,06,288**	**0**	**2,36,06,288**	**75.00**	**2,36,06,288**	**0**	**2,36,06,288**	**75.00**	**0**
B. Public Shareholding									
(1) Institution									
a) Mutual Funds	27,39,736	0	27,39,736	8.70	7,01,894	0	7,01,894	2.23	(6.47)
b) Banks/ FI	44,880	0	44,880	0.14	0	0	0	0	(0.14)
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FII's	1,25,000	0	1,25,000	0.40	0	0	0	0	(0.40)
h) Foreign VCF	0	0	0	0	0	0	0	0	0
i) Others (Foreign Portfolio Investors, Alternate Investment Funds)	4,27,569	0	4,27,569	1.36	16,470	0	16,470	0.05	(1.31)
Sub Total (B) (1)	**33,37,185**	**0**	**33,37,185**	**10.60**	**7,18,364**	**0**	**7,18,364**	**2.28**	**(8.32)**

Category of Shareholders	No of Shares held at the beginning of the year				No of Shares held at the end of the year				% of Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(2) Non Institutions									
a) Bodies Corporate									
i) Indian	8,21,121	1,234	8,22,355	2.61	9,87,251	1,210	9,88,461	3.15	0.54
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individual									
i) Individual Shareholders holding nominal share capital upto ₹ 1 Lakh	27,11,977	2,25,082	29,37,059	9.33	44,71,935	2,15,900	46,87,835	14.89	5.56
ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 Lakh	4,29,689	0	4,29,689	1.37	7,44,447	0	7,44,447	2.37	1.00
c) Others Specify)									
NRI	90,672	0	90,672	0.29	2,87,551	0	2,87,551	0.91	0.62
HUF	1,80,846	1	1,80,847	0.57	2,96,573	1	2,96,574	0.94	0.37
Clearing Member	33,953	0	33,953	0.11	1,45,528	0	1,45,528	0.46	0.35
Directors and their Relatives	5,000	0	5,000	0.02	0	0	0	0.00	(0.02)
Trusts~Others	32,000	0	32,000	0.10	0	0	0	0.00	(0.10)
Sub Total (B) (2)	**43,05,258**	**2,26,317**	**45,31,575**	**14.40**	**69,33,285**	**2,17,111**	**71,50,396**	**22.72**	**8.32**
Total Public Shareholding (B) =(B)(1)+(B)(2)	**76,42,443**	**2,26,317**	**78,68,760**	**25.00**	**76,51,649**	**2,17,111**	**78,68,760**	**25.00**	**0**
C.Shares held by Custodian for GDR's and ADR's	0	0	0	0	0	0	0	0	0
Grand Total (A+B=C)	**3,12,48,731**	**2,26,317**	**3,14,75,048**	**100.00**	**3,12,57,937**	**2,17,111**	**3,14,75,048**	**100.00**	**0**

B) SHAREHOLDING OF PROMOTERS

S. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No of Shares	% of Total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No of shares	% of Total Shares of the Company	% of Shares Pledged/ encumbered to total shares	% change in shareholding during the year
1	Agile Electric Sub Assembly Private Limited	1,71,42,121	54.46%	0	1,71,42,121	54.46%	0	0
2	Igarashi Electric Works Limited, Japan	39,64,174	12.59%	0	39,64,174	12.59%	0	0
3	Igarashi Electric Works (H.K) Ltd, Hong Kong	24,99,993	7.94%	0	24,99,993	7.94%	0	0

C) CHANGE IN PROMOTERS SHAREHOLDING (PLEASE SPECIFY, IF THERE IS NO CHANGE)

S. No	Name of the Promoters	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No of Shares	% of total shares of the Company	No of Shares	% of total shares of the Company
1.	Agile Electric Sub Assembly Private Limited				
	At the beginning of the year	1,71,42,121	54.46%	-	-
	Date wise increase/ decrease in promoters shareholding during the year specifying the reason for increase or decrease	No Change in shareholding			
	At the end of the year	**-**	**-**	**1,71,42,121**	**54.46%**
2	Igarashi Electric Works Limited, Japan				
	At the beginning of the year	39,64,174	12.59%	-	-
	Date wise increase/ decrease in promoters shareholding during the year specifying the reason for increase or decrease	No Change in shareholding			
	At the end of the year	**-**	**-**	**39,64,174**	**12.59%**
3	Igarashi Electric Works (H.K) Ltd, Hong Kong				
	At the beginning of the year	24,99,993	7.94%		
	Date wise increase/ decrease in promoters shareholding during the year specifying the reason for increase or decrease	No Change in shareholding			
	At the end of the year			**24,99,993**	**7.94%**

D) SHAREHOLDING PATTERN OF TOP 10 SHAREHOLDERS (OTHER THAN PROMOTERS, DIRECTORS, AND HOLDERS OF ADR'S AND GDR'S)

Sl No	Name of the Share holder No of shares	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		% of total shares of the company	No of shares	% of total shares of the company	No of shares
1 A	**UTI - EQUITY FUND**				
	At the beginning of the year 01-Apr-2020	8,61,900	2.73	8,61,900	2.73
	Sale 08-Jan-2021	40,000	0.12	8,21,900	2.61
	Sale 15-Jan-2021	1,45,000	0.46	6,76,900	2.15
	Sale 22-Jan-2021	33,000	0.10	6,43,900	2.04
	Sale 29-Jan-2021	20,000	0.06	6,23,900	1.98
	Sale 05-Feb-2021	1,10,000	0.34	5,13,900	1.63
	Sale 12-Feb-2021	50,000	0.15	4,63,900	1.47
	Sale 19-Feb-2021	37,000	0.11	4,26,900	1.35
	Sale 26-Feb-2021	39,326	0.12	3,87,574	1.23
	Sale 05-Mar-2021	68,781	0.21	3,18,793	1.01
	Sale 12-Mar-2021	1,27,000	0.40	1,91,793	0.60
	Sale 19-Mar-2021	85,000	0.27	1,06,793	0.33
	Sale 26-Mar-2021	82,000	0.26	24,793	0.07
	Sale 31-Mar-2021	24,793	0.07	-	0.00
	At the end of the Year 31-Mar-2021	-	0.00	-	0.00

Sl No	Name of the Share holder No of shares	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		% of total shares of the company	No of shares	% of total shares of the company	No of shares
B	**UTI-MNC FUND**				
	At the beginning of the year 01-Apr-2020	3,25,891	1.03	3,25,891	1.03
	Sale 12-Feb-2021	36,239	0.11	2,89,652	0.92
	Sale 19-Feb-2021	19,652	0.06	2,70,000	0.85
	Sale 26-Feb-2021	56,542	0.17	2,13,458	0.67
	Sale 05-Mar-2021	21,458	0.06	1,92,000	0.61
	Sale 12-Mar-2021	72,000	0.22	1,20,000	0.38
	Sale 19-Mar-2021	1,20,000	0.38	-	0.00
	At the end of the Year 31-Mar-2021	-	0.00	-	0.00
C	**UTI TRANSPORTATION AND LOGISTICS FUND**				
	At the beginning of the year 01-Apr-2020	1,73,059	0.54	1,73,059	0.54
	Sale 26-Feb-2021	41,920	0.13	1,31,139	0.41
	Sale 05-Mar-2021	1,30,785	0.41	354	0.00
	Sale 12-Mar-2021	354	0.00	-	0.00
	At the end of the Year 31-Mar-2021	-	0.00	-	0.00
D	**UTI-UNIT LINKED INSURANCE PLAN**				
	At the beginning of the year 01-Apr-2020	1,44,008	0.45	1,44,008	0.45
	Sale 11-Dec-2020	7,000	0.02	1,37,008	0.43
	Sale 18-Dec-2020	13,000	0.04	1,24,008	0.39
	Sale 15-Jan-2021	7,000	0.02	1,17,008	0.37
	Sale 12-Feb-2021	5,000	0.01	1,12,008	0.35
	Sale 19-Feb-2021	3,500	0.01	1,08,508	0.34
	Sale 26-Feb-2021	8,609	0.02	99,899	0.31
	Sale 05-Mar-2021	12,647	0.04	87,252	0.27
	Sale 12-Mar-2021	24,000	0.07	63,252	0.20
	Sale 19-Mar-2021	21,500	0.06	41,752	0.13
	Sale 26-Mar-2021	30,000	0.09	11,752	0.03
	Sale 31-Mar-2021	11,752	0.03	-	0.00
	At the end of the Year 31-Mar-2021	-	0.00	-	0.00
E	**UTI - REGULAR SAVINGS FUND**				
	At the beginning of the year 01-Apr-2020	39,470	0.12	39,470	0.12
	Sale 18-Dec-2020	13,500	0.04	25,970	0.08
	Sale 15-Jan-2021	1,500	0.00	24,470	0.07
	Sale 12-Feb-2021	1,000	0.00	23,470	0.07
	Sale 19-Feb-2021	1,000	0.00	22,470	0.07
	Sale 26-Feb-2021	2,322	0.00	20,148	0.06
	Sale 05-Mar-2021	2,699	0.00	17,449	0.05
	Sale 12-Mar-2021	6,500	0.02	10,949	0.03
	Sale 19-Mar-2021	4,500	0.01	6,449	0.02
	Sale 26-Mar-2021	5,000	0.01	1,449	0.00
	Sale 31-Mar-2021	1,449	0.00	-	0.00
	At the end of the Year 31-Mar-2021	-	0.00	-	0.00
2	**AXIS MUTUAL FUND TRUSTEE LIMITED A/C AXIS MUTUAL FUND A/C AXIS SMALL CAP FUND**				
	At the beginning of the year 01-Apr-2020	4,72,058	1.49	4,72,058	1.49
	Sale 21-Aug-2020	13,200	0.04	4,58,858	1.45
	At the end of the Year 31-Mar-2021	4,58,858	1.45	4,58,858	1.45

Sl No	Name of the Share holder No of shares	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		% of total shares of the company	No of shares	% of total shares of the company	No of shares
3	**IDFC STERLING VALUE FUND**				
	At the beginning of the year 01-Apr-2020	3,90,000	1.23	3,90,000	1.23
	Sale 26-Jun-2020	1,50,268	0.47	2,39,732	0.76
	Sale 30-Jun-2020	741	0.00	2,38,991	0.75
	Sale 03-Jul-2020	8,957	0.02	2,30,034	0.73
	Sale 17-Jul-2020	2,929	0.00	2,27,105	0.72
	Sale 31-Jul-2020	23,185	0.07	2,03,920	0.64
	Sale 07-Aug-2020	4,190	0.01	1,99,730	0.63
	Sale 14-Aug-2020	1,26,796	0.40	72,934	0.23
	Sale 21-Aug-2020	72,934	0.23	-	0.00
	At the end of the Year 31-Mar-2021	-	0.00	-	0.0000
4	**UTI INDIA DYNAMIC EQUITY FUND**				
	At the beginning of the year 01-Apr-2020	2,20,822	0.70	2,20,822	0.70
	Sale 10-Sep-2020	9,000	0.02	2,11,822	0.67
	Sale 05-Feb-2021	16,050	0.05	1,95,772	0.62
	Sale 26-Feb-2021	23,000	0.07	1,72,772	0.54
	Sale 05-Mar-2021	8,000	0.02	1,64,772	0.52
	Sale 12-Mar-2021	48,000	0.15	1,16,772	0.37
	Sale 19-Mar-2021	34,000	0.10	82,772	0.26
	Sale 26-Mar-2021	52,000	0.16	30,772	0.09
	Sale 31-Mar-2021	23,000	0.07	7,772	0.02
	At the end of the Year 31-Mar-2021	7,772	0.02	7,772	0.02
5	**KOTAK PIONEER FUND**				
	At the beginning of the year 01-Apr-2020	2,00,000	0.63	2,00,000	0.63
	At the end of the Year 31-Mar-2021	2,00,000	0.63	2,00,000	0.63
6	**TATA AIA LIFE INSURANCE CO LTD-WHOLE LIFE MID CAP EQUITY FUND-ULIF 009 04/01/07 WLE 110**				
	At the beginning of the year 01-Apr-2020	1,68,192	0.53	1,68,192	0.53
	Sale 08-May-2020	9,528	0.03	1,58,664	0.50
	Sale 05-Jun-2020	22,486	0.07	1,36,178	0.43
	Sale 12-Jun-2020	33,516	0.10	1,02,662	0.32
	Sale 19-Jun-2020	1,02,662	0.32	-	0.00
	At the end of the Year 31-Mar-2021	-	0.00	-	0.00
7	**SHINSEI UTI INDIA FUND (MAURITIUS) LIMITED**				
	At the beginning of the year 01-Apr-2020	1,46,731	0.46	1,46,731	0.46
	Sale 17-Apr-2020	1,400	0.00	1,45,331	0.46
	Sale 21-Aug-2020	12,000	0.03	1,33,331	0.42
	Sale 20-Nov-2020	12,000	0.03	1,21,331	0.38
	Sale 18-Dec-2020	5,000	0.01	1,16,331	0.36
	Sale 31-Dec-2020	6,000	0.01	1,10,331	0.35
	Sale 08-Jan-2021	10,000	0.03	1,00,331	0.31
	Sale 15-Jan-2021	10,000	0.03	90,331	0.28
	Sale 05-Feb-2021	6,050	0.01	84,281	0.26
	Sale 12-Feb-2021	13,000	0.04	71,281	0.22
	Sale 26-Feb-2021	10,000	0.03	61,281	0.19
	Sale 05-Mar-2021	12,000	0.03	49,281	0.15

Sl No	Name of the Share holder No of shares	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		% of total shares of the company	No of shares	% of total shares of the company	No of shares
	Sale 12-Mar-2021	19,000	0.06	30,281	0.09
	Sale 19-Mar-2021	12,000	0.03	18,281	0.05
	Sale 26-Mar-2021	11,000	0.03	7,281	0.02
	Sale 31-Mar-2021	7,281	0.02	-	0.00
	At the end of the Year 31-Mar-2021	-	0.00	-	0.00
8 A	**ITI SMALL CAP FUND**				
	At the beginning of the year 01-Apr-2020	1,33,350	0.42	1,33,350	0.42
	Purchase 10-Apr-2020	1,000	0.00	1,34,350	0.42
	Purchase 21-Aug-2020	77,935	0.24	2,12,285	0.67
	Purchase 30-Sep-2020	21,000	0.06	2,33,285	0.74
	Sale 05-Feb-2021	29,157	0.09	2,04,128	0.64
	Sale 19-Feb-2021	75,885	0.24	1,28,243	0.40
	Sale 12-Mar-2021	34,104	0.10	94,139	0.29
	Sale 19-Mar-2021	70,253	0.22	23,886	0.07
	At the end of the Year 31-Mar-2021	23,886	0.07	23,886	0.07
B	**ITI BALANCED ADVANTAGE FUND**				
	At the beginning of the year 01-Apr-2020	-	0.00	-	0.00
	Purchase 27-Nov-2020	3,180	0.01	3,180	0.01
	Sale 04-Dec-2020	3,180	0.01	-	0.00
	Purchase 26-Feb-2021	9,450	0.03	9,450	0.03
	Purchase 26-Mar-2021	9,700	0.03	19,150	0.06
	At the end of the Year 31-Mar-2021	19,150	0.06	19,150	0.06
9	**INDIA VALUE INVESTMENTS LIMITED**				
	At the beginning of the year 01-Apr-2020	1,25,000	0.39	1,25,000	0.39
	Sale 03-Apr-2020	35,848	0.11	89,152	0.28
	Sale 10-Apr-2020	89,152	0.28	-	0.00
	At the end of the Year 31-Mar-2021	-	0.00	-	0.00
10	**KISHAN GOPAL MOHTA**				
	At the beginning of the year 01-Apr-2020	89,000	0.282	89,000	0.28
	Sale 24-Apr-2020	10,000	0.03	79,000	0.25
	Sale 01-May-2020	5,000	0.01	74,000	0.23
	Sale 22-May-2020	74,000	0.23	-	0.00
	Purchase 29-May-2020	1,095	0.00	1,095	0.00
	Purchase 05-Jun-2020	13,851	0.04	14,946	0.04
	Purchase 12-Jun-2020	475	0.00	15,421	0.04
	Purchase 19-Jun-2020	8,620	0.02	24,041	0.07
	Purchase 26-Jun-2020	5,000	0.01	29,041	0.09
	Purchase 03-Jul-2020	250	0.00	29,291	0.09
	Purchase 10-Jul-2020	6,655	0.02	35,946	0.11
	Purchase 17-Jul-2020	4,076	0.01	40,022	0.12
	Purchase 24-Jul-2020	974	0.00	40,996	0.13
	Sale 31-Jul-2020	2,909	0.00	38,087	0.12
	Sale 07-Aug-2020	22,390	0.07	15,697	0.04
	Sale 14-Aug-2020	15,568	0.04	129	0.00
	Sale 21-Aug-2020	128	0.00	1	0.00
	Sale 10-Sep-2020	1	0.00	-	0.00
	At the end of the Year 31-Mar-2021	-	0.00	-	0.00

E) SHAREHOLDING OF DIRECTORS AND KMP

S. No	Name of the Director and KMP	Shareholding at the beginning of the year 01-Apr-2020		Cumulative Shareholding during the year 31-Mar-21	
		No. of shares	% of total shares	No. of shares	% of total shares
1	Mr. Hemant M Nerurkar* (Chairman)	Nil	Nil	Nil	Nil
2	Mr. K.K. Nohria# (Chairman)	5,000	0.02	Nil	Nil
3	Mr. R. Chandrasekaran (Managing Director)	Nil	Nil	Nil	Nil
4	Mr. S. Radhakrishnan@	Nil	Nil	Nil	Nil
5	Mr. Keiichi Igarashi	Nil	Nil	Nil	Nil
6	Mrs. Eva Maria Rosa Schork	Nil	Nil	Nil	Nil
7	Mr. L Ramkumar^	Nil	Nil	Nil	Nil
8	Mrs. S M Vinodhini**	Nil	Nil	Nil	Nil
9	Mr. S Vivekchandranath Chief Financial Officer	Nil	Nil	Nil	Nil
10	Mr. P Dinakara Babu, Company Secretary	Nil	Nil	Nil	Nil

Resigned from June 05, 2020

@ Ceased to be Independent Director as Second Term ended on July 29, 2020

* Post completion of second term as Independent Director, he was appointed as Non-Executive, Non-Independent Director from July 30, 2020.

** Appointed as Independent Woman Director w.e.f April 01, 2020

^ Appointed as Independent Director w.e.f. July 30, 2020

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(₹ lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year 01-Apr-2020				
i) Principal Amount	11,026.78	-	-	11,026.78
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	41.29	-	-	41.29
Total (i+ii+iii)	**11,068.07**	**-**	**-**	**11,068.07**
Change in Indebtedness during the financial year				
Addition	1,000.00	-	-	1,000.00
Reduction	(3,324.91)	-	-	(3,324.91)
Net Change	**(2,324.91)**	**-**	**-**	**(2,324.91)**
Indebtedness at the end of the financial year 31-Mar-2021				
i) Principal Amount	8,734.76	-	-	8,734.76
ii) Interest due but not paid	--	-	-	--
iii) Interest accrued but not due	8.40	-	-	8.40
Total (i+ii+iii)	**8743.16**	**-**	**-**	**8743.16**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. REMUNERATION TO MANAGING DIRECTOR, WHOLE TIME DIRECTOR / MANAGER

Sl. No	Particulars of Remuneration	Name of the MD/WTD/Manager Mr. R. Chandrasekaran Managing Director	Total Amount (₹ Lakhs)
1	Gross Salary		
	a) Salary as per the Provisions contained in Section 17(1) of the Income Tax Act, 1961	99.36	99.36
	b) Value of Perquisites u/s 17(2) of the Income Tax Act, 1961	---	---
	c) Profits in lieu of Salary u/s 17(3) of the Income Act, 1961		---
2	Stock Option	---	---
3	Sweat Equity	---	---
4	Commission as % of Profits	54.00	54.00
5	Others, Please Specify	---	---
	Total (A)	**153.36**	**153.36**
Ceiling as per the Act-5% of the net profits^ (₹ Lakhs)		198.07	

^ Section 198 of the Companies Act, 2013

B. REMUNERATION TO OTHER DIRECTORS:

Particulars of Remuneration	Name of the Directors			Total Amount (₹ Lakhs)
	Mr. K K Nohria (Until June 04, 2020)	Mr. Hemant M Nerurkar	Mr. S. Radhakrishnan (Until July 29, 2020)	
- Fee for attending board committee meetings	2.00	4.50	1.75	8.25
- Commission	---	8.00	---	8.00
- Others please specify	---	---	---	---
Total (1)	**2.00**	**12.50**	**1.75**	**16.25**
	Mr Keiichi Igarashi	Mrs. Eva Maria Rosa Schork	Mr. L Ramkumar	
- Fee for attending board committee meetings	---	---	2.75	2.75
- Commission	---	---	4.00	4.00
- Others. Please specify	---	---	---	---
Total (2)	**---**	**---**	**6.75**	**6.75**

Particulars of Remuneration	Name of the Directors	Total Amount (₹ Lakhs)
	Mrs. SM Vinodhini	
- Fee for attending board committee meetings	4.50	4.50
- Commission	4.00	4.00
- Others please specify	---	---
Total (3)	**8.50**	**8.50**
Total (B) = (1 + 2+3)		**31.50**
Total Managerial Remuneration(A) + (B)		**185.11**
Overall Ceiling as per the Act-1% of net profits^ plus sitting fees for Non Executive Directors		**55.36**

^ Section 198 of the Companies Act, 2013

C. REMUNERTATION TO KEY MANAGERIAL REMUNERATION OTHER THAN MD / WTD / MANAGER

Sl. No	Particulars of Remuneration	Key Managerial Personnel		Total Amount (₹ Lakhs)
		Mr. S. Vivekchandranath CFO	Mr. P. Dinakara Babu Company Secretary	
1	**Gross Salary**			
	a) Salary as per the Provisions contained in Section 17(1) of the Income Tax Act, 1961	31.42	40.90	72.32
	b) Value of Perquisites u/s 17(2) of the Income Tax Act, 1961	6.24	7.09	13.33
	c) Profits in lieu of Salary u/s 17(3) of the Income Act, 1961	---	---	---
2	Stock Option	---	---	---
3	Sweat Equity	---	---	---
4	Commission as % of Profits	---	---	---
5	Others, Please Specify (Performance Incentive)	2.85	3.42	6.27
	Total	**40.52**	**51.42**	**91.92**

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

Type	Section of Companies Act	Brief Description	Details of Penalty/ Punishment / Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal Made, if any
A. COMPANY					
Penalty Punishment Compounding	Nil				
B. DIRECTORS					
Penalty Punishment Compounding	Nil				
C. OTHER OFFICERS IN DEFAULT					
Penalty Punishment Compounding	Nil				

For and on behalf of the Board of Directors

Hemant M Nerurkar
Chairman
DIN 00265887

Place: Mumbai
Date: May 25, 2021

Independent Auditor's Report

To
The Members of **Igarashi Motors India Limited**

Report on the Audit of the Financial Statements

OPINION

We have audited the financial statements of Igarashi Motors India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2021, and the statement of Profit and Loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

BASIS FOR OPINION

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

KEY AUDIT MATTERS

Key Audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter	How the matter was addressed in our audit
Related party transactions (Refer note 38 to the financial statements) Related party transactions are regulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as Companies Act, 2013. In addition, the relevant accounting standards require specific disclosures of related parties and transactions with them to be made in the financial statements. Majority of the revenues of the Company is derived from related parties. We identified related party transactions as a key audit matter due to the significance of the amounts, the frequency of such transactions and risk of non-compliance with various regulations.	In view of the significance of the matter, we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence: - To obtain an understanding of the Company's related party relationships and transactions, we obtained a list of related party relationships and significant related party transactions (RPT) from the management. We also made inquiries of management regarding the identity of the related parties including changes from the prior year and the nature of relationships and of the transactions with them. We also maintained alertness regarding related party information when examining records or documents regarding undisclosed related party relationships or transactions. - We evaluated the design, implementation and operating effectiveness of key internal controls over identification and authorisation of significant related party transactions.

The key audit matter	How the matter was addressed in our audit
Related party transactions (contd.)	- Evaluated compliance of such related party transactions with applicable laws and regulations. Tested whether the pricing of related party transaction's is at arm's length with the help of our transfer pricing specialists. - Evaluated the rights and obligations as per the terms and conditions of the agreements. Tested whether the accounting is in line with the requirements of applicable accounting standards.. - Assessed the adequacy and appropriateness of the disclosures made in accordance with the relevant accounting standard and applicable laws and regulations.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITOR'S REPORT THEREON

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and our Auditor's Report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of Directors is also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an Auditor's Report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and

are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our Auditor's Report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. (A) As required by Section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

c) The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.

d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.

e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

(B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations as at March 31, 2021 on its financial position in its financial statements - Refer Note 37 to the financial statements.

ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. The disclosures in the financial statements regarding holdings as well as dealings in specified bank notes during the period from November 8, 2016 to December 30, 2016 have not been made in these financial statements since they do not pertain to the financial year ended March 31, 2021.

(C) With respect to the matter to be included in the Auditor's Report under Section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

for B S R & Co. LLP
Chartered Accountants
Firm Registration Number: 101248W/W-100022

Harsh Vardhan Lakhotia
Partner
Membership No. 222432
ICAI UDIN: 21222432AAAABM5321

Place: Chennai
Date: May 25, 2021

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF IGARASHI MOTORS INDIA LIMITED

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain fixed assets were physically verified during the year and no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and based on the examination of records produced by the Company, the title deeds of the immoveable properties included in fixed assets is in the name of the Company.

(ii) Inventories apart from goods in transit have been physically verified by the Management during the year and the discrepancies noticed on such verification between the physical stock and book records were not material. In our opinion, the frequency of such verification is reasonable. In respect of inventory lying with third parties, these have substantially been confirmed by them.

(iii) According to the information and explanations given to us, the Company has not granted any loan, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register required under Section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.

(iv) According to the information and explanations given to us, the Company has complied with the provisions of Section 186 of the Act, with respect to the investments made. The Company has not granted any loans or provided any guarantee or security to the parties covered under Section 185 and 186 of the Act. Accordingly, to that extent paragraph 3(iv) of the Order is not applicable to the Company.

(v) According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India, provisions of Section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed thereunder. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 as amended, prescribed by the Central Government under Section 148 of the Act and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of such records.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, duty of customs, goods and services tax, employees' state insurance, cess and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of sales tax, service tax, value added tax, duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income-tax, duty of customs, goods and services tax, employees' state insurance and other material statutory dues were in arrears as at March 31, 2021 for a period of more than six months from the date they became payable other than the following dues:

Name of the Statute	Nature of the Dues	Amount (₹ in lakhs)	Financial year to which the amount relates	Due date
The Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Provident fund	24.95	2018-19	April 15, 2019

(b) According to the information and explanations given to us, there are no dues of income tax, sales tax, value added tax, duty of excise, duty of customs and service tax which have not been deposited with the appropriate authorities on account of any disputes other than the following dues:

Name of the Statute	Nature of the Dues	Amount (₹ in lakhs)	Amount paid under protest (₹ in lakhs)	Financial year to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	16.61	10.00	2011-12	Commissioner of Income Tax (Appeals) / DCIT (AO)
Income Tax Act, 1961	Income Tax	12.18	-	2012-13	Commissioner of Income Tax (Appeals) / DCIT (AO)

(viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company did not have any dues to debenture holders or loans or borrowings from the financial institutions or Government.

(ix) According to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. The term loans raised by the Company have been applied for the purpose for which they were raised.

(x) According to the information and explanations given to us, no fraud by the Company or material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals as per provision of Section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into

non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

(xvi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

for B S R & Co. LLP
Chartered Accountants
Firm Registration Number: 101248W/W-100022

Harsh Vardhan Lakhotia
Partner
Membership No. 222432
ICAI UDIN: 21222432AAAABM5321

Place: Chennai
Date: May 25, 2021

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS OF IGARASHI MOTORS INDIA LIMITED

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

OPINION

We have audited the internal financial controls with reference to financial statements of Igarashi Motors India Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at March 31, 2021, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

MEANING OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

A Company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to financial statements include those policies and procedures that

(1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;

(2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of Management and directors of the Company; and

(3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

for B S R & Co. LLP
Chartered Accountants
Firm Registration Number: 101248W/W-100022

Harsh Vardhan Lakhotia
Partner
Membership No. 222432
ICAI UDIN: 21222432AAAABM5321

Place: Chennai
Date: May 25, 2021

Balance Sheet

as at 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

	Note	As at 31 March 2021	As at 31 March 2020
Assets			
Non-current assets			
Property, plant and equipment	5	35,394.35	37,714.53
Capital work-in-progress	5	592.81	517.52
Right-of-use assets	6	708.58	1,205.04
Intangible assets	7	853.91	457.43
Intangible assets under development	7	358.19	615.33
Financial assets			
Investments	8	56.01	730.02
Deposits and other receivables	14	400.57	440.60
Income tax assets		211.51	608.45
Other non-current assets	16	156.14	15.12
Total non-current assets		**38,732.07**	**42,304.04**
Current assets			
Inventories	9	10,116.29	7,646.68
Financial assets			
Investments	10	33.70	2,052.17
Trade receivables	11	16,708.43	13,711.01
Cash and cash equivalents	12	1,158.51	282.11
Other bank balances	13	189.01	59.42
Deposits and other receivables	14	148.82	110.69
Other financial assets	15	8.81	65.92
Other current assets	16	2,881.51	1,069.63
Total current assets		**31,245.08**	**24,997.63**
Total assets		**69,977.15**	**67,301.67**
Equity and liabilities			
Equity			
Equity share capital	17	3,147.50	3,147.50
Other equity			
Securities premium		13,432.35	13,432.35
Retained earnings		29,608.05	27,254.66
Others (including items of Other Comprehensive Income)		(2,256.21)	(1,549.38)
Total equity		**43,931.69**	**42,285.13**
Liabilities			
Non-current liabilities			
Financial liabilities			
Lease Liabilities	6	206.84	687.63
Borrowings	21	1,915.01	2,829.09
Deferred tax liabilities (net)	35	1,864.32	1,752.83
Total non-current liabilities		**3,986.17**	**5,269.55**

Balance Sheet (contd.)

as at 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

	Note	As at 31 March 2021	As at 31 March 2020
Current liabilities			
Financial liabilities			
Lease Liabilities	6	570.65	673.91
Borrowings	21	4,930.53	4,641.71
Trade payables	23		
Total outstanding dues of micro enterprises and small enterprises		582.25	243.86
Total outstanding dues of creditors other than micro enterprises and small enterprises		11,605.48	9,491.07
Other financial liabilities	24	2,363.47	3,865.16
Other current liabilities	25	872.15	300.37
Provisions	22	926.54	530.91
Income tax liabilities		208.22	-
Total current liabilities		**22,059.29**	**19,746.99**
Total liabilities		**26,045.46**	**25,016.54**
Total equity and liabilities		**69,977.15**	**67,301.67**
Significant accounting policies	3		

The notes referred to above form an integral part of financial statements
As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Harsh Vardhan Lakhotia
Partner
Membership No. 222432

Place : Chennai
Date: May 25, 2021

for and on behalf of the board of directors of
Igarashi Motors India Limited
(CIN: L29142TN1992PLC021997)

R Chandrasekaran
Managing Director
DIN: 00012643

L Ramkumar
Director
DIN: 00090089

S Vivekchandranath
Chief Financial Officer

P Dinakara Babu
Company Secretary
Membership No. A14812

Place : Chennai
Date: May 25, 2021

Statement of Profit and Loss

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

	Note	Year ended 31 March 2021	Year ended 31 March 2020
Revenue			
Revenue from operations	27	53,286.05	53,439.48
Other income	28	953.57	1,167.49
Total Income		**54,239.62**	**54,606.97**
Expenses			
Cost of materials consumed	29	31,985.30	31,760.27
Changes in inventory of finished goods and work-in-progress	30	45.49	(445.33)
Employee benefits expense	31	4,614.85	5,152.14
Finance costs	32	618.35	1,408.16
Depreciation and amortization expense	33	4,468.13	4,253.50
Other expenses	34	9,262.56	9,232.65
Total expenses		**50,994.68**	**51,361.39**
Profit before tax		**3,244.94**	**3,245.58**
Tax expense	35		
Current tax		592.27	671.79
Deferred tax charge / (credit)		90.64	(417.07)
Total tax expense		**682.91**	**254.72**
Profit for the year		**2,562.03**	**2,990.86**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of defined benefit liability	22	(11.88)	(291.07)
Equity investments through other comprehensive income - net change in fair value		(640.31)	(1,449.12)
Income tax relating to items that will not be reclassified to profit or loss	35	2.99	53.89
Net other comprehensive income that will not to be reclassified subsequently to profit or loss		**(649.20)**	**(1,686.30)**
Items that will be subsequently reclassified to profit or loss			
Effective portion of gains / (losses) on hedging instruments in cash flow hedges		94.73	(470.22)
Income tax relating to items that will be reclassified to profit or loss	35	(23.84)	155.70
Net other comprehensive income that will be reclassified subsequently to profit or loss		**70.89**	**(314.52)**
Other comprehensive income for the year, net of income tax		**(578.31)**	**(2,000.82)**
Total comprehensive income for the year		**1,983.72**	**990.04**
Earnings per share			
Basic and diluted earnings per share (in Indian Rupees)	19	8.14	9.50
Significant accounting policies	3		

The notes referred to above form an integral part of financial statements

As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

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Chief Financial Officer

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Company Secretary
Membership No. A14812

Place : Chennai
Date: May 25, 2021

Statement of Changes in Equity

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

(a) Equity share capital

Particulars	Amount	No. of shares
Equity shares of ₹ 10 each issued, subscribed and fully paid		
Balance as at 1 April 2019	3,147.50	31,475,048
Issue during the year	-	-
Balance as at 1 April 2020	3,147.50	31,475,048
Issue during the year	-	-
Balance as at 31 March 2021	**3,147.50**	**31,475,048**

(b) Other equity

	Reserves and surplus				Other Comprehensive income (OCI)			
	Securities premium	Retained earnings	General reserve	ESOP Outstanding	Effective portion of cash flow hedges	Equity investments through OCI	Other items of OCI	Total
Balance as at 1 April 2019	**13,432.35**	**26,272.24**	**464.42**	**768.57**	**249.10**	**(1,246.92)**	**(128.79)**	**39,810.97**
Total comprehensive income for the year ended 31 March 2020								
Share based payment	-	-	-	345.06	-	-	-	345.06
Impact on account of Ind AS 116 (refer Note 3.10 and Note 6)	-	(149.14)	-	-	-	-	-	(149.14)
Profit for the year	-	2,990.86	-	-	-	-	-	2,990.86
Other comprehensive income for the year (net of tax)	-	-	-	-	(314.52)	(1,449.12)	(237.18)	(2,000.82)
Total comprehensive income	**-**	**2,841.72**	**-**	**345.06**	**(314.52)**	**(1,449.12)**	**(237.18)**	**1,185.96**
Transactions with owners, recorded directly in equity								
Contributions by and distributions to owners								
Dividends	-	(1,542.28)	-	-	-	-	-	(1,542.28)
Dividend distribution tax	-	(317.02)	-	-	-	-	-	(317.02)
Total Contributions and distributions to owners	-	(1,859.30)	-	-	-	-	-	(1,859.30)
Balance as at 31 March 2020	**13,432.35**	**27,254.66**	**464.42**	**1,113.63**	**(65.42)**	**(2,696.04)**	**(365.97)**	**39,137.63**

Statement of Changes in Equity

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

	Reserves and surplus				Other comprehensive income (OCI)			Total
	Securities premium	Retained earnings	General reserve	ESOP Outstanding	Effective portion of cash flow hedges	Equity investments through OCI	Other items of OCI	
Balance as at 1 April 2020	**13,432.35**	**27,254.66**	**464.42**	**1,113.63**	**(65.42)**	**(2,696.04)**	**(365.97)**	**39,137.63**
Total comprehensive income for the year ended 31 March 2021								
Share based payment	-	-	-	40.54	-	-	-	40.54
Profit for the year	-	2,562.03	-	-	-	-	-	2,562.03
Other comprehensive income for the year (net of tax)	-	-	-	-	70.89	(640.31)	(8.89)	(578.31)
Transfer on account of expiry of exercise period of stock options	-	543.92	-	(543.92)	-	-	-	-
Transfer to retained earnings	-	(374.86)	-	-	-	-	374.86	-
Total comprehensive income	**-**	**2,731.09**	**-**	**(503.38)**	**70.89**	**(640.31)**	**365.97**	**2,024.26**
Contributions and distributions to owners								
Dividends	-	(377.70)	-	-	-	-	-	(377.70)
Total Contributions and distributions to owners	**-**	**(377.70)**	**-**	**-**	**-**	**-**	**-**	**(377.70)**
Total transactions with owners	**-**	**(377.70)**	**-**	**-**	**-**	**-**	**-**	**(377.70)**
Balance as at 31 March 2021	**13,432.35**	**29,608.05**	**464.42**	**610.25**	**5.47**	**(3,336.35)**	**-**	**40,784.19**
Significant accounting policies		3						

The notes referred to above form an integral part of financial statements
As per our report of even date attached

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Harsh Vardhan Lakhotia
Partner
Membership No. 222432

Place : Chennai
Date: May 25, 2021

for and on behalf of the board of directors of
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(CIN: L29142TN1992PLC021997)

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Managing Director
DIN: 00012643

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Director
DIN: 00090089

S Vivekchandranath
Chief Financial Officer

P Dinakara Babu
Company Secretary
Membership No. A14812

Place : Chennai
Date: May 25, 2021

Statement of Cash Flows

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

	Year ended 31 March 2021	Year ended 31 March 2020
Cash flow from operating activities		
Profit for the year	2,562.03	2,990.86
Adjustments for:		
Depreciation and amortization	4,468.13	4,253.50
Equity-settled share based payments	40.54	350.28
Provision for doubtful debts	65.10	21.60
Unrealised foreign exchange (gain) / loss	(70.51)	248.24
Loss / (gain) on sale of assets	-	1.39
Finance costs	618.35	1,408.16
Lease rent concessions	(113.37)	(27.62)
Interest income on others	(37.90)	(11.24)
Gain on sale of investments	(50.01)	(153.84)
Interest income on cash and bank balances	(14.34)	(16.10)
Income tax expense	682.91	254.72
	8,150.93	**9,319.95**
Working capital adjustments:		
(Increase) / decrease in inventories	(2,469.61)	(1,475.46)
(Increase) / decrease in trade receivables	(3,027.50)	918.91
(Increase) / decrease in deposits and other receivables	39.80	79.31
(Increase) / decrease in other current / non-current financial assets	151.84	671.82
(Increase) / decrease in other current / non-current assets	(2,098.13)	(587.98)
Increase / (decrease) in trade payable and other financial liabilities	2,349.19	1,541.20
Increase / (decrease) in provisions and other current liabilities	955.53	(264.31)
Cash generated from operating activities	**4,052.05**	**10,203.44**
Income tax paid (net)	12.89	(1,171.56)
Net cash generated from operating activities (A)	**4,064.94**	**9,031.88**
Cash flow from investing activities		
Interest received on cash and bank balances	14.34	16.10
Acquisition of property, plant and equipment, intangible assets and capital work-in-progress net of payable for capital goods and capital advances	(1,391.81)	(3,409.34)
Proceeds from sale of fixed assets	-	6.91
Investments in mutual funds (net)	2,102.18	(644.28)
Investments in equity shares	-	(20.14)
Investments in bank deposits (net)	(129.59)	(12.74)
Net cash generated / (used) in investing activities (B)	**595.12**	**(4,063.49)**

Statement of Cash Flows

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

		Year ended 31 March 2021	Year ended 31 March 2020
Cash flow from financing activities			
Repayment of borrowings (net) *		(3,575.35)	(6,120.15)
Proceeds from borrowings (net) *		1,288.82	4,877.62
Repayment of lease liabilities		(470.68)	(459.13)
Interest paid		(651.24)	(1,393.59)
Dividend paid (and related dividend distribution tax)		(375.21)	(1,846.56)
Net cash used in financing activities (C)		**(3,783.66)**	**(4,941.81)**
* Also refer Note 21 for disclosure on changes in liabilities arising from financing activities			
Net increase in cash and cash equivalents (A+B+C)		**876.40**	**26.58**
Cash and cash equivalents as at April 1	12	282.11	255.53
Cash and cash equivalents as at March 31	12	**1,158.51**	**282.11**
Significant accounting policies	3		

The notes referred to above form an integral part of financial statements
As per our report of even date attached

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Chief Financial Officer

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Company Secretary
Membership No. A14812

Place : Chennai
Date: May 25, 2021

Notes forming part of the Financial Statements

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

1 BACKGROUND

Igarashi Motors India Limited ('IMIL' / 'Company') is primarily engaged in the manufacture of micro motors and its accessories mainly for the automotive sector. The Company is a public limited company incorporated and domiciled in India and has its registered office in Chennai, Tamil Nadu, India. The Company's shares are listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE) in India.

These financial statements were authorised for issue by the Company's Board of Directors on 25 May 2021.

2 BASIS OF PREPARATION

2.1 Statement of compliance

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

Details of the Company's accounting policies are included in Note 3

2.2 Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise stated.

2.3 Basis of measurement

The financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

Items	Measurement basis
- Certain financial assets and liabilities (including derivative instruments)	Fair value
- Share based payment transactions	Fair value
- Net defined benefit asset / (liability)	Fair value of plan assets, less present value of defined benefit obligations

2.4 Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Judgements

Information about judgements in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- Note 36 – fair valuation of financial assets

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2022 is included in the following notes:

- Note 3.3 – estimation of useful lives of property, plant and equipment and intangible assets
- Note 3.10 – measurement of lease liabilities and right of use assets
- Note 22 – measurement of defined benefit obligations: key actuarial assumptions
- Note 36 – fair valuation of financial assets
- Note 35 – recognition of deferred tax assets
- Note 37 – recognition and measurement of provisions and contingencies
- Note 36 – Impairment of financial assets

Notes forming part of the Financial Statements

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

Estimation of uncertainties relating to the global health pandemic from COVID-19 (COVID-19):

The COVID-19 pandemic is an evolving human tragedy declared a global pandemic by the World Health Organisation with adverse impact on economy and business. In light of these circumstances, the Company has considered the possible effects that may result from COVID-19 on the carrying amounts of financial and non financial assets as well as liabilities accrued. The actual impact of the global health pandemic may be different from that which has been estimated, as the COVID 19 situation evolves in India and globally. Having reviewed the underlying data and based on current estimates the Company expects the carrying amount of these assets will be recovered and there is no significant impact on liabilities accrued. However, the Company will continue to closely monitor any material changes to future economic conditions.

2.5 Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information, is used to measure fair values, then the Company assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).

- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair values of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfer between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 36 – financial instruments and in Note 20 - share-based payments.

2.6 Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

3 SIGNIFICANT ACCOUNTING POLICIES

3.1 Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Company, at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in

Notes forming part of the Financial Statements

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in profit or loss, except exchange differences arising from translation of qualifying cash flow hedges to the extent that the hedges are effective, which are recognised in Other Comprehensive Income.

i. Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset is recognised at fair value. In case of financial assets which are recognised at fair value through profit and loss (FVTPL), its transaction cost is recognised in the statement of profit and loss. In other cases, the transaction cost is attributed to the acquisition value of the financial asset.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- Fair value through other comprehensive income (FVOCI) - equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment-by- investment basis.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss. However, refer Note 3.2 (v) for derivatives designated as hedging instruments.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to statement of profit and loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Notes forming part of the Financial Statements

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii. Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

v. Derivative financial instruments and hedge accounting

The Company holds derivative financial instruments to hedge its foreign currency exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in statement of profit and loss.

The Company designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates.

At inception of designated hedging relationships, the Company documents the risk management objective and strategy for undertaking the hedge. The Company also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in other equity under 'effective portion of cash flow hedges'. The effective portion of changes in the fair value of the derivative that is recognised in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in statement of profit and loss.

Notes forming part of the Financial Statements

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in other equity remains there until, for a hedge of a transaction resulting in recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit and loss in the same period or periods as the hedged expected future cash flows affect profit and loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified to statement of profit and loss.

vi. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

Cash dividend to equity holders

The Company recognises a liability to make cash to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity. Interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

3.3 Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the statement of profit and loss.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset	Management estimate of useful life	Useful life as per Schedule II
Building	3 - 60 years	30 - 60 years
Plant and equipment	3 - 20 years	15 years
Office equipments	2 - 5 years	5 years
Furniture and fixtures	5 - 10 years	10 years
Vehicles	8 years	8 years

Depreciation method, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate. Based on technical evaluation and

Notes forming part of the Financial Statements

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed off).

3.4 Intangible assets

i. Recognition and measurement

Intangible assets including those acquired by the Company are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortization and any accumulated impairment losses.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortization in Statement of Profit and Loss.

The estimated useful lives are as follows:

Asset	Management estimate of useful life
Product design expenses	5 - 6 years
Software	6 years

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

3.5 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted average formula, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of fixed production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

3.6 Impairment

i. Impairment of financial instruments

In accordance with Ind AS 109, the Company applies expected credit loss (“ECL”) model for measurement and recognition of impairment loss on financial assets measured at amortised cost.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime expected credit losses. For all other financial assets, ECL are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

Loss allowance for financial assets measured at amortised cost are deducted from gross carrying amount of the assets.

Notes forming part of the Financial Statements

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(All amounts are in Indian Rupees in lakhs, except share data and as stated)

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

ii. Impairment of non-financial assets

The Company assess at each reporting date whether there is any indication that the carrying amount may not be recoverable. If any such indication exists, then the asset's recoverable amount is estimated and an impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount in the statement of profit and loss.

The Company's non-financial assets, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets that do not generate independent cash inflows are grouped together into Cash-Generating Units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or groups of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.7 Employee benefits

i. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

ii. Gratuity

The Company provides for gratuity, a defined benefit plan ("the Gratuity Plan") covering the eligible employees of the Company. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of the employment with the Company.

Liability with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method. The defined benefit plan is administered by fund administered by Life Insurance Corporation of India for this purpose.

The Company recognises the net obligation of a defined benefit plan as a liability in its balance sheet. Gains or losses through re-measurement of the net defined benefit liability are recognised in other comprehensive income and are not reclassified to profit and loss in the subsequent periods. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognised in other comprehensive income. When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Notes forming part of the Financial Statements

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

iii. Provident fund

Eligible employees of the Company receive benefits from provident fund, which is a defined contribution plan. Both the eligible employees and the Company make monthly contributions to the Government administered provident fund scheme equal to a specified percentage of the eligible employee's salary. Amounts collected under the provident fund plan are deposited with in a government administered provident fund. The Company has no further obligation to the plan beyond its monthly contributions.

iv. Compensated absences

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using the projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognised is the period in which the absences occur.

v. Share-based payment transactions

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date. Grant date fair value of the equity settled share-based payment awards granted to the employees of group companies is recognised as a receivable from the group Company, with a corresponding increase in equity.

3.8 Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

3.9 Revenue recognition

i. Sale of goods

Revenue is recognised when a promise in a customer contract (performance obligation) has been satisfied by transferring control over the promised goods to the customer. Control over a promised good refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, those goods. Control is usually transferred upon shipment, delivery to, upon receipt of goods by the customer, in accordance with the individual delivery and acceptance terms agreed with the customers. The amount of revenue to be recognized (transaction price) is based on the consideration expected to be received in exchange for goods, excluding amounts collected on behalf of third parties such as sales tax or other taxes directly linked to sales. If a contract contains more than one performance obligation, the transaction price is allocated to each performance obligation based on their relative stand-alone selling prices. Revenue from product sales are recorded net of allowances for estimated rebates, cash discounts and estimates of product returns, all of which are established at the time of sale.

ii. Government grants

The Company recognises government grants only when there is reasonable assurance that the conditions attached to them will be complied with, and the grants will be received.

3.10 Leases

The Company's lease asset classes primarily consist of leases for land. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic

Notes forming part of the Financial Statements

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benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in Balance sheet and lease payments have been classified as financing activities in the Cash Flow Statement.

3.11 Recognition of dividend income, interest income or expense

Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.

Interest income or expense is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortized cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortized cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

3.12 Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date. Interest expenses and penalties, if any, related to income tax are included in finance cost and other expenses respectively. Interest Income, if any, related to Income tax is included in Other Income.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Notes forming part of the Financial Statements

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(All amounts are in Indian Rupees in lakhs, except share data and as stated)

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;

- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

iii. Mimimum alternate tax

Minimum Alternative Tax ("MAT") under the provisions of the Income-tax Act, 1961 is recognised as current tax in the Statement of Profit and Loss. The credit available under the Act in respect of MAT paid is recognised as an deferred tax asset only when and to the extent there is convincing evidence that the branch will pay normal income tax during the period for which the MAT credit can be carried forward for set-off against the normal tax liability. MAT credit recognised as an deferred tax asset is reviewed at each balance sheet date and written down to the extent the aforesaid convincing evidence no longer exists.

3.13 Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

3.14 Earnings per share

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the period adjusted for treasury shares held. Diluted earnings per share is computed using the weighted-average number of equity and dilutive equivalent shares outstanding during the period, using the treasury stock method for options and warrants, except where the results would be anti-dilutive.

4 RECENT ACCOUNTING PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from 1 April 2021.

MCA issued notifications dated 24 March 2021 to amend Schedule III to the Companies Act, 2013 to enhance the disclosures required to be made by the Company in its financial statements. These amendments are applicable to the Company for the financial year starting 1 April 2021.

Notes forming part of the Financial Statements

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

5 PROPERTY, PLANT AND EQUIPMENT

	Buildings	Plant and equipment	Office equipments	Furniture and fixtures	Vehicles	Total (A)	Capital work-in-progress (B)	Total (A+B)
Gross carrying amount								
Balance at 1 April 2019	**8,500.97**	**38,821.29**	**148.02**	**254.35**	**41.44**	**47,766.07**	**1,902.93**	**49,669.00**
Additions	23.39	3,388.98	2.15	76.38	-	3,490.90	2,185.01	5,675.91
Disposals / Deletions	-	(15.65)	-	-	-	(15.65)	(3,570.42)	(3,586.07)
Balance at 31 March 2020	**8,524.36**	**42,194.62**	**150.17**	**330.73**	**41.44**	**51,241.32**	**517.52**	**51,758.84**
Additions	6.03	1,419.19	2.67	52.47	-	1,480.36	1,555.65	3,036.01
Disposals / Deletions / Transfer to CWIP	-	(446.18)	-	-	-	(446.18)	(1,480.36)	(1,926.54)
Balance at 31 Mar 2021	**8,530.39**	**43,167.63**	**152.84**	**383.20**	**41.44**	**52,275.50**	**592.81**	**52,868.31**
Accumulated depreciation								
Balance at 1 April 2019	**679.77**	**9,123.03**	**49.88**	**37.96**	**12.78**	**9,903.42**	**-**	**9,903.42**
Depreciation for the year	332.32	3,225.87	30.57	35.80	6.16	3,630.72	-	3,630.72
Accumulated depreciation on disposals	-	(7.35)	-	-	-	(7.35)	-	(7.35)
Balance at 31 March 2020	**1,012.09**	**12,341.55**	**80.45**	**73.76**	**18.94**	**13,526.79**	**-**	**13,526.79**
Depreciation for the year	332.32	3,358.78	28.11	44.61	6.34	3,770.16	-	3,770.16
Accumulated depreciation on disposals	-	(415.80)	-	-	-	(415.80)	-	(415.80)
Balance at 31 March 2021	**1,344.41**	**15,284.53**	**108.56**	**118.37**	**25.28**	**16,881.15**	**-**	**16,881.15**
Carrying amount (net)								
As at 31 March 2020	7,512.27	29,853.07	69.72	256.97	22.50	37,714.53	517.52	38,232.05
As at 31 March 2021	**7,185.98**	**27,883.10**	**44.28**	**264.83**	**16.16**	**35,394.35**	**592.81**	**35,987.16**

Notes forming part of the Financial Statements

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

6 RIGHT-OF-USE ASSETS - LEASES

Right-of-use assets	Leasehold land
Balance at 1 April 2019	
Additions on account of Transition to Ind AS 116 - 1st April 2019	1,728.58
Additions	-
Disposals	(22.19)
Balance at 31 Mar 2020	**1,706.39**
Additions	-
Disposals	-
Balance at 31 Mar 2021	**1,706.39**
Accumulated depreciation	
Balance at 1 April 2019	
Additions	519.35
Disposals	(18.00)
Balance at 31 Mar 2020	**501.35**
Additions	496.46
Disposals	-
Balance at 31 Mar 2021	**997.81**
Carrying amount (net)	
As at 31 March 2020	1,205.04
As at 31 March 2021	**708.58**

Lease liabilities

	As at 31 March 2021	As at 31 March 2020
Current lease liabilities	570.65	673.91
Non-current lease liabilities	206.84	687.63
	777.49	**1,361.54**

The following is the movement in lease liabilities during the year ended 31 March 2021:

	As at 31 March 2021	As at 31 March 2020
Balance at 1 April	1,361.54	-
Additions on account of Transition to Ind AS 116 - 1st April 2019	-	1,879.63
Finance cost accrued during the period	107.13	157.91
Deletions	(113.37)	(27.62)
Payment of lease liabilities	(577.81)	(648.38)
Balance at 31 March	**777.49**	**1,361.54**

Rental expense recorded for short-term leases was ₹ 44.40 lakhs (31 March 2020: ₹ 48.56 lakhs) for the year ended 31 March 2021.

Notes forming part of the Financial Statements

for the year ended 31 March 2021

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7 INTANGIBLE ASSETS

	Product design expenses	Specialised software	Intangible assets under development	Total
Gross carrying amount				
Balance at 1 April 2019	425.19	329.50	400.64	1,155.33
Additions	190.24	-	404.93	595.17
Disposals / Deletions	-	-	(190.24)	(190.24)
Balance at 31 March 2020	**615.43**	**329.50**	**615.33**	**1,560.26**
Additions	586.70	11.28	329.56	927.54
Disposals / Deletions	-	-	(586.70)	(586.70)
Balance at 31 Mar 2021	**1,202.13**	**340.78**	**358.19**	**1,901.10**
Accumulated amortization				
Balance at 1 April 2019	147.48	218.59	-	366.07
Amortization for the year	93.90	27.53	-	121.43
Disposals / Deletions	-	-	-	-
Balance at 31 March 2020	**241.38**	**246.12**	**-**	**487.50**
Amortization for the year	174.06	27.44	-	201.50
Disposals / Deletions	-	-	-	-
Balance at 31 Mar 2021	**415.44**	**273.56**	**-**	**689.00**
Carrying amount (net)				
As at 31 March 2020	374.05	83.38	615.33	1,072.76
As at 31 March 2021	**786.69**	**67.22**	**358.19**	**1,212.10**

8 NON-CURRENT INVESTMENTS

	As at 31 March 2021	As at 31 March 2020
Unquoted instruments		
Equity shares at FVOCI		
Nil (31 March 2020: 3,370,049) equity shares of Bosch Electrical Drives India Private Limited	-	674.01
188,762 (31 March 2020: 188,762) equity shares of Beta Wind Farm Private Limited	35.86	35.86
201,470 (31 March 2020: 201,470) equity shares of Hexa Wind Farm Private Limited	20.15	20.15
	56.01	**730.02**
Aggregate value of unquoted investments	56.01	730.02
Aggregate amount of impairment in value of investments	-	2,696.04

Notes forming part of the Financial Statements

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

9 INVENTORIES

	As at 31 March 2021	As at 31 March 2020
Raw materials and components (includes raw materials in transit amounting to ₹ 1,496.57 lakhs; 31 March 2020: ₹ 1,150.47 lakhs)	8,187.05	5,332.25
Work in progress	363.75	342.46
Finished goods	990.60	1,057.38
Stores and spares	381.94	438.05
Tools	192.95	476.54
	10,116.29	**7,646.68**

10 CURRENT INVESTMENTS

	As at 31 March 2021	As at 31 March 2020
Unquoted instruments		
Equity shares at FVOCI		
3,370,049 (31 March 2020: Nil) equity shares of Bosch Electrical Drives India Private Limited	33.70	-
Unquoted investments carried at FVTPL		
Units in mutual funds		
ICICI Prudential Mutual fund - Money Market Fund - DRT Growth Plan - Nil (31 March 2020 - 167,582 units)	-	468.00
ICICI Prudential Short Term Fund- DP Growth Plan - Nil (31 March 2020 - 1,949,523 units)	-	864.93
ICICI Prudential Ultra Short Term Fund - DP Growth Plan - Nil (31 March 2020- 3,349,450 units)	-	719.24
	33.70	**2,052.17**
Aggregate value of unquoted investments	33.70	2,052.17
Aggregate amount of impairment in value of investments	3,336.35	-

11 TRADE RECEIVABLES

	As at 31 March 2021	As at 31 March 2020
Unsecured, considered good	16,873.68	13,811.16
Less : Loss allowance for expected credit losses	(165.25)	(100.15)
	16,708.43	**13,711.01**
Of the above, trade receivables from related parties are as below:		
Total trade receivables from related parties	11,641.41	9,835.79
Less : Loss allowance for expected credit losses	(52.37)	(11.08)
Net trade receivables	**11,641.41**	**9,824.71**
The Company's exposure to credit and currency risks, loss allowances are disclosed in Note 36.		
For receivables secured against borrowings, see Note 21.		

Notes forming part of the Financial Statements

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

12 CASH AND CASH EQUIVALENTS

	As at 31 March 2021	As at 31 March 2020
Balance with banks:		
- in current accounts	1,158.51	282.11
Cash and cash equivalents in balance sheet	1,158.51	282.11
Cash and cash equivalents in the statements of cash flows	**1,158.51**	**282.11**

13 OTHER BANK BALANCES

	As at 31 March 2021	As at 31 March 2020
Demand deposits with original maturity of more than three months	127.65	-
Earmarked balances with banks - unpaid dividend accounts	61.36	59.42
	189.01	**59.42**

14 DEPOSITS AND OTHER RECEIVABLES

	As at 31 March 2021	As at 31 March 2020
Non-current		
Security deposit	396.35	435.98
Advance to employees	4.22	4.62
	400.57	**440.60**
Current		
Security deposit	143.46	89.73
Advance to employees	5.36	20.96
	148.82	**110.69**

15 OTHER FINANCIAL ASSETS

	As at 31 March 2021	As at 31 March 2020
Current		
Forward exchange contracts used for hedging	8.81	-
MEIS scrips available for sale	-	65.92
	8.81	**65.92**

Notes forming part of the Financial Statements

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

16 OTHER ASSETS

	As at 31 March 2021	As at 31 March 2020
Non-current		
Capital advances	145.23	-
Prepayments	10.91	15.12
	156.14	**15.12**
Current		
Prepayments	283.45	225.46
Balances with statutory authorities	623.91	315.74
Export incentive receivable	407.96	430.42
Others	1,566.19	98.01
	2,881.51	**1,069.63**

17 SHARE CAPITAL

	As at 31 March 2021	As at 31 March 2020
Authorised		
35,000,000 (31 March 2020: 35,000,000) equity shares of ₹ 10 each	3,500.00	3,500.00
Issued, Subscribed and Paid-up		
31,475,048 (31 March 2020: 31,475,048) equity shares of ₹ 10 each fully paid up	3,147.50	3,147.50

a Reconciliation of shares outstanding at the beginning and at the end of the reporting year

	31 March 2021		31 March 2020	
	No. of Shares	Amount	No. of Shares	Amount
Equity shares				
At the commencement of the year	31,475,048	3,147.50	31,475,048	3,147.50
Issued during the year	-	-	-	-
At the end of the year	**31,475,048**	**3,147.50**	**31,475,048**	**3,147.50**

b Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares of par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees and all shares issued carry equal rights for dividend declared. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c Employee stock options

Terms attached to stock options granted are described in Note 20 regarding share-based payments.

Notes forming part of the Financial Statements

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

d Shares held by holding / ultimate holding company and / or their subsidiaries / associates

	As at 31 March 2021		As at 31 March 2020	
	No. of Shares	Amount	No. of Shares	Amount
Agile Electric Sub Assembly Private Limited, the Holding Company	17,142,121	1,714.21	17,142,121	1,714.21
Igarashi Electric Works (H.K) Limited, Hong Kong, the subsidiary of the ultimate holding company	2,499,993	250.00	2,499,993	250.00
Igarashi Electric Works Limited, Japan, the ultimate holding company	3,964,174	396.42	3,964,174	396.42

e Particulars of shareholders holding more than 5% shares of a class of shares

	As at 31 March 2021		As at 31 March 2020	
	No. of Shares	Amount	No. of Shares	Amount
Agile Electric Sub Assembly Private Limited	17,142,121	54.46%	17,142,121	54.46%
Igarashi Electric Works (H.K) Limited, Hong Kong	2,499,993	7.94%	2,499,993	7.94%
UTI Mutual Fund	-	0.00%	1,544,328	4.91%
Igarashi Electric Works Limited, Japan	3,964,174	12.59%	3,964,174	12.59%

f Shares reserved for issue under options

	As at 31 March 2021	As at 31 March 2020
Under Employee Stock Option Scheme, 2017: 600,000 equity shares of ₹ 10 each, at an exercise price of ₹ 650 per share (see Note 20)	60.00	60.00

g In the period of five years immediately preceding March 31, 2021:

i) The Company has allotted 866,604 fully paid up equity shares of face value ₹ 10/- each during the year ended 31 March 2019 pursuant to a bonus issue approved by the shareholders through postal ballot. Record date fixed by the Board of Directors was 28 September 2018. The bonus shares were issued by utilization of securities premium.

ii) The Company has not allotted any other equity shares as fully paid up without payment being received in cash.

18 OTHER EQUITY

A.i Securities premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013

A.ii General reserve

The general reserve is a free reserve which is used from time to time to transfer profits from retained earnings for appropriation purposes.

Notes forming part of the Financial Statements

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

B ESOP Outstanding account

	Year ended 31 March 2021	Year ended 31 March 2020
Opening balance	1,113.63	768.57
Share-based payments	40.54	345.06
Transfer on account of expiry of exercise period of stock options	(543.92)	-
	610.25	**1,113.63**

C Dividends

The following dividends were declared and paid by the Company during the year

	Year ended 31 March 2021	Year ended 31 March 2020
₹ 1.20/- per equity share (31 March 2019: ₹ 4.90/- per equity share)	377.70	1,542.28
Dividend distribution tax (DDT) on dividend to equity shareholders	-	317.02
	377.70	**1,859.30**

After the reporting dates the following dividends (excluding dividend distribution tax) were proposed by the directors subject to the approval at the annual general meeting; the dividends have not been recognised as liabilities.

	Year ended 31 March 2021	Year ended 31 March 2020
₹ 1.50/- per equity share (31 March 2020: ₹ 1.20/- per equity share)	472.13	377.70

D Analysis of accumulated OCI (net of tax)

(i) Other items of OCI

	As at 31 March 2021	As at 31 March 2020
Remeasurements of defined benefit liability	-	(365.97)
	-	**(365.97)**

Remeasurements of defined benefit liability

	Year ended 31 March 2021	Year ended 31 March 2020
Opening balance	(365.97)	(128.79)
Remeasurements of defined benefit liability	(8.89)	(237.18)
Transfer to retained earnings	374.86	-
Closing balance	**-**	**(365.97)**

Notes forming part of the Financial Statements

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

(ii) Disaggregation of changes in items of OCI (net of tax)

	Equity investments through OCI (a)	Effective portion of cash flow hedges (b)	Remeasurement of defined benefit liability (c)	Total
Year ended 31 March 2020				
Effective portion of gains / (losses) on hedging instruments in cash flow hedges	-	(314.52)	-	(314.52)
Equity investments through other comprehensive income - net change in fair value	(1,449.12)	-	-	(1,449.12)
Remeasurement of defined benefit liability	-	-	(237.18)	(237.18)
	(1,449.12)	**(314.52)**	**(237.18)**	**(2,000.82)**
Year ended 31 March 2020				
Effective portion of gains / (losses) on hedging instruments in cash flow hedges	-	70.89	-	70.89
Equity investments through other comprehensive income - net change in fair value	(640.31)	-	-	(640.31)
Remeasurement of defined benefit liability	-	-	(8.89)	(8.89)
	(640.31)	**70.89**	**(8.89)**	**(578.31)**

a Equity investments through OCI

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the FVOCI equity investments within equity. The Company transfers amounts therefrom to retained earnings when the relevant equity securities are derecognised.

b Effective portion of cash flow hedges

This comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

c Remeasurement of defined benefit liability

Remeasurements of defined benefit liability (asset) comprises actuarial gains and losses and return on plan assets (excluding interest income).

E Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. Management monitors the return on capital, as well as the level of dividends to equity shareholders.

Notes forming part of the Financial Statements

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

19 EARNINGS PER SHARE

Basic and diluted earnings per share

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic and diluted earnings per share calculation are as follows:

(i) Profit attributable to equity shareholders (basic and diluted)

	As at 31 March 2021	As at 31 March 2020
Profit for the year, attributable to the equity holders	2,562.03	2,990.86

(ii) Weighted average number of equity shares (for computing basic earnings per share)

Opening balance (number of equity shares)	31,475,048	31,475,048
Weighted average number of equity shares for the year	**31,475,048**	**31,475,048**

(iii) Weighted average number of equity shares (for computing diluted earnings per share)

Opening balance (number of equity shares)	31,475,048	31,475,048
Effect of dilutive common equivalent shares - share options outstanding	-	-
Weighted average number of equity shares for the year	**31,475,048**	**31,475,048**

Equity stock options were excluded from the calculation of diluted weighted average number of equity shares as their effect would have been antidilutive.

20 SHARE-BASED PAYMENTS

A. Description of share-based payment arrangements

At 31 March 2020, the Company has the following share-based payment arrangements:

Employees Stock Option Scheme - 2017 (equity settled)

The scheme was approved by a resolution of the Board of Directors of Igarashi Motors India Limited duly passed on 11 May 2017 and by a special resolution of shareholders on 2 August 2017. The scheme provides for issuance of 600,000 options, convertible to equivalent number of equity shares of Face Value of ₹ 10 each, to the eligible employees (key management personnel, employees of the Holding Company and other employees of the Company). The exercise price shall be ₹650 per option or such other price as may be fixed by the Board or Committee. The options will vest over a period of 2 years, with 50% vesting each year. The key terms and conditions related to the grants under these plans are as follows; all options are to be settled by the delivery of shares.

Grant date/employees entitled	Number of instruments granted	Vesting conditions	Contractual life of options
Option grant to key management personnel of the Company on 22 May 2018	17,000	Options will lapse on Resignation	2 years
Option grant to key management personnel of the Company on 22 May 2018	17,000	Same as above	3 years
Option grant to employees of Holding Company on 22 May 2018	19,450	Same as above	2 years
Option grant to employees of Holding Company on 22 May 2018	19,450	Same as above	3 years
Option grant to other employees of the Company on 22 May 2018	217,350	Same as above	2 years
Option grant to other employees of the Company on 22 May 2018	217,350	Same as above	3 years
Total share options	**507,600**		

Notes forming part of the Financial Statements

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

B. Measurement of fair values

	Year ended 31 March 2021	Year ended 31 March 2020
Fair value at grant date (value based on Black-Scholes Merton formula)	254.96	254.96
Share price at grant date	795.85	795.85
Exercise price	650	650
Expected volatility (weighted average volatility)	30%	30%
Expected life (expected weighted average life)	1.5 to 2.5 years	1.5 to 2.5 years
Expected dividends	0.88%	0.88%
Risk-free interest rate (based on government bonds) (weighted average rate)	7.28%	7.28%

Expected volatility has been based on an evaluation of the historical volatility of the Company's share price.

Measurement of fair values for key management personnel and other employees is done using same assumptions / values.

C. Reconciliation of outstanding share options

The number and weighted-average exercise prices of share options under the share option plans are as follows.

	Year ended 31 March 2021		Year ended 31 March 2020	
	Weighted average exercise price	Number of options	Weighted average exercise price	Number of options
Opening balance	650.00	426,625	650.00	455,850
Granted during the year	-	-	-	-
Forfeited / lapsed during the year	650.00	(227,925)	650.00	(29,225)
Outstanding at 31 March	650.00	198,700	650.00	426,625
Exercisable at 31 March		-		-

The options outstanding at 31 March 2021 have an exercise price of ₹ 650 per share and a weighted average remaining contractual life of 0.5 years.

D. Expense recognised in statement of profit and loss

The Company has granted 507,600 options (468,700 options to its employees and 38,900 stock options to the employees of the Holding Company) under its stock option plan during the year ended 31 March 2019. Accordingly, the Company has recorded net employee benefit expenses amounting to ₹ 40.54 lakhs for the year ended 31 March 2021 (₹ 350.28 lakhs for the year ended 31 March 2020) based on the fair value of the options granted. Also see Note 31.

Notes forming part of the Financial Statements

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

21 BORROWINGS

	Year ended 31 March 2021	Year ended 31 March 2020
Non-current borrowings		
Term Loan from banks (Secured)		
External commercial borrowings (ECB)	-	-
Term loan from banks	1,915.01	2,829.09
	1,915.01	**2,829.09**
Current borrowings		
Loan from banks (Secured)		
Current maturities of long term borrowings (ECB and term loan)	1,889.22	3,555.97
Working capital facilities from banks - (Buyer's credit, cash credit and packing credit)	4,930.53	4,641.71
	6,819.75	**8,197.68**
Less: Amount included under 'other financial liabilities'	(1,889.22)	(3,555.97)
	4,930.53	**4,641.71**

Information about the Company's exposure to interest rate, foreign currency and liquidity risks is included in Note 36

A. Terms and repayment schedule

Terms and conditions of outstanding borrowings are as follows:

	Currency	Nominal interest rate	Year of maturity	Carrying amount at 31 March 2021	Carrying amount at 31 March 2020
ECB	USD	Libor + 2.95%	2017-21	-	618.90
Term loan from banks - II	INR	Base rate + 1%	2017-21	-	369.79
Term loan from banks - III	USD	Libor + 2.75%	2018-22	971.23	3,396.36
Term loan from banks - IV	INR	MCLR + 1%	2020-23	1,833.00	2,000.00
Term loan from banks - V	INR	MCLR + 0.55%	2020-23	1,000.00	-
Packing credit - I	USD	Libor + 2.50%	2020-21	2,134.11	2,641.63
Packing credit - II	USD	Libor + 2.75%	2020-21	2,796.42	2,000.09
				8,734.76	11,026.77

B. Secured bank loans

External commercial borrowings are secured by first pari passu charge on the entire moveable and immoveable fixed assets of the Company, both present and future; and pari passu second charge on the current assets of the Company, both present and future.

Term loan from banks are secured by first pari passu charge on the entire moveable and immoveable fixed assets of the Company, both present and future; and pari passu second charge on the current assets of the Company, both present and future.

Notes forming part of the Financial Statements

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

Working capital facilities (Cash credit, packing credit - I and buyer's credit) are secured by first pari passu charge on the entire current assets of the Company, both present and future; and pari passu second charge on the fixed assets of the Company, both present and future.

Packing credit - II are secured by first pari passu charge on the current assets of the Company; and pari passu second charge on moveable fixed assets of the Company.

C. Changes in liabilities arising from financing activities

	As at 31 March 2020	Cash flows	Foreign exchange movement	As at 31 March 2021
Long-term borrowings (including current maturities)	6,385.06	(2,555.95)	(24.88)	3,804.23
Short-term borrowings	4,641.71	269.42	19.40	4,930.53
Total liabilities from financing activities	**11,026.77**	**(2,286.53)**	**(5.48)**	**8,734.76**

	As at 31 March 2019	Cash flows	Foreign exchange movement	As at 31 March 2020
Long-term borrowings (including current maturities)	10,067.87	(3,907.60)	224.79	6,385.06
Short-term borrowings	1,764.09	2,665.07	212.55	4,641.71
Total liabilities from financing activities	**11,831.96**	**(1,242.53)**	**437.34**	**11,026.77**

22 PROVISIONS

	As at 31 March 2021	As at 31 March 2020
Provision for employee benefit		
Net defined liability for gratuity	216.26	349.93
Liability for compensated absences	168.84	159.79
Other provisions	541.44	21.19
	926.54	**530.91**
Non current	-	-
Current	926.54	530.91
	926.54	**530.91**

For details about the related employee benefit expenses, see Note 31

The Company operates the following post-employment defined benefit plans:

The Company has a defined benefit gratuity plan in India (the Plan), governed by the Payment of Gratuity Act, 1972. The Plan entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages

Notes forming part of the Financial Statements

for the year ended 31 March 2021

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last drawn by the employee at the time of retirement, death or termination of employment. Liabilities for the same are determined through an actuarial valuation as at the reporting dates using the "projected unit cost method".

These defined benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk.

The Company provides the gratuity benefit through annual contribution to Life Insurance Corporation of India (LIC)

A. Reconciliation of the net defined benefit (asset)/ liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset) liability and its components

Reconciliation of present value of defined benefit obligation

	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	961.41	706.70
Benefits paid	(109.03)	(164.24)
Current service cost	87.16	80.20
Interest cost	56.26	53.54
Acquisition adjustment	56.63	(4.35)
Actuarial (gains) losses recognised in other comprehensive income		
- changes in demographic assumptions	-	(58.66)
- changes in financial assumptions	2.86	129.53
- experience adjustments	7.67	218.69
Balance at the end of the year	**1,062.96**	**961.41**

Reconciliation of present value of plan assets

	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	611.48	650.24
Benefits paid	(109.03)	(164.24)
Contributions paid into the plan	299.39	82.07
Interest income	35.80	49.27
Employee transfer adjustment	10.41	(4.35)
Return on plan assets recognised in other comprehensive income	(1.35)	(1.51)
Balance at the end of the year	**846.70**	**611.48**
Net defined benefit obligation	**216.26**	**349.93**

Notes forming part of the Financial Statements

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

B. Expense recognised in the statement of profit or loss

	Year ended 31 March 2021	Year ended 31 March 2020
Current service cost	87.16	80.20
Interest cost	56.26	53.54
Interest income	(35.80)	(49.27)
	107.62	84.47

Remeasurements recognised in other comprehensive income

	Year ended 31 March 2021	Year ended 31 March 2020
Actuarial (gain) loss on defined benefit obligations	10.53	289.56
Return on plan assets excluding interest income	1.35	1.51
	11.88	291.07

C. Defined benefit obligation

i. Actuarial assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	As at 31 March 2021	As at 31 March 2020
Discount rate	5.80%	5.85%
Future salary growth	8.00%	8.00%
Attrition rate	17%	17%

ii. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	Year ended 31 March 2021		Year ended 31 March 2020	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(53.81)	61.39	(50.41)	55.83
Future salary growth (1% movement)	57.43	(51.97)	52.49	(48.77)
Attrition rate (50% of attrition rates movement)	(36.26)	184.20	(35.29)	78.80

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown

D. Movement in other provisions

	As at 31 March 2021	As at 31 March 2020
Balance at the beginning of the year	21.19	-
Add: Provision made during the year	1,097.99	1,118.90
Less: Amount utilized during the year	(577.74)	(1,097.71)
Balance at the end of the year	**541.44**	**21.19**

Notes forming part of the Financial Statements

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

23 TRADE PAYABLES

	As at 31 March 2021	As at 31 March 2020
Dues to micro, small and medium enterprises (refer Note 39)	582.25	243.86
Dues of creditors other than micro enterprises and small enterprises		
Dues to related parties (refer Note 38)	548.41	441.12
Dues to others	11,057.07	9,049.95
	11,605.48	**9,491.07**
	12,187.73	**9,734.93**

All trades payables are 'current'

The Company's exposure to currency and liquidity risk related to trade payables is disclosed in Note 36. Also, refer Note 39 for disclosure required under Micro, Small and Medium Enterprises Development Act, 2006.

24 OTHER FINANCIAL LIABILITIES

	As at 31 March 2021	As at 31 March 2020
Current maturities of long-term borrowings (refer Note 21)	1,889.22	3,555.97
Payables for capital goods	403.94	74.87
Forward exchange contracts used for hedging	-	133.61
Interest accrued but not due	8.40	41.29
Unpaid dividends	61.91	59.42
	2,363.47	**3,865.16**

All other financial liabilities are 'current'

The Company's exposure to currency and liquidity risk related to above financial liabilities is disclosed in Note 36.

25 OTHER FINANCIAL LIABILITIES

	As at 31 March 2021	As at 31 March 2020
Dues to employees	511.26	5.82
Advances from customers	158.73	133.82
Statutory dues	202.16	160.73
	872.15	**300.37**

Notes forming part of the Financial Statements

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

26 OPERATING SEGMENTS

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Managing Director (MD) to make decisions about resources to be allocated to the segments and assess their performance.

The Company is predominantly engaged in the business of manufacture of micro motors and its accessories mainly for the automotive sector. The entity's chief operating decision maker considers the Company as a whole to make decisions about resources to be allocated to the segment and assess its performance. Accordingly, the Company does not have multiple segments and these financial statements are reflective of the information required by the Ind AS 108 for micro motors segment. The Company's operations are entirely domiciled in India and as such all its non-current assets are located in India.

A. Geographic information:

The geographic information analyses the Company's revenue by the Company's country of domicile and other countries. In presenting the geographical information, segment revenue has been determined based on the geographic location of the customers.

	Year ended 31 March 2021	Year ended 31 March 2020
United States of America	1,204.46	16,488.50
Japan	37,485.52	10,439.49
Germany	918.52	9,036.23
Hong Kong	-	8,313.32
India	10,011.64	5,916.63
Rest of the world	3,665.91	3,245.31
	53,286.05	**53,439.48**

The Company's operations are entirely carried out in India and as such all its non-current assets are located in India.

B. Major Customers

Revenue from customers that individually constituted more than 10% of the Company's revenue are as follows:

	Year ended 31 March 2021	Year ended 31 March 2020
Igarashi Motoren Gmbh, Germany	6.70	7,063.12
Igarashi Motor Sales USA LLC, USA	333.71	15,861.95
Igarashi Electric Works Limited, Japan	37,485.52	10,439.49
Igarashi Electric Works International Limited, Hong Kong	32.35	8,313.32

Notes forming part of the Financial Statements

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

27 REVENUE FROM OPERATIONS

		Year ended 31 March 2021	Year ended 31 March 2020
a	**Revenue streams**		
	Sale of products	52,029.89	52,381.51
	Other operating revenue		
	Scrap Sales	1,256.16	1,057.97
		53,286.05	**53,439.48**

b Revenue from contract with customers have been disaggregated based on customer markets (refer Note 26)

c **Contract balances**

The following disclosure provide information about receivables, contract assets and liabilities from contract with customers.

	Year ended 31 March 2021	Year ended 31 March 2020
Receivable which are inlcuded in trade receivables (refer Note 11)	16,708.43	13,711.01
Payable which are inlcuded in other current liabilities (refer Note 25)	158.73	133.82

28 OTHER INCOME

	Year ended 31 March 2021	Year ended 31 March 2020
Income from MEIS scrips	407.96	859.03
Interest income on		
Cash and bank balances	14.34	16.10
Others	37.90	11.24
Financial assets at FVTPL-net change in fair value		
Mandatorily measured at FVTPL - others	50.01	153.84
Gain on foreign currency transactions (net)	229.08	96.46
Miscellaneous income	214.28	30.82
	953.57	**1,167.49**

29 COST OF MATERIALS CONSUMED

	Year ended 31 March 2021	Year ended 31 March 2020
Inventory of materials at the beginning of the year	5,808.79	4,721.28
Add: Purchases	34,556.51	32,847.78
Less: Inventory of materials at the end of the year	(8,380.00)	(5,808.79)
	31,985.30	**31,760.27**

Notes forming part of the Financial Statements

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

30 CHANGES IN INVENTORY OF FINISHED GOODS AND WORK-IN-PROGRESS

	Year ended 31 March 2021			Year ended 31 March 2020		
	Opening stock	Closing stock	(Increase) / Decrease	Opening stock	Closing stock	(Increase) / Decrease
Finished goods	1,057.38	990.60	66.78	281.76	1,057.38	(775.62)
Work-in-progress	342.46	363.75	(21.29)	672.75	342.46	330.29
	1,399.84	**1,354.35**	**45.49**	**954.51**	**1,399.84**	**(445.33)**

31 EMPLOYEE BENEFITS EXPENSE

	Year ended 31 March 2021	Year ended 31 March 2020
Salaries, wages and bonus	3,439.29	3,532.49
Contribution to provident funds	210.30	229.73
Expenses related to post-employment defined benefit plans	107.62	84.47
Expenses related to compensated absences	80.69	162.87
Equity-settled share based payments	40.54	350.28
Staff welfare expenses	736.41	792.30
	4,614.85	**5,152.14**

32 FINANCE COSTS

	Year ended 31 March 2021	Year ended 31 March 2020
Interest expense on financial liabilities (other than lease liabilities) measured at amortised cost	494.49	673.10
Interest expense on lease liabilities	107.13	157.91
Applicable net loss on foreign currency transactions and translations to the extent regarded as borrowing costs	(69.26)	417.46
Others	85.99	159.69
	618.35	**1,408.16**

33 DEPRECIATION AND AMORTIZATION EXPENSE

	Year ended 31 March 2021	Year ended 31 March 2020
Depreciation of property, plant and equipment (refer Note 5)	3,770.17	3,630.72
Amortization of right-of-use assets (refer Note 6)	496.46	501.35
Amortization of intangible assets (refer Note 7)	201.50	121.43
	4,468.13	**4,253.50**

Notes forming part of the Financial Statements

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

34 OTHER EXPENSES

	Year ended 31 March 2021	Year ended 31 March 2020
Consumption of stores and tools	717.26	797.23
Freight, delivery and shipping charges	670.03	288.69
Rent	51.69	48.56
Outsourced manpower cost	1,909.07	2,010.52
Commission	23.28	103.61
Power and fuel	1,036.01	1,143.32
Rates and taxes	57.79	108.75
Insurance	178.05	152.25
Repairs and maintenance		
Buildings	55.54	16.67
Machinery	956.21	917.96
Others	21.78	31.29
Legal and professional charges (refer note (a) below)	488.52	835.61
Royalty	410.32	73.48
Travel and Conveyance	532.84	476.36
Communication expenses	40.23	56.88
Recruitment and training	12.97	9.36
Sitting fees and commission to Independent Directors' (including taxes)	37.47	39.83
Security expenses	217.16	234.31
Printing and stationery	41.69	54.87
Quality cost	1,097.99	1,118.90
Provision for loss allowance for expected credit losses	65.10	21.60
Bank charges	68.34	93.76
Expenditure on corporate social responsibility (refer note (b) below)	149.10	202.20
Miscellaneous expenses	424.12	396.64
	9,262.56	**9,232.65**

Notes forming part of the Financial Statements

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

a. Payment to auditors (excluding taxes)

	Year ended 31 March 2021	Year ended 31 March 2020
As auditor		
Statutory audit	53.00	45.00
Tax audit	5.00	4.50
Limited review of quarterly results	27.00	29.00
In other capacity		
Tax services	3.00	5.75
Certification	7.00	9.00
Reimbursement of expenses	4.05	6.30
	99.05	**99.55**

b. Details of corporate social responsibility expenditure

	Year ended 31 March 2021	Year ended 31 March 2020
Amount required to be spent by the Company during the year	147.00	199.57
Amount spent during the year (in cash) :		
(i) Construction/ acquisition of any asset	-	-
(ii) On purposes other than (i) above	149.10	202.20

35 INCOME TAX

A. Amount recognised in the statement of profit and loss

	Year ended 31 March 2021	Year ended 31 March 2020
Current tax		
Current period	763.13	610.59
Tax for earlier years	(170.86)	61.20
Total current tax expense	**592.27**	**671.79**
Deferred tax		
Origination and reversal of temporary difference	90.64	(417.07)
Total deferred tax expense / (benefit)	**90.64**	**(417.07)**
	682.91	**254.72**

Notes forming part of the Financial Statements

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

B. Income tax recognised in other comprehensive income

	Year ended 31 March 2021			Year ended 31 March 2020		
	Before tax	Tax benefit	Net of tax	Before tax	Tax expense	Net of tax
Remeasurement of defined benefit liability (asset)	(11.88)	2.99	(8.89)	(291.07)	53.89	(237.18)
Effective portion of gains (losses) on hedging instruments in cash flow hedges	94.73	(23.84)	70.89	(470.22)	155.70	(314.52)
	82.85	**(20.85)**	**62.00**	**(761.29)**	**209.59**	**(551.70)**

C. Reconciliation of effective tax rate

	Year ended 31 March 2021		Year ended 31 March 2020	
Profit before tax		3,244.94		3,245.58
Tax using the Company's domestic tax rate	25.17%	816.69	25.17%	816.85
Effect of tax rate changes on deferred tax	0.00%	-	-19.41%	(630.07)
Tax related to prior years	-5.27%	(170.86)	1.89%	61.20
Effect of non-deductible expenses	1.14%	37.08	0.21%	6.74
Income tax expense	**21.05%**	**682.91**	**7.85%**	**254.72**

Notes forming part of the Financial Statements

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

D. Recognized deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

	Deferred tax (assets)		Deferred tax liabilities		Net Deferred tax (assets) / liabilities	
	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020	As at 31 March 2021	As at 31 March 2020
Property, plant and equipment	-	-	2,154.46	2,038.72	2,154.46	2,038.72
Leases	(17.34)	(51.90)	-	-	(17.34)	(51.90)
Provision - employee benefits	(96.92)	(128.29)	-	-	(96.92)	(128.29)
Effective portion of cash flow hedges	-	-	9.57	(14.27)	9.57	(14.27)
Other items	(185.45)	(100.19)	-	8.76	(185.45)	(91.43)
Net deferred tax (assets) / liabilities	**(299.71)**	**(280.38)**	**2,164.03**	**2,033.21**	**1,864.32**	**1,752.83**

Movement in temporary differences:

	Balance as at 1 April 2019	Recognized in profit or loss during 2019-20	Recognized in OCI during 2019-20	Transition impact on adoption of Ind AS 116	Balance as at 31 March 2020	Recognized in profit or loss during 2020-21	Recognized in OCI during 2020-21	Balance as at 31 March 2021
Property, plant and equipment	2,463.87	(425.15)	-	-	2,038.72	115.74	-	2,154.46
Leases	-	30.17	-	(82.07)	(51.90)	34.56	-	(17.34)
Provision - employee benefits	(91.78)	17.38	(53.89)	-	(128.29)	34.36	(2.99)	(96.92)
Effective portion of cash flow hedges	141.43	-	(155.70)	-	(14.27)	-	23.84	9.57
Other items	(51.96)	(39.47)	-	-	(91.43)	(94.02)	-	(185.45)
	2,461.56	**(417.07)**	**(209.59)**	-	**1,752.83**	**90.64**	**20.85**	**1,864.32**
Minimum alternate tax*	(417.00)	417.00	-	-	-	-	-	-
	2,044.56	**(0.07)**	**(209.59)**	-	**1,752.83**	**90.64**	**20.85**	**1,864.32**

During the previous year, the Taxation Laws (Amendment) Ordinance, 2019 (Ordinance) was promulgated on 20 September 2019, which provided an option to domestic companies to pay income tax at reduced rates applicable from 1 April 2019, subject to certain conditions therein. Company after detailed evaluation, had opted for new tax regime. Accordingly the tax rate is 22% plus applicable surcharges and cess.

36 FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT (CONTD.)

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

A. Accounting classification and fair values

31 March 2021

		Carrying amount						Fair value			
	Note	Fair value - hedging instruments	Mandatorily at FVTPL - others	FVOCI - equity instruments	Other financial assets - Amortised cost	Other financial liabilities	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial assets and liabilities measured at fair value											
Investments											
-Equity shares	8	-	-	89.71	-	-	89.71	-	-	89.71	89.71
-Mutual funds	10	-	-	-	-	-	-	-	-	-	-
Forward exchange contracts used for hedging	15	8.81	-	-	-	-	8.81	-	8.81	-	8.81
		8.81	**-**	**89.71**	**-**	**-**	**98.52**	**-**	**8.81**	**89.71**	**89.71**
Financial assets not measured at fair value (Refer Note 1 below)											
Trade receivables	11	-	-	-	16,708.43	-	16,708.43				
Cash and cash equivalents	12	-	-	-	1,158.51	-	1,158.51				
Other bank balances	13	-	-	-	189.01	-	189.01				
Deposits and other receivables	14	-	-	-	549.39	-	549.39				
		-	**-**	**-**	**18,605.34**	**-**	**18,605.34**				
Financial liabilities not measured at fair value (Refer Note 1 below)											
Trade payables	23	-	-	-	-	12,187.73	12,187.73				
Lease Liabilities	6	-	-	-	-	777.49	777.49				
Borrowings	21	-	-	-	-	8,734.76	8,734.76				
Other financial liabilities	24	-	-	-	-	474.25	474.25				
		-	**-**	**-**	**-**	**22,174.23**	**22,174.23**				

Notes forming part of the Financial Statements

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

31 March 2020

		Carrying amount						Fair value			
	Note	Fair value - hedging instruments	Mandatorily at FVTPL - others	FVOCI - equity instruments	Other financial assets - Amortised cost	Other financial liabilities	Total carrying amount	Level 1	Level 2	Level 3	Total
Investments											
-Equity shares	8	-	-	730.02	-	-	730.02	-	-	730.02	730.02
-Mutual funds	10	-	2,052.17	-	-	-	2,052.17	2,052.17	-	-	2,052.17
		-	**2,052.17**	**730.02**	**-**	**-**	**2,782.19**	**2,052.17**	**-**	**730.02**	**2,782.19**
Financial liabilities measured at fair value											
Forward exchange contracts used for hedging	24	133.61	-	-	-	-	133.61	-	133.61	-	133.61
		133.61	**-**	**-**	**-**	**-**	**133.61**				
Financial assets not measured at fair value (Refer Note 1 below)											
Trade receivables	11	-	-	-	13,711.01	-	13,711.01				
Cash and cash equivalents	12	-	-	-	282.11	-	282.11				
Other bank balances	13	-	-	-	59.42	-	59.42				
MEIS scrips available for sale	15	-	-	-	65.92	-	65.92				
Deposits and other receivables	14	-	-	-	551.29	-	551.29				
		-	**-**	**-**	**14,669.75**	**-**	**14,669.75**				
Financial liabilities not measured at fair value (Refer Note 1 below)											
Trade payables	23	-	-	-	-	9,734.93	9,734.93				
Borrowings	21	-	-	-	-	11,026.77	11,026.77				
Lease Liabilities	6	-	-	-	-	1,361.54	1,361.54				
Other financial liabilities	24	-	-	-	-	175.58	175.58				
		-	**-**	**-**	**-**	**22,298.82**	**22,298.82**				

Note 1: The Company has not disclosed fair values of financial instruments such as trade receivables, cash and bank balances, deposits and other receivables, MEIS scrips available for sale, other receivables from related parties, trade payables, borrowings because their carrying amounts are reasonable approximations of their fair values.

Notes forming part of the Financial Statements

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

B. Measurement of fair values

i. Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments measured at fair value in the balance sheet, as well as the significant unobservable inputs used. Related valuation process are described in Note 2.5

Type	Valuation technique used	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Forward contracts used for hedging	Forward pricing: The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies.	Not applicable	Not applicable
Investments in unquoted equity shares	31 March 2020 Market approach – in this approach, multiples and other relevant information generated by companies in similar business or market transactions involving identical or comparable (i.e. similar) companies are used to arrive at the fair value.	- Revenue multiples for comparable companies (31 March 2020: 0.8x to 0.9x) - Revenue multiples for comparable transactions (31 March 2020: 0.7x to 0.9x)	The estimated fair value would increase / (decrease) if the revenue multiples were higher (lower).

The Company has entered into an agreement for sale of its investments in equity shares of Bosch Electrical Drives India Private Limited at ₹ 1 per share. Accordingly, this investment has been accounted at the agreed sale price and the sale transaction has taken place subsequently in the month April, 2021.

ii. Level 3 fair values

	Year ended 31 March 2021	Year ended 31 March 2020
Opening balance	(2,696.04)	(1,246.92)
Loss included in OCI - net change in fair value (unrealised)	(640.31)	(1,449.12)
Closing balance	**(3,336.35)**	**(2,696.04)**

Sensitivity analysis

For the fair values of FVOCI equity securities, reasonably possible changes at the reporting date to one of the significant unobservable inputs, holding other inputs constant, would have the following effects.

	Year ended 31 March 2021		Year ended 31 March 2020	
	OCI, net of tax		OCI, net of tax	
	Increase	Decrease	Increase	Decrease
Revenue multiples for comparable companies (0.1x movement)	-	-	134.80	(134.80)
Revenue multiples for comparable transactions (0.1x movement)	-	-	134.80	(134.80)

Notes forming part of the Financial Statements

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- credit risk (see C.ii);
- liquidity risk (see C.iii); and
- market risk (see C.iv)

i. Risk management framework

The Company's Board of Director has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors along with the top management are responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers; loans and investments.

The carrying amounts of financial assets represent the maximum credit risk exposure.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of the Company's trade receivables, certain loans and advances and other financial assets.

a. Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue. Further, management believes that the unimpaired amounts that are past due by more than 90 days are still collectible in full except to the extent already provided, based on historical payment behavior and extensive analysis of customer credit risk. The impairment loss at the reporting dates related to several customers that have defaulted on their payments to the Company and are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

Notes forming part of the Financial Statements

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

The Company determines credit risk based on a variety of factors including but not limited to the age of the receivables, cash flow projections and available press information about customers. In order to calculate the loss allowance, loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency through write-off. Roll rates are calculated separately for exposures in different stages of delinquency primarily determined based on the time period for which they are past due.

More than 70% of the Company's customers are related parties who have been transacting with the Company for over five years, and none of these customers' balances have been credit-impaired in the past. In monitoring customer credit risk, customers are grouped according to their credit characteristics, and their geographic location and existence of previous financial difficulties.

The Company's exposure to credit risk for trade receivables by geographic region is as follows:

	Year ended 31 March 2021	Year ended 31 March 2020
Japan	11,322.28	8,038.34
United States of America	399.36	179.46
Germany	194.30	1,289.68
Hong Kong	-	1,075.19
India	3,971.66	2,728.56
Rest of the world	986.08	499.93
Total receivables (Gross)	**16,873.68**	**13,811.16**

The ageing of trade receivables that were not impaired as at the reporting date was:

As at 31 March 2021

	Gross carrying amount	Weighted-average loss rate	Loss allowance	Whether credit -impaired
Not due	14,147.93	0.45%	(64.06)	No
Past due 1-90 days	2,656.52	1.34%	(35.58)	No
Past due 90-180 days	9 .27	63.97%	(5.93)	No
Past due 181-365 days	1.32	78.79%	(1.04)	No
Past due 365 - 720 days	58.64	100.00%	(58.64)	Yes
Total	**16,873.68**		**(165.25)**	

As at 31 March 2020

	Gross carrying amount	Weighted-average loss rate	Loss allowance	Whether credit -impaired
Not due	9,529.32	0.26%	(25.03)	No
Past due 1-90 days	4,189.59	0.56%	(23.58)	No
Past due 90-180 days	87.13	53.28%	(46.42)	No
Past due 181-365 days	-	0.00%	-	No
Past due 365 - 720 days	5.12	100.00%	(5.12)	No
Total	**13,811.16**		**(100.15)**	

Notes forming part of the Financial Statements

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

a. *Movements in the allowance for impairment in respect of trade receivables and loans:*

The movement in the allowance for impairment in respect of trade receivables and loans is as follows:

	Year ended 31 March 2021	Year ended 31 March 2020
Balances at 1 April	100.15	78.55
Provision for the year	65.10	21.60
Balance at 31 March	**165.25**	**100.15**

b. *Cash and bank balances (includes amounts classified under other bank balances and deposits and other receivable)*

The Company holds cash and bank balances of ₹ 1,347.52 lakhs as at 31 March 2021(31 March 2020: ₹ 341.53 lakhs). The credit worthiness of such banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good.

c. *Security deposits*

This balance is primarily constituted by deposit given in relation to leasehold premises occupied by the Company for carrying out its operations. The Company does not expect any losses from non-performance by these counter-parties.

d. *Advance to employees*

This balance is primarily constituted by advances given to the employees. The Company does not expect any losses from non-performance by these counter-parties as the amounts are recoverable by salary deductions.

e. *MEIS receivable from Government*

This balance is primarily constituted by MEIS scrips and applications pending with authorities. The Company does not expect any losses from non-performance by these counter-parties as the amounts are due from Government.

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company uses activity-based costing to cost its products and services, which assists it in monitoring cash flow requirements and optimising its cash return on investments.

The Company aims to maintain the level of its cash and cash equivalents and other highly marketable debt investments at an amount in excess of expected cash outflows on financial liabilities (excluding trade payables).

Notes forming part of the Financial Statements

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements:

		Contractual cash flows				
	Carrying amount	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
31 March 2021						
Non derivative financial liabilities						
Borrowings	8,734.76	5,912.01	907.74	1,168.00	747.00	-
Trade payables	12,187.73	12,187.73	-	-	-	-
Lease Liabilities	777.49	342.58	228.07	199.82	-	-
Other financial liabilities	474.25	474.25	-	-	-	-
	22,174.23	**18,916.57**	**1,135.81**	**1,367.82**	**747.00**	**-**

		Contractual cash flows				
	Carrying amount	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
31 March 2020						
Non derivative financial liabilities						
Borrowings	11,026.77	6,664.53	1,533.16	1,664.08	1,165.00	-
Trade payables	9,734.93	9,734.93	-	-	-	-
Lease Liabilities	1,361.54	336.96	336.96	556.59	131.03	-
Other financial liabilities	175.58	175.58	-	-	-	-
	22,298.82	**16,912.00**	**1,870.12**	**2,220.67**	**1,296.03**	**-**

As disclosed in Note 21, the Company has borrowings that contains loan covenants. A future breach of covenant may require the Company to repay the loan earlier than indicated in the above table.

iv. Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates and interest rates will affect the Companies income or the value of holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters and optimising the return.

Notes forming part of the Financial Statements

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

a. Currency risk

The summary quantitative data about the Company's exposure to currency risk (based on notional amounts) as reported to the management is as follows:

	USD	Others
31 March 2021		
Financial assets:		
Trade receivables	12,860.68	45.12
Cash and cash equivalents	253.01	-
Financial liabilities:		
Borrowings	5,901.76	-
Trade payables	7,680.96	1,316.76
Others	5.32	10.38
Net exposure in respect of recognised assets and liabilities	**(727.36)**	**(1,282.02)**

	USD	Others
31 March 2020		
Financial assets:		
Trade receivables	11,140.28	-
Financial liabilities:		
Borrowings	8,656.98	-
Trade payables	6,605.41	1,445.04
Others	2.35	-
Net exposure in respect of recognised assets and liabilities	**(4,124.46)**	**(1,445.04)**

Sensitivity analysis

A reasonably possible strengthening (weakening) of the US dollar against INR at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Profit / (loss)		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2021				
USD (1% movement)	(7.27)	7.27	(5.44)	5.44
31 March 2020				
USD (1% movement)	(41.24)	41.24	(30.86)	30.86

Notes forming part of the Financial Statements

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

b. Hedge accounting

The Company is exposed to transactional foreign currency risk to the extent that there is a mismatch between the currencies in which sales, purchases, receivables and borrowings are denominated.

Company's risk management policy is to hedge using forward contracts. Hedge exposure is calculated based on highly probable forecast transactions received from each customer. Hedging Strategy on the net exposure is limited to the 75%, 50%, 25% rule as below:

- 75% coverage of hedge exposure of current year
- 50% coverage of hedge exposure of next year
- 25% coverage of hedge exposure of third year

At 31 March 2021, the Company holds the following instruments to hedge exposures to changes in foreign currency:

	Maturity		
	1-6 months	6-12 months	More than one year
Foreign currency risk			
Forward exchange contracts			
Net exposure	441.54	441.54	-
Average INR:USD forward contract rate	74.93	76.67	-

At 31 March 2020, the Company holds the following instruments to hedge exposures to changes in foreign currency

	Maturity		
	1-6 months	6-12 months	More than one year
Foreign currency risk			
Forward exchange contracts			
Net exposure	5,170.52	3,731.32	-
Average INR:USD forward contract rate	75.20	77.00	-

The following table provides a reconciliation by risk category of components of equity and analysis of OCI items, net of tax, resulting from cash flow hedge accounting:

	31 March 2021 Equity head 'Effective portion of cash flow hedges'	31 March 2020 Equity head 'Effective portion of cash flow hedges'
Balance as at 1 April	(65.42)	249.10
Effective portion of changes in fair value		
Foreign currency risk – Sales	94.73	(470.22)
Tax on movements in relevant items of OCI during the year	(23.84)	155.70
Balance as at 31 March	**5.47**	**(65.42)**

Notes forming part of the Financial Statements

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

c. Interest rate risk

The Company has only variable rate instruments i.e. external commercial borrowings, term loans, packing credit and buyer's credit.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to management is as follows:

	31 March 2021	31 March 2020
Fixed rate borrowings	-	-
Variable rate borrowings	8,734.76	11,026.77
	8,734.76	**11,026.77**

Cash flow sensitivity analysis for variable rate instruments

A reasonable possible change of 100 basis points (bp) in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

	Effect on profit and loss before tax	
	100 bp increase	100 bp decrease
31 March 2021		
Variable rate instrument	(87.35)	87.35
Cash flow sensitivity (net)	**(87.35)**	**87.35**
31 March 2020		
Variable rate instrument	(110.27)	110.27
Cash flow sensitivity (net)	**(110.27)**	**110.27**

37 COMMITMENTS AND CONTINGENT LIABILITIES

	As at 31 March 2021	As at 31 March 2020
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided	793.14	88.12
Claims against the Company not acknowledged as debts		
Income tax liability that may arise in respect of matters for which the Company is under appeal	-	53.91
Employees State Insurance demand on dues for trainees	24.34	24.34

Also, the income tax authorities have disallowed carry forward losses in AY 2013-14, but no demand orders have been raised in the subsequent years. Hence, the Company is unable to determine the amount of obligation with sufficient reliability. Management is of the view that its position will likely be upheld on ultimate resolution and will not have a material adverse effect on the Company's financial position and results of operations.

In addition to the above, there are certain claims which the Company receives from time to time in the ordinary course of business for which the amount of obligation cannot be measured with sufficient reliability. Management is of the view that such claims will not have any material adverse effect on the Company's financial position and result of operations.

Notes forming part of the Financial Statements

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

38 RELATED PARTIES

A. Names of related parties and description of relationship

Nature of Relationship	Name of the Party
Ultimate Holding Company	Igarashi Electric Works Limited, Japan
Holding Company	Agile Electric Sub Assembly Private Limited
Fellow subsidiaries	Igarashi Electric Works International Limited, Hong Kong
	Igarashi Electric Works (H.K) Limited, Hong Kong
	Igarashi Motoren Gmbh, Germany
	Igarashi Motor Sales USA LLC, USA
	Igarashi Electric Works (Shenzhen) Ltd
	Igarashi Electric Works (Zhuhai) Ltd
	Yat Yue Industrial Co.(HK) Ltd
Key Managerial Personnel	Mr. R. Chandrasekaran, Managing Director
	Mr. S. Vivekchandranath, Chief Financial Officer
	Mr. P. Dinakara Babu, Company Secretary

B. Transaction with key managerial personnel

Key management personnel of the Company comprise of key members of management having authority and responsibility for planning, directing and controlling the activities of the Company. The key management personnel compensation during the year are as follows:

	For the year ended 31 March 2021	For the year ended 31 March 2020
Short term employee benefits	237.50	214.34
Post-employment defined benefits	*	*
Compensated absences	*	*
Equity-settled share based payments	3.42	33.58
Total	**240.92**	**247.92**

Compensation of the Company's key managerial personnel includes salaries, non-cash benefits and contributions to post-employment defined benefit plan (see Note 31).

* Amount attributable to post employment benefits and compensated absences have not been disclosed as the same cannot be identified distinctly in the actuarial valuation.

Notes forming part of the Financial Statements

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

C. Related party transactions other than key managerial personnel compensation

	Transaction value		Gross balance outstanding Receivable / (Payable)	
	For the year ended 31 March 2021	For the year ended 31 March 2020	As at 31 March 2021	As at 31 March 2020
Sale of goods and services				
Holding Company	619.40	892.29	306.38	303.22
Ultimate Holding Company	37,485.52	10,439.49	11,322.28	8,038.34
Fellow subsidiaries				
Igarashi Electric Works International Limited, Hong Kong	32.35	8,313.32	3.58	1,075.19
Igarashi Motoren Gmbh, Germany	6.70	7,063.12	-	394.66
Igarashi Motor Sales USA LLC, USA	333.71	15,861.95	8.10	-
Igarashi Electric Works (Shenzhen) Ltd	1.07	-	1.07	-
Igarashi Electric Works (Zhuhai) Ltd	-	22.93	-	24.38
Acquisition of property, plant and equipment, intangible assets and capital work-in-progress				
Ultimate Holding Company	-	400.36	-	-
Holding Company	-	8.65	-	-
Fellow subsidiaries				
Igarashi Motoren Gmbh, Germany	34.00	2.72	-	-
Purchase of goods				
Ultimate Holding Company	492.65	442.98	(160.66)	(138.46)
Holding Company	263.96	65.04	(138.49)	(65.04)
Fellow subsidiaries				
Igarashi Electric Works International Limited, Hong Kong	-	10.94	-	-
Igarashi Electric Works (Shenzhen) Ltd	14.25	-	-	
Igarashi Electric Works (Zhuhai) Ltd	58.18	40.22	-	(24.65)
Yat Yue Industrial Co.(HK) Ltd	670.42	555.15	(244.39)	(204.64)
Dividend paid				
Ultimate Holding Company	47.57	194.24	-	-
Holding Company	205.71	839.96	-	-
Fellow subsidiaries				
Igarashi Electric Works (H.K) Limited, Hong Kong	30.00	122.50	-	-

Notes forming part of the Financial Statements

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

	Transaction value		Gross balance outstanding Receivable / (Payable)	
	For the year ended 31 March 2021	For the year ended 31 March 2020	As at 31 March 2021	As at 31 March 2020
Commission				
Ultimate Holding Company	-	84.98	-	-
Royalty				
Ultimate Holding Company	410.32	73.48	-	(73.48)
Professional fees				
Ultimate Holding Company	-	221.57	-	(150.95)
Quality cost				
Holding Company	3.52	-	-	-
Fellow subsidiaries				
Igarashi Electric Works International Limited, Hong Kong	3.74	191.97	-	-
Igarashi Motoren Gmbh, Germany	33.83	185.39	(4.87)	-
Igarashi Motor Sales USA LLC, USA	10.97	218.72	-	(8.33)
Reimbursement of expenses paid				
Holding company	80.07	5.77	-	(23.52)
Fellow subsidiaries				
Igarashi Electric Works International Limited, Hong Kong	1.05	-	-	-
Igarashi Motoren Gmbh, Germany	0.94	-	-	-
Igarashi Electric Works (Zhuhai) Ltd	14.73	7.55	-	-
Reimbursement of expenses received				
Fellow subsidiaries				
Igarashi Electric Works International Limited, Hong Kong	4.94	-	-	-
Rental deposit				
Holding company	-	-	22.20	22.20
Rent paid				
Holding company	62.98	49.56	-	-

Notes forming part of the Financial Statements

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

39 DUE TO MICRO, SMALL AND MEDIUM ENTERPRISES

Disclosure required under Clause 22 of Micro, Small and Medium Enterprise Development ('MSMED') Act, 2006.

		As at 31 March 2021	As at 31 March 2020
(a)	the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;	582.25	243.86
(b)	the amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	6.59	1.21
(c)	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d)	the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(e)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

The above disclosures are provided based on the information available with the Company in respect of the registration status of its vendors/suppliers. (Also refer Note 23)

40 TRANSFER PRICING

The Company has entered into transactions with certain related parties during the year ended 31 March 2021. The management believes that all such transactions are in compliance with the provisions of Income-tax Act, 1961 and also confirms that it maintains documentation as prescribed, to prove that the transactions are at arm's length. Further, management also believes the aforesaid legislation will not have any impact on the standalone financial statements, particularly on the amount of tax expense and that of provision for taxation.

41 The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released the draft rules for the code on 13 November 2020 and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact once the subject rules are notified and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

Notes forming part of the Financial Statements

for the year ended 31 March 2021

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

42 EVENTS AFTER THE REPORTING PERIOD

There are no subsequent events that have occurred after the reporting period till the date of approval of these financial statements other than dividend recommended by the Board. (Refer Note 18)

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No. 101248W/W-100022

Harsh Vardhan Lakhotia
Partner
Membership No. 222432

Place : Chennai
Date: May 25, 2021

for and on behalf of the board of directors of
Igarashi Motors India Limited
(CIN: L29142TN1992PLC021997)

R Chandrasekaran
Managing Director
DIN: 00012643

L Ramkumar
Director
DIN: 00090089

S Vivekchandranath
Chief Financial Officer

P Dinakara Babu
Company Secretary
Membership No. A14812

Place : Chennai
Date: May 25, 2021

GLOSSARY

BEV – Battery Operated Electric Vehicle

BLDC – Brushless DC Motor

CCV – Coolant Control Valve

EGR – Exhaust Gas Recirculation

EPB – Electric Parking Brake

ETC – Electronic Throttle Control

EV – Electric Vehicle

E2W – Electric Two Wheeler

E3W – Electric Three Wheeler

ICE – Internal Combustion Engine

OEM – Original Equipment Manufacturer

TAM – Torque Actuator Motors

TOCD – Trunk Opening & Closing Device

TPW – Table Pedestal Wall-Mount Fan

VGT – Variable Geometry Turbine

WGA – Waste Gate Actuator

IGARASHI
MOTORS INDIA LTD.

Igarashi Motors India Limited

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