Igarashi Motors India Limited

Reg. Off. & Plant - I :
Plot No. B12 to B15 Phase II,
MEPZ - SEZ, Tambaram,
Chennai - 600 045, India.
Phone : +91-44-4229 8199
+91-44-2262 8199
Fax : +91-44-2262 8143
E-mail : igarashi@igarashimotors.co.in
CIN : L29142TN1992PLC021997

By online submission

IMIL/Reg34/AR/2016

August 09, 2016

Bombay Stock Exchange Limited
Corporate Relationship Department
1st Floor, New Trading Ring,
Rotunda Building, P J Towers,
Dalal Street, Fort,
Mumbai 400 001
Fax [022-22722037, 22722039]
Email [Corp.compliance@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
Fax [022-26598237/26598238]
Email[cmlist@nse.co.in]
Stock Code: IGARASHI

Dear Sir,

Subject: Annual Report for the Financial Year 2015-16- reg
Ref: Reg. 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

In continuation to our letter dated 08th July, 2016, we would like to bring to your attention that our Company's 24th Annual General Meeting was held on Thursday, August 04, 2016 at 3.00 p.m. at Hotel Savera, 146, Dr. Radhakrishnan Road, Chennai 600004.

In this regard please find enclosed is the Soft Copy (pdf) of the Annual Report for the Financial Year 15-16 as required under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, duly approved and adopted by the members in accordance with the provisions of the Companies Act, 2013.

This is for your information and records please.

Thanking You.

Yours Faithfully,
For **IGARASHI MOTORS INDIA LIMITED**

P Dinakara Babu
Company Secretary

Encl: as above

IGARASHI MOTORS INDIA LTD

24th Annual Report
2015-2016

www.igarashimotors.com

OUR PHILOSOPHY ON CORPORATE GOVERNANCE

MISSION TO ENHANCE CUSTOMERS COMPETITIVENESS

GLOBAL VISION THROUGH INDIAN DOORWAY

WEALTH FOR ALL PARTNERS THROUGH THE WHEEL OF ENGINEERING

TRANSPARENCY AND COMPLIANCE

Igarashi Motors India Limited

BOARD OF DIRECTORS	K K NOHRIA (CHAIRMAN) [w.e.f July 23,2015] HEMANT M NERURKAR KEIICHI IGARASHI AKHIL AWASTHI [w.e.f. January 28,2016] S. RADHAKRISHNAN EVA MARIA ROSA SCHORK [w.e.f January 28,2016] AMIT DIXIT [Until July 29,2015]
MANAGING DIRECTOR	P. MUKUND
CHIEF FINANCIAL OFFICER	R. CHANDRASEKARAN
COMPANY SECRETARY	P. DINAKARA BABU
AUDITORS	SHARP & TANNAN, CHARTERED ACCOUNTANTS PARSN MANERE, A WING 3RD FLOOR, 602, ANNA SALAI CHENNAI- 600 006 PHONE : +91-44-28274368 E-MAIL :chennai@sharpandtannan.com
BANKERS	AXIS BANK STATE BANK OF INDIA
REGISTERED OFFICE	PLOT NO. B-12 TO B-15, PHASE II, MEPZ-SEZ, TAMBARAM, CHENNAI- 600 045 PHONE : +91-44-42298199/22628199, FAX : +91-44-22628143 E-MAIL :investorservices@igarashimotors.co.in, CIN : L29142TN1992PLC021997 WEBSITE : www.igarashimotors.com

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

PAST 5 YEARS PERFORMANCE SUMMARY

Key Performance Indicators	2011-12	2012-13	2013-14	2014-15	2015-16
1. Revenue from Operations (₹ in Crores)	268.53	290.77	361.23	385.10	445.00
2. Operating Profit (₹ in Crores)	41.60	52.38	67.16	79.04	107.03
3. Operating Profit Margin %	15.50	18.00	18.60	20.50	24.10
4. Net Profit (₹ in Crores)	16.54	21.36	46.14	48.95	63.64
5. Net worth (₹ in Crores)	101.22	122.74	219.27	250.95	294.41
6. Debt Equity Ratio	0.92	0.68	0.25	0.26	0.15
7. Earnings Per Share (₹)	8.11	10.46	15.16*	16.01	20.79
8. Book Value per share (₹)	49.63	60.11	72.02	81.99	96.19
9. Dividend per share (₹)	-	-	3.00	4.44	5.50

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

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CHAIRMAN'S MESSAGE

Dear Shareholders,

With immense happiness and pride, I would like to mention that FY16 has been the best ever year for your Company since inception.

This has been possible due to growing confidence of customers, focused technology & product development, proactive & energetic people engagement and sound financial management.

This is strongly backed by the re-entry of Igarashi, Japan as Promoter during the year, with a significant investment to buy the shareholding from Blackstone in the Holding Company. During the tenure of Blackstone, they have played a vital role in improving all aspects of your Company's performance along with the team. I express sincere gratitude to the Blackstone team for the strong backing of your Company.

Your Company continues to add products and customers in the Automotive Torque Actuator Motor space in Power Train applications, arising out of the growing demand for such products in the Market.

Together with Igarashi Global infrastructure, your Company continues to work on electric motors for new applications which is growing at more than twice the rate of vehicle growth.

Over the last five years, your Company's team has endeavored to continuously improve manufacturing engineering and operational performance improvement which is evidenced in the financial performance improvement over the last five years.

I would like you to join me in complimenting your Company's team and Igarashi for creating a business model to drive towards being the lowest cost producer in the world in the chosen niche application. This is well recognized by the Global Tier-1 Customers and with the re-entry of Igarashi, Japan as Promoter Shareholder in the Company, larger opportunities are being addressed by customers.

I remain as always, grateful to you our dear shareholders for continued patience and confidence in the Company. I am very happy to announce that this has been well rewarded by the highest dividend paid so far since the beginning.

I continue to believe that there is much more value in the business opportunities being prospected in the future.

Yours sincerely

K K Nohria
Chairman

Route Map to the Venue of the 24th Annual General Meeting (AGM)

NOTICE

NOTICE IS HEREBY GIVEN THAT The Twenty Fourth Annual General Meeting ('AGM') of Igarashi Motors India Limited will be held on Thursday, the August 04, 2016, 3.00 p.m at Hotel Savera, 146, Dr. Radhakrishnan Road, Chennai – 600 004 to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended March 31, 2016, and the Reports of the Board of Directors and Auditor's Report thereon.

2. To confirm the payment of interim dividend and to declare a final dividend of ₹.1.50 per equity share for the financial year ended March 31, 2016.

3. To appoint a Director in place of Mr. Keiichi Igarashi (DIN : 00356779) who retires at this meeting and is eligible for re-appointment.

4. To appoint Auditors and to fix their remuneration:

   To re-appoint auditors of the Company to hold office from the conclusion of 24th Annual General Meeting until the conclusion of the 25th Annual General Meeting and to fix their remuneration and to pass the following resolution as an **Ordinary Resolution** thereof:

   "RESOLVED THAT, pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made thereunder and pursuant to the recommendations of the Audit Committee of the Board of Directors, M/s. Sharp &Tannan, Chartered Accountants, Chennai (ICAI Firm Registration No. 003792S), be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of 24th Annual General Meeting until the conclusion of the 25th Annual General Meeting and that the Board of Directors be and are hereby authorized to fix such remuneration as may be determined by the Audit Committee in consultation with the Auditors and that such remuneration may be paid on progressive billing basis to be agreed upon between the Auditors and Board of Directors."

SPECIAL BUSINESS

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

   "RESOLVED THAT pursuant to Section 152 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder including any statutory modification(s) or re-enactments thereof, Mr. Akhil Awasthi (DIN: 00148350) a Director who was appointed as an Additional Director of the Company by the Board with effect from January 28, 2016 and who holds office until the date of AGM, in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mr. Akhil Awasthi as a candidate for the office of a Director of the Company be and is hereby appointed as Director of the Company whose period of office liable to determination by retirement by rotation."

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

   "RESOLVED THAT pursuant to Section 152 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder including any statutory modification(s) or re-enactments thereof, Mrs. Eva Maria Rosa Schork (DIN: 07159550) a Director who was appointed as an Additional Director of the Company by the Board with effect from January 28, 2016 and who holds office until the date of AGM, in terms of Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 signifying his intention to propose Mrs. Eva Maria Rosa Schork as a candidate for the office of a Director of the Company be and is hereby appointed as Director of the Company whose period of office liable to determination by retirement by rotation."

7. To consider proposed appointment of auditors of the Company to hold office from conclusion of 25th Annual General Meeting until conclusion of 30th Annual General Meeting and to fix their remuneration and to pass the following resolution as an **Ordinary Resolution** thereof :

"RESOLVED THAT, pursuant to recommendations of the Audit Committee of the Board of Directors, M/s.B S R & Co. LLP, Chartered Accountants, Chennai (ICAI Firm Regn. No. 101248W/W-100022) are proposed to be appointed as Auditors of the Company for the financial years 2017-18 to 2021-22 (five financial years) to hold office from the conclusion of 25th Annual General meeting (subject to, however, formal appointment as Auditors in the 25th Annual General Meeting as per the process laid down under the Companies Act, 2013 and rules made thereunder) until the conclusion of the 30th Annual General Meeting (subject to ratification by the members at every subsequent Annual General Meeting) and, if so appointed at the 25th Annual General Meeting, are hereby authorised to do the Limited Review of the quarterly/half yearly or such intervals as may be prescribed by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 after their appointment as Auditors.The Board of Directors be and are hereby authorized to fix such remuneration as may be determined by the Audit Committee in consultation with the Auditors and that such remuneration may be paid on progressive billing basis to be agreed upon between the Auditors and Board of Directors."

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

Place : Chennai
Date : May 19, 2016

P. Dinakara Babu
Company Secretary
Membership No. A14812

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

Notes:

a) The statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the Special business set out in the Notice is Annexed hereto and forms part of this Notice.

b) A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER. THE PROXY FORM DULY COMPLETED MUST BE RETURNED SO AS TO REACH THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME OF THE COMMENCEMENT OF THE AFORESAID MEETING.

Pursuant to Section 105 of the Companies Act, 2013 and Rule 19 of the Companies (Management & Administration) Rules, 2014, a person can act as a proxy on behalf of members not exceeding 50 and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

c) Corporate members intending to send their authorised representatives to attend the AGM are requested to send to the Company a certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013 authorising their representative to attend and vote on their behalf at the Annual General Meeting.

d) The Register of Members of the Company will remain closed from July 29, 2016 to August 04, 2016 (both days inclusive) for the purpose of the final dividend for the financial year ended March 31, 2016 and Annual General Meeting.

e) 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, 2016, to those members whose names appear on the register of members as on July 28, 2016.

f) As per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [SEBI Listing Regulations], the Company shall use any of the electronic mode of payment facility approved by the Reserve Bank of India for the payment of dividend. Members holding shares in demat mode are requested to submit their Bank details viz. Bank Account Number, Name of the Bank, Branch details, MICR Code, IFS Code to the Depository Participants with whom they are maintaining their demat account and Members holding shares in physical mode are requested to submit the said bank details to the Company's Registrar & Transfer Agent.

g) Members, Proxies and Authorised Representatives are requested to bring their Attendance Slips together with their copies of the Annual Reports to the Meeting. Copies of the Annual Report will not be provided at the AGM venue.

h) Members are requested to notify Change in address, if any, in case of shares held in Electronic form to the concerned Depository Participant quoting their ID No. and in case of physical shares to the Registrar and Transfer Agents.

i) Shareholders desiring any information as regards the accounts are requested to write to the Company at least 7 days in advance, so as to enable the Company to keep the information ready.

j) A Route map showing directions to reach the venue of the 24th Annual General Meeting is given along with this Notice as per the requirement of the Secretarial Standards-2 on "General Meetings".

k) Members who have not so far encashed dividend warrant(s) for the Financial Year 2013-14; 2014-15 and 2015-16 (Interim Dividend) 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'.

l) All documents referred in the Notice will be available for inspection at the Company's registered office during normal business hours on working days to the date of AGM.

m) As per Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI Listing Regulations, the Company is pleased to provide its members the facility to cast their vote by electronic means (i.e. voting electronically from a place other than the venue of the general meeting) on all resolutions set forth in the Notice. The instructions for e-voting are given in Annexure A.

n) The remote e-voting period starts on Monday, August 01, 2016 at 9.00 a.m. (IST) and ends on Wednesday, August 03, 2016 at 5.00 p.m. (IST) During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of July 28, 2016, may cast their votes electronically.

o) The Facility for voting through Ballot paper shall be made available at the 24th AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the Annual General Meeting through ballot paper.

p) The members who have cast their vote by remote e-voting prior to the AGM may also attend the meeting but shall not be entitled to cast their vote again.

q) The Company's website is www.igarashimotors.com. Annual Reports of the Company, un-claimed dividend list, and other shareholder communications are made available on the Company's website.

r) All the members are requested to intimate their e-mail address to the Company's Registrar and Transfer Agents whose e-mail id is investor@cameoindia.com mentioning the Company's name i.e., Igarashi Motors India Limited so as to enable the Company to send the Annual Report and Accounts, Notices and other documents through Electronic Mode to their e-mail address.

s) Our Company's shares are tradable compulsorily in electronic form and through Cameo Corporate Services

Limited, Registrars and Share Transfer Agents, we have established connectivity with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL). The International Securities Identification Number (ISIN) allotted to your Company's shares under the Depository system is INE188B01013. As on March 31, 2016, 99.20% of our Company's Shares were held in dematerialized form and the rest are in physical form.

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

t) Re-appointment of Director

Mr. Keiichi Igarashi (DIN : 00356779) (Born 1966), Director of the Company, retires by rotation at the 24th Annual General Meeting and being eligible offers himself for re-appointment.

Pursuant to SEBI Listing Regulations, following information is being furnished about the aforesaid Director, proposed to be re-appointed.

Mr. Keiichi Igarashi, is BA of Engineering from Chuo University and worked at Panasonic (Japan) from 1990 to 1995 as Quality Engineer. He has been with Igarashi Group since 1995. He has over two decades of experience in DC Motors. He is the CEO of Igarashi, Japan and Chairman of Igarashi, China and is responsible for Globalising Igarashi to the next level. He is President of Igarashi, Global. He is holding directorship in NYL Electric Limited.

Mr. Keiichi Igarashi is a Promoter Director. He is not related to any director or Key Managerial Personnel of the Company.

Mr. Keiichi Igarashi does not hold any shares in the Company.

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

Item No. 4

Explanatory statement for item No 4 of the notice is given hereunder though not required for an Ordinary Business under the Act.

M/s. Sharp &Tannan, Chartered Accountants (ICAI Registration No. 003792S) were Statutory Auditors of your Company since inception and have completed more than 10 years as per provisions of the Section 139 (2) of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014.

M/s. Sharp &Tannan, Chartered Accountants can continue as Auditors for a further period of one financial year i.e from April 01,2016 until March 31,2017.

On the recommendation of Audit Committee, the Board of Directors recommend appointment of Sharp &Tannan, Chartered Accountants (ICAI Registration No. 003792S) as Statuary Auditors for financial year 2016-17 (until March 31, 2017) and tenure of office shall be from conclusion of 24th Annual General Meeting until the conclusion of 25th Annual General Meeting. M/s. Sharp &Tannan, Chartered Accountants are responsible for Audit of Financial Year ending March 31,2017.

M/s. Sharp &Tannan, Chartered Accountants are the Statutory Auditors for the financial year 2016 – 2017 and shall be Statutory Auditors until March 31,2017.

The Board recommends the Ordinary Resolution as set out at Item No. 4 of the Notice for the approval by the members of the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives, is in any way, concerned or interested, financially or otherwise in the above Ordinary Resolution.

Item No. 5

On the recommendation of the Nomination and Remuneration Committee Mr. Akhil Awasthi (DIN: 00148350) (Born 1966) has been appointed as an Additional Director of the Company with effect from January 28, 2016 pursuant to Section 161 of the Companies Act, 2013 read with the Articles of Association of the Company.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mr. Akhil Awasthi will hold office upto the date of the ensuing AGM. The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013 from a member along with a deposit of requisite amount proposing the candidature of

Mr. Akhil Awasthi for the office of Director, to be appointed as such under the provisions of Section 150 of the Companies Act, 2013. He has been nominated on the Board by the Promoter Igarashi Electric Works Limited, Japan.

Mr. Akhil Awasthi, is a Graduate in Mechanical Engineer, M.B.A from University of Delhi, completed Advanced Management Program at Harvard Business School. He has over two decades of experience in Financial Services (private equity, asset management and corporate banking).

The Company has received from Mr. Akhil Awasthi (a) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 and (b) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Companies Act, 2013.

Mr. Akhil Awasthi is holding directorships of Access CFO Consultants Private Limited, Star Health and Allied Insurance Company Limited, Janalakshmi Financial Services Limited, Home First Finance Company India Private Limited and Agile Electric Sub Assembly Private Limited.

Mr. Akhil Awasthi does not hold any shares in the Company.

Mr. Akhil Awasthi is not related to any Director or Key Managerial Personnel of the Company within the definition of 'relative' in Section 2(77) of the Act.

Having regard to his qualifications, experience and knowledge, his appointment as Non- Executive Director will be in the interest of the Company.

No director, Key Managerial Personnel or their relatives, except Mr. Akhil Awasthi to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the Ordinary Resolution set forth in Item No. 5 for the approval of members.

Item No. 6

On the recommendation of the Nomination and Remuneration Committee Mrs. Eva Maria Rosa Schork (DIN: 07159550) (Born 1964) has been appointed as an Additional Director of the Company with effect from January 28, 2016 pursuant to Section 161 of the Companies Act, 2013 ('Act) read with the Articles of Association of the Company.

Pursuant to the provisions of Section 161 of the Companies Act, 2013, Mrs. Eva Maria Rosa Schork will hold office upto the date of the ensuing AGM. The Company has received a notice in writing under the provisions of Section 160 of the Companies Act, 2013 from a member along with a deposit of requisite amount proposing the candidature of Mrs. Eva Maria Rosa Schork for the office of Director, to be appointed as such under the provisions of Section 150 of the Companies Act, 2013.

Mrs. Eva Maria Rosa Schork has completed specialization in Business Management and Economics. She joined her family business where she gained deep technical experience on electrical motors for applications in automotive and appliance & office equipment application. She has been working almost three decades in specific areas of motors business development, application engineering, customer relationship and organization building. She has been nominated on the Board by the Promoter Igarashi Electric Works Limited, Japan.

Mrs. Eva Maria Rosa Schork is the Managing Director of Igarashi Motoren GmbH, Germany for the past two decades. She has been involved with the global automotive industry and has been part of the new program development process across wide range of electric motor programs.

The Company has received from Mrs. Eva Maria Rosa Schork (a) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 and (b) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under Section 164(2) of the Companies Act, 2013.

Mrs. Eva Maria Rosa Schork does not hold directorships in any other Company in India. Mrs. Eva Maria Rosa Schork does not hold any shares in the Company.

Having regard to her qualifications, experience and knowledge, her appointment as Non- Executive Director will be in the interest of the Company. Mrs. Eva Maria Rosa Schork is not related to any Director or Key Managerial Personnel of the Company within the definition of 'relative' in Section 2(77) of the Act.

No director, Key Managerial Personnel or their relatives, except Mrs. Eva Maria Rosa Schork to whom the resolution relates, is interested or concerned in the resolution.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the members.

Item No. 7

This explanatory statement is provided by virtue of the fact the business is transacted under Special Business.

The Statutory Auditors of the company since inception M/s. Sharp &Tannan, (Firm Registration Number 003792S) have already completed more than ten years as Statutory Auditors of the Company.

In accordance with provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, they can continue as Auditors for a further period of one year i.e up to March 31, 2017. From April 01, 2017, your Company being a listed Company have to appoint new Auditor for the purpose complying with Mandatory Rotation of Auditor.

In view of the Mandatory Rotation of Auditor requirement and to ensure smooth transition, and also to comply with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ['Listing Regulations'], it is proposed to appoint M/s. B S R & Co.LLP , Chartered Accountants (ICAI Firm Regn. No. 101248W/W-100022) as Statutory Auditors for a period of 5 continuous years, from April 01, 2017 to March 31, 2022.The tenure of their office will commence from the conclusion of 25th Annual General Meeting till the conclusion of 30th Annual General Meeting of the Company subject to, however, their appointment in 25th Annual General Meeting as per the process laid down under the Companies Act 2013 and rules made there under and subsequent ratification at every Annual General Meeting.

If appointed in 25th Annual General Meeting, B S R & Co. LLP , Chartered Accountants shall be responsible for audit during the five financial years 2017-18, 2018-19, 2019-20, 2020-21 and 2021-22 as Statutory Auditors of the Company.

As per Regulation 33 of Listing Regulations, Limited Review Report has to be issued by Statutory Auditors and hence Statutory Auditors to be appointed in 25th Annual General Meeting for the financial year 2017-2018 is authorised to do the Limited Review for the quarterly or half yearly or such period as may be prescribed from time to time.

The Board recommends the Ordinary Resolution as set out at Item No. 7 of the Notice for the approval by the members of the Company.

None of the Directors, Key Managerial Personnel of the Company and their relatives, is in any way, concerned or interested, financially or otherwise in the resolution.

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

Place : Chennai
Date : May 19, 2016

P. Dinakara Babu
Company Secretary
Membership No. A14812

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

ANNEXURE A

THE INSTRUCTIONS FOR SHAREHOLDERS VOTING ELECTRONICALLY ARE AS UNDER:

(i) The voting period begins on Monday, August 01, 2016 at 9.00 A.M. (IST) and ends on Wendesday, August 03, 2016 at 5.00 P.M. (IST) During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date July 28,2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

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

(iv) Click on Shareholders.

(v) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

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

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

(viii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
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 as mentioned in instruction (v).

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

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

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

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

(xiii) 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.

(xiv) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

(xv) 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.

(xvi) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

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

(xviii) 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.

(xix) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xx) Note for Non – Individual Shareholders and Custodians

- ❖ Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- ❖ 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 emailed 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.

(xxi) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

DIRECTORS' REPORT

To

The Shareholders,

Your Directors have pleasure in presenting their Twenty Fourth Annual Report of your Company, together with the Audited Accounts for the year ended 31st March 2016.

FINANCIAL RESULTS

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

(₹.in Lakhs)

Particulars	2015-16	2014-15
Manufacturing Sales	44,498.37	38,507.83
Add : Other Income	1,430.30	1,714.37
Total Income	**45,928.67**	40,222.20
Less : (i) Materials & Manufacturing Expenses	28,205.54	25,940.35
(ii) Value Addition Cost	6,091.00	5,237.25
Profit before Depreciation, Amortization	**11,632.13**	9,044.60
Less : Depreciation & Amortization Expenses	1,896.28	1,879.82
Profit Before Tax	**9,735.85**	7,164.77

OPERATIONS

Your Company achieved a Revenue of ₹. 45,928.67 Lakhs an increase of about 14% over the previous year, Operating Profit Before Depreciation & Amortization amounted to ₹. 1,1632.13 Lakhs. Profit Before Tax amounted to ₹. 9,735.85 Lakhs an increase of about 36% over the previous year.

DIVIDEND

Your Directors are pleased to recommend a final dividend of ₹.1.50/- per Equity Share on Face value of ₹. 10/- each for the year ended March 31, 2016. This is in addition to the interim dividend of ₹. 4/- per equity share paid on March 28, 2016. The total dividend for the year under review aggregates to ₹.5.50 /- per equity share.

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

RESERVES

The Reserves at the end of the year 31st March, 2016 is at ₹. 26,380.58 Lakhs as against the Total Reserves of ₹. 22,034.41 Lakhs as at 31st March 2015.

PROMOTERS & OPEN OFFER

On July 30,2015, Igarashi Electric Works Limited, Japan ('ÍEWL') acquired majority stake in Agile Electric Sub Assembly Private Limited [AESPL] (Holding Company). Consequently, IEWL and Mape Securities Private Limited became New Promoters of the Company from July 30,2015 and also AESPL and Igarashi Electric Works (H.K) Limited, Hong Kong ('Wholly owned subsidiary of IEWL') became part of Promoter Group.

On December 16, 2015, IEWL along with Persons Acting in Concert viz., AESPL and investors issued Open Offer for acquiring 7,960,538 equity shares (26.01%) at a price of ₹. 324.60/- per share. AESPL acquired 600 equity shares tendered in open offer for a consideration of ₹. 194,760/-.

Mr. P Mukund considered as continuing Promoter of the Company pursuant to SEBI observation letter on draft Letter of Offer issued on December 12,2015.

DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

Your Company is holding 10.82% stake in Joint Venture Company viz., Bosch Electrical Drives India Private Limited as on March 31,2016. Disclosure in Form AOC - 1 annexed to this report.

Your Company has no subsidiary Companies as on March 31,2016.

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

Presently, the Company does not have a scheme for grant of stock options to its employees.

SHARE CAPITAL

Your Company's Paid-Up equity share capital is ₹. 3,060.84 Lakhs as on March 31, 2016. There is no change in Share Capital during the year under review.

DIRECTORS

During the year, Mr. Amit Dixit resigned from Directorship from July 30, 2015. During his tenure, your Board has from time to time benefited from the experience of Mr. Amit Dixit. Your Directors wish to place on record their sincere appreciation of the valuable contribution of Mr. Amit Dixit.

Based on Nomination & Remuneration Committee recommendation, the Board approved, at its meeting held on July 22,2015, Mr. K K Nohria appointment as Additional Director w.e.f. July 23, 2015. The shareholders approved, by way of Postal Ballot on March 26,2016, appointment of Mr. K K Nohria as Independent Director for 3 years period from July 23,2015 and also re-appointment of Mr. P Mukund as Managing Director for 3 years effective from April 01,2016.

Mr. Keiichi Igarashi, Director retires by rotation at forthcoming Annual General Meeting and being eligible, offers himself for re-appointment. The brief resume and other details as required under the Listing Regulations are provided in the Notice of the 24th Annual General Meeting of the Company.

On January 28, 2016, your Board approved appointment of Mr. Akhil Awasthi and Mrs. Eva Maria Rosa Schork as Additional Directors to and hold office only upto the date of ensuing Annual General Meeting. The Notices under Section 160 of the Companies Act, 2013 has been received from a member signifying the intention to propose Mr. Akhil Awasthi and Mrs. Eva Maria Rosa Schork as candidates for the office of Director and accordingly two resolutions are proposed at the ensuing Annual General 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').

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.

Your Company has devised a Policy for performance evaluation of Independent Directors, Board, Committees and other individual Directors which includes 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.

NUMBER OF MEETINGS OF THE BOARD

During the year, seven Board Meetings were held on April 02, 2015, May 25, 2015, July 22, 2015 (Two Meetings), November 05, 2015, January 28, 2016 and March 14, 2016. The Company's last Annual General Meeting was

held on July 22,2015. The particulars of Directors, their attendance during the financial year 2015-2016 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.

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 31,2016, 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, 2016 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

99.20 % of the Company's paid up Equity Share Capital is in dematerialized form as on March 31, 2016 and balance 0.80% is in physical form. The Company's Registrars are Cameo Corporate Services Limited, No.1, Subramaniam Building, Club House Road, Chennai 600 002.

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, to other body corporate or persons are given in notes to the financial statements.

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 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 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 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 has in place a 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. All employees (permanent, contractual, temporary, trainees) are covered under this 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 31,2016, the ICC has received no complaints pertaining to sexual harassment / discrimination at work place.

AUDITORS

M/s. Sharp & Tannan, Chartered Accountants, Chennai, who are the Statutory Auditors of the Company, hold office till the conclusion of the forthcoming AGM and are eligible for re-appointment for financial year 2016-17 (until March 31, 2017). Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules framed thereunder, it is proposed to appoint M/s. Sharp & Tannan, Chartered Accountants, Chennai as Statutory Auditors of the Company from the conclusion of the forthcoming AGM till the conclusion of the next AGM.

As required under the provisions of Section 141 of the Companies Act, 2013, the Company has obtained a written Certificate from the above Auditors proposed to be re-appointed to the effect that their re-appointment, if made, is in accordance with the conditions specified in the said Section.

AUDITOR'S REPORT

No qualification, adverse remarks or disclaimer made by the Statutory Auditors with regard to the financial statements for the financial year 2015-16.

MANDATORY AUDITOR ROTATION

The Statutory Auditors of the company since inception M/s. Sharp &Tannan, (Firm Registration Number 003792S) have already completed more than ten years as Statutory Auditors of the Company.

In accordance with provisions of Section 139 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, they can continue as Auditors for a further period of one year i.e up to March 31, 2017. From April 01, 2017, your Company being a Listed Company have to appoint new Auditor for the purpose complying with Mandatory Rotation of Auditor.

In view of the Mandatory Rotation of Auditor requirement and to ensure smooth transition, and also to comply with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ['Listing Regulations'], it is proposed to appoint M/s. B S R & Co. LLP, Chartered Accountants (ICAI Firm Regn. No. 101248W/W-100022) as Statutory Auditors for a period of 5 continuous years, from April 01, 2017 to March 31, 2022. The tenure of their office will commence from the conclusion of the 25th Annual General Meeting till the conclusion of the 30th Annual General Meeting of the Company subject to, however, their appointment in 25th Annual General Meeting as per the process laid down under the Companies Act, 2013 and rules made thereunder and subsequent ratification at every Annual General Meeting.

If appointed in 25th Annual General Meeting, B S R & Co. LLP, Chartered Accountants shall be responsible for Audit during the five financial years 2017-18, 2018-19, 2019-20, 2020-21 and 2021-22 as Statutory Auditors of the Company.

As per Regulation 33 of Listing Regulations, Limited Review Report has to be issued by Statutory Auditors and hence Statutory Auditors to be appointed in 25th Annual General Meeting for the financial year 2017-2018 is authorised to do the Limited Review for the quarterly or half yearly or such period as may be prescribed from time to time.

SECRETARIAL AUDITOR & SECRETARIAL AUDIT REPORT

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. S Bhaskar, Partner, BP & Associates, Company Secretaries (CP No.:8315, ACS: 10798) to undertake the secretarial audit of the Company. The Secretarial Audit Report is given in Annexure to this Report.

The Secretarial Audit report contains qualification regarding non-compliance of the requirement of maintaining minimum public shareholding of 25% under Securities Contract (Regulation) Act, 1956 and the rules made thereunder.

The public shareholding has fallen below 25% due to continuance of Mr. P Mukund as Promoter along with new Promoter & Promoter group IEWL post SEBI observation letter on draft Letter of Offer dated December 12,2015.

Your Company's Promoters would be increasing public shareholding to 25% in the Company by selling such number of shares held by Promoter & Promoter Group as permitted under SEBI Regulations before December 11, 2016.

COST AUDITOR

As your Company has been operating from MEPZ-Special Economic Zone, appointment of Cost Auditor is exempted under Section 148 of the Companies Act, 2013 read with Companies (Cost Records and Audits) Rules, 2014.

EXTRACT OF THE ANNUAL RETURN

Relevant extract of annual return to be filed with the Registrar of Companies for financial year 2015 –16 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 have constituted a CSR Committee. CSR Committee of the Board has developed a CSR Policy which is 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.

PARTICULARS OF EMPLOYEES

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 employees of the Company is given as a separate Statement in the Annual Report.

The remuneration paid to all Key Management Personnel was in accordance with remuneration policy adopted by 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.

ADOPTION OF NEW SET OF ARTICLES OF ASSOCIATION

On March 26,2016, your Company's Shareholders approved by way of Postal Ballot, adoption of new set of Articles of Association in the place of existing Articles of Association in line with the provisions of the Companies Act, 2013.

HUMAN RESOURCES

Your Company has 600 number of permanent employees on the rolls of the Company as on March 31, 2016. 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 : www.igarashimotors.com .

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 2016-17.

ACKNOWLEDGEMENT

The Board places on record its sincere appreciation for the continued support from 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

Place : Chennai
Date : May 19, 2016

K K Nohria
Chairman

ANNEXURE TO THE DIRECTORS' REPORT

A. CONSERVATION OF ENERGY

1) Energy Conservation Measures Taken

i. BLDC Ceiling fans which consume 50% of conventional fans have been installed. 500 KWh/ month is being saved.

ii. LED lights installed instead of T5 –TL in which 40% of energy is saved for the same lux requirement. 650 KWh/ month is being saved.

iii. Day lighting increased thereby reducing daytime lighting requirement. 1050 KWh/ month is being saved.

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

i. Dialogue is in progress with WIND FARM energy sourcing at a tariff less than Tamil Nadu Electricity Board

ii. Solar UPS and street lighting is being planned

iii. Heat recovery system feasibility is under progress

3) The capital investment on energy conservation equipment's

i. ₹.1.1 lakhs for BLDC Fans

ii. ₹.5 lakhs for LED lighting

iii. ₹.1 lakhs for Daylighting

B. TECHNOLOGY ABSORPTION

1) the efforts made towards technology absorption : Nil

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

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

4) Expenditure on Research and Development :

a) Capital : ₹.96.08 lakhs (₹ 111.57 lakhs previous year)

b) Recurring : Nil

c) Total : ₹.96.08 lakhs

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

Your Company is operating in MEPZ - SEZ; refer Management Discussion and Analysis Report;

Total Foreign exchange used and earned:

₹. Lakhs

Particulars	2015-16	2014-15
Total Foreign Exchange earned	**42,190.88**	37,090.80
Total Foreign Exchange used	**25,970.01**	23,320.76

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 2015-16 (₹.)	Remuneration paid FY2014-15 (₹.)	Increase in remuneration from previous year (₹.)	Ratio/Times per Median of employee remuneration
1	Mr. P Mukund	Managing Director	8,722,943	87,26,206	(3,263)	10.52
2	Mr. K K Nohria *	Director	9,60,000#	N.A	N.A	1.15
3	Mr. Hemant M Nerurkar	Director	4,80,000#	60,000	4,20,000	0.58
4	Mr. S.Radhakrishnan	Director	6,20,000#	60,000	5,60,000	0.74
5	Mr. Keiichi Igarashi	Director	Nil	Nil	N.A	N.A
6	Mr. Akhil Awasthi**	Director	Nil	Nil	N.A	N.A
7	Mrs. Eva Maria Rosa Schork**	Director	Nil	Nil	N.A	N.A
8	Mr. Amit Dixit***	Director	Nil	Nil	N.A	N.A

* Appointed w.e.f. July 23,2015 , ** Appointed w.e.f.January 28,2016, *** Resigned w.e.f July 30,2015

Includes sitting fees paid for Board & Committee meeting & remuneration FY15-16

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

Mr. K K Nohria, Director - N.A

Mr. Hemant M Nerurkar, Director – 800%##

Mr. S. Radhakrishnan, Director – 1033%##

Mr. P Mukund, Managing Director – Nil

Mr. R Chandrasekaran, Chief Financial Officer –27%$

Mr. P Dinakara Babu, Company Secretary – 10%$

During the year sitting fees were paid for Board & committee meetings and commission was paid for FY15-16

$ Includes Performance incentive

iii) The percentage increase in the median remuneration of employees in the financial year : 14.21%

iv) The number of permanent employees on the rolls of Company : 600

v) The explanation on the relationship between average increase in remuneration and Company performance:

The Revenue growth during financial year 2015-16 over Financial Year 2014-15 was 15.5% and Profit Before Tax growth was 36%. The Median remuneration increased by 14.21% whereas the Profit Before Tax increased by 36%. The Compensation structure is benchmarked from time to time and salary increase during the year are aligned to market forces.

vi) Comparison of the remuneration of the Key Managerial Personnel (KMP) against the performance of the Company:

a) Revenue – ₹. 44,498 Lakhs

b) Profit Before Tax – ₹. 9,735 Lakhs

c) Total Remuneration of KMP – ₹. 198 Lakhs

d) Total Remuneration of KMP as % to

i. Total Revenue – 0.45%

ii. Profit Before Tax – 2.04%

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, 2016**	March 31,2015	**% Change**
Market Capitalization (₹. Crores)	**1,682.55**	1,186.69	41.79%
P/E Ratio	**26.42**	24.22	9.08%

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, 2016 (₹.)**	**IPO***	**% Change**
Market Price (BSE)	549.70	10	5,497
Market Price (NSE)	551.65	10	5,165

*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:

The average increase in the salaries of employees other than the managerial personnel in the financial year 2015-16 was 15% whereas the average increase in the managerial remuneration for the same financial year was 14.36%.

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

	Mr. P Mukund, Managing Director	Mr. R Chandrasekaran, Chief Financial Officer	Mr. P Dinakara Babu, Company Secretary
Remuneration in FY16(₹.Lakhs)	87.22	71.11$	40.03$
Revenue (₹. Lakhs)	44,498		
Remuneration % of Revenue	0.2%	0.16%	0.09%
Profit Before Tax (PBT) (₹. Lakhs)	9,735		
Remuneration (as % of PBT)	0.89%	0.73%	0.41%

$ Includes Performance incentive

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.

b) Information as per Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & 5(3) Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014 forming part of the Directors' Report for the year ended March 31, 2016

Sl. No	Name	Age (yrs)	Designation	Date of Commencement of Employment	Remuneration Received (₹. in Lakhs)	Professional Qualification	Total Experience (Yrs)	Last Employment & Designation	Whether he is a relative of Director / Manager	% of equity shares held within Rule 5(2) & 5(3)
1	Mr. P Mukund	56	Managing Director	January 10,1992	87.22	B. Tech, PGDBM	33	Crompton Greaves Ltd & Project Manager	No	32.60
2	Mr. R Chandrasekaran	52	Chief Financial Officer	May 26,1993	71.11	M.Com	30	Voltas Group & Manager- Accounts	No	Nil
3	Mr. P Govindaraju	49	Chief Operating Officer	July 05,1993	70.02	MBA	29	S&S Switch Gear & Supervisor	No	Nil

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

GLOBAL AUTOMOTIVE TRENDS

Intense macro discussions with our key Global Tier-1 customers who constantly scan the global automotive industry environment highlight the following salient points :

- ✓ Global Automobile production trend is envisioned as below :

Year	2015	2020E	2025E
Vehicle Volume (in Million)	90	112	125

- ✓ The current volume of 90 million vehicles per annum is expected to reach 125 Million by 2025 out of which, Internal Combustion and Hybrid Vehicles are expected to constitute more than 90%. Big investments are being made in development of pure electric vehicles and industry is constantly assessing drivers to higher penetration of such vehicles in the Market.
- ✓ The main growth in Automobile Production over the last few years was seen in China, followed by North America in recent times due to oil price reduction and higher SUV demand.
- ✓ Future trends in the global automobile industry indicate a significant investment in Hybrid and Electric Vehicles with emphasis on connectivity, electro mobility and automated driving.
- ✓ Technology and innovation dynamics with significant value addition to the consumer is expected to remain on top priority in the years forward and Performance to economics ratios are expected to be key drivers in the automotive offering to consumers.

OUTLOOK, OPPORTUNITIES & THREATS FOR ELECTRIC MOTORS

Actuation by electric motors to manifest Higher Fuel Efficiency, better Emission Control, Driving Safety and in-vehicle comfort are proliferating due to consumer preference and regulatory issues.

This is leading to increasing usage of electric motors in vehicles, which is expected to increase from a level of 25 electric motors per vehicle to a level of 40 electric motors per vehicle in next 4~5 years.

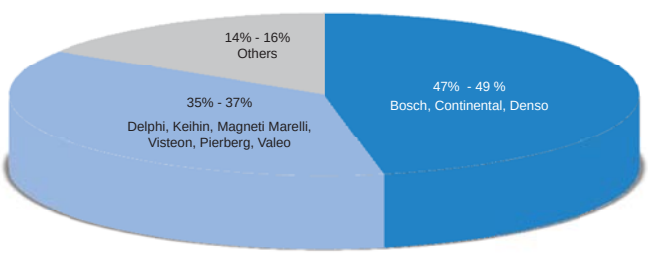
The Power Train space continues to remain of high importance and fluid / air management in the engine, exhaust, Turbo Chargers and Thermal Management spaces continue to be on Tier-1 technology development radars for features of higher fuel efficiency, better emission control and stronger engine power.

Key applications in this space, will continue to be Electronic Throttle Valves, Exhaust Gas Recirculation Valves, Waste Gate Valves, Bypass Valves and Fluid Control Valves for Thermal Management Applications.

Stringent targets for CO2 emission reductions have been set by automotive industry / regulators. The CO2 emission target in US for year 2025 has been fixed as 109 grams / km as compared to the current 183 grams / km likewise European Union and China are also driving strong reduction targets.

Global Tier-1 customers see strong thrust in downsizing of electric motors for aforementioned applications and are engaging intensely with electric motor manufacturers.

The key relevant players in power train actuator space is in the chart below :



Besides of Power Train Actuators, significant traction is visible in the comfort application space, for actuators in seats, trunks and steering etc. The usage of electric motors is seen to grow substantially due to which customers will expect reduction of costs and tempering of prices.

For the last decade and for next 5 years, the technology of such motors is anticipated to remain Permanent Magnet Brush DC Motors, although active dialogues with technologists in Global Tier-1s indicate a growing degree of interest in Brush Less DC ('BLDC') motors. While the cost economics of BLDC motors is quite unfavorable today, certain key performance features related to mechanical and electrical noise are driving the engineers to look for BLDC solutions.

PERFORMANCE 2015-16

In the year 2015-16, the Company saw a better growth in volumes compared to the previous years due to the new programs /new market launches.

New customers and new programs with existing customers will continue to remain active. During the year, two new platforms with leading Tier-1 players were launched and growth in volumes due to these expected from calendar Year 2017.

Foot prints have been laid on two more platform programs for validation in calendar year 2016 which will add to the volumes from calendar year 2018.

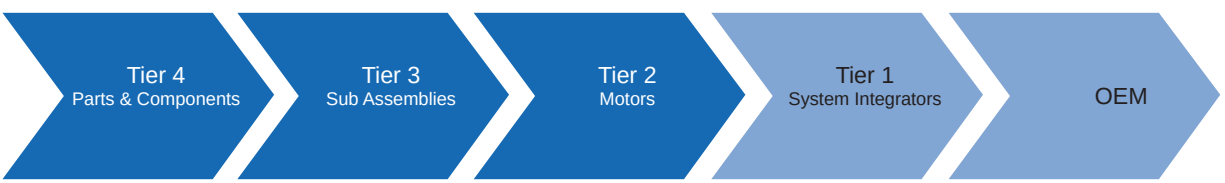
Traction for volumes combined with higher performance and lower cost are clearly visible from all leading Tier-1s with strong emphasis on quality.

Increasing offerings of new products with platform concepts in mind and strengthening the operational efficiencies will continue to be key drivers to target higher growth rates in volumes in the forward years.

While technology development is a key driver, our main business is manufacturing and the strategy of establishing high depth of manufacturing in house,has substantially helped us in driving the four levers of development time, capacity creation, quality and costs.

This strategy will continue to be strengthened in the forward years with a stronger play in Tier-4, Tier-3 and Tier-2, with a clear focus on global Tier-1 players as Customers.

The chart below summarises the multi-tier play in value chain and its Holding Company in India.



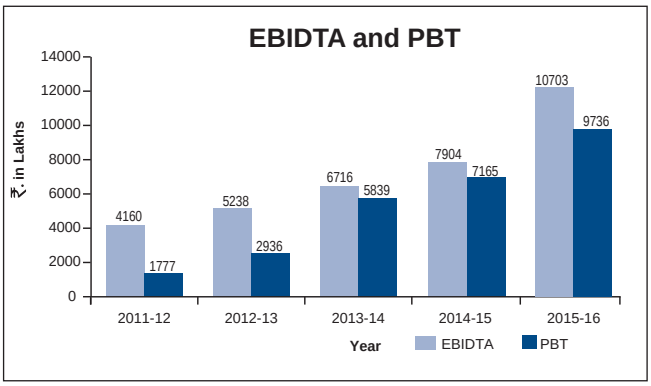
The financial performance remains strong with a EBIDTA growth of 35% over previous year and PAT growth of 30% over previous year. Your Company is in close discussions with customers for higher volume growth than what was experienced over the last three years. With the return of Igarashi Electric Works Ltd,('IEWL') Japan as Promoters an acceleration in new opportunities is expected.

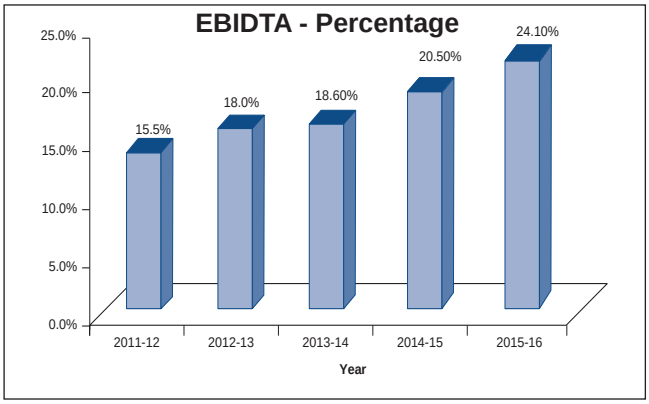
Your Company's efficient operations and business chain management, have contributed to the improved financial performance and plans are being put-in place to utilize the existing assets more efficiently, while new investments are judiciously made, keeping in mind the ramp-up time as 3~ 4 years. Your Company targets to grow at about 20% annually in the next four years in Power Train Actuator space.

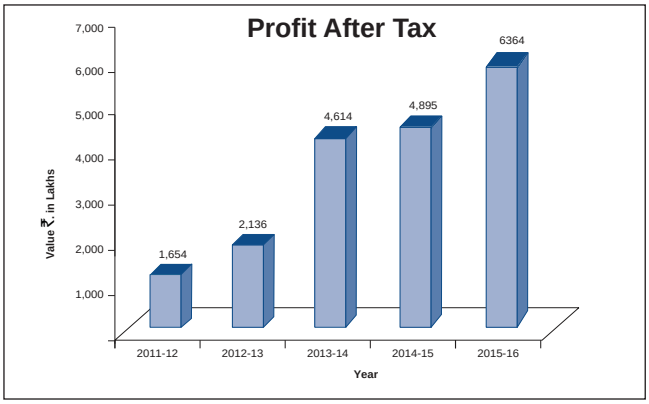
New applications and new growth strategies are constantly under discussion with customers and parent IEWL.

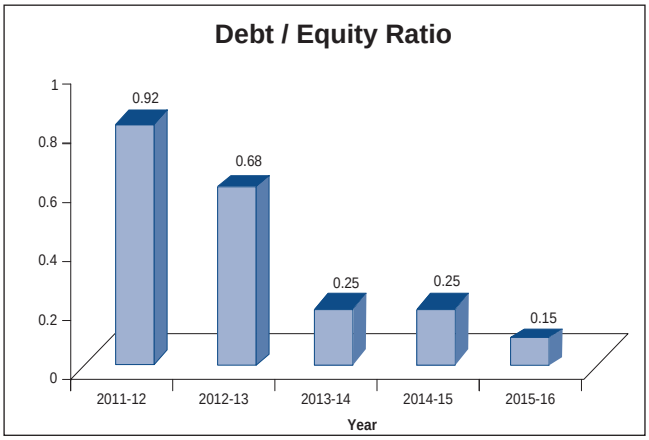
Igarashi Motors India Limited

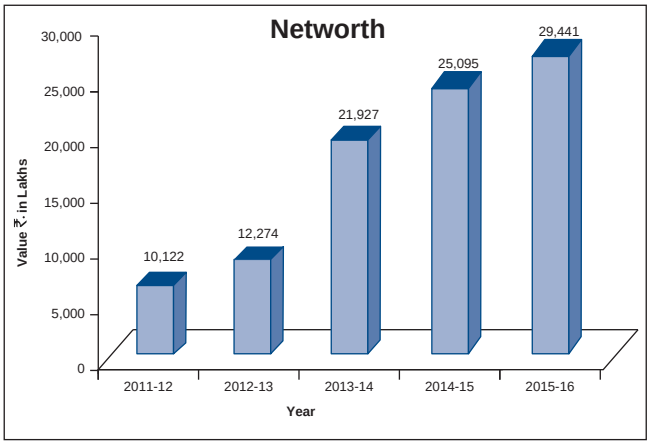
The charts below indicate the results over the last years:

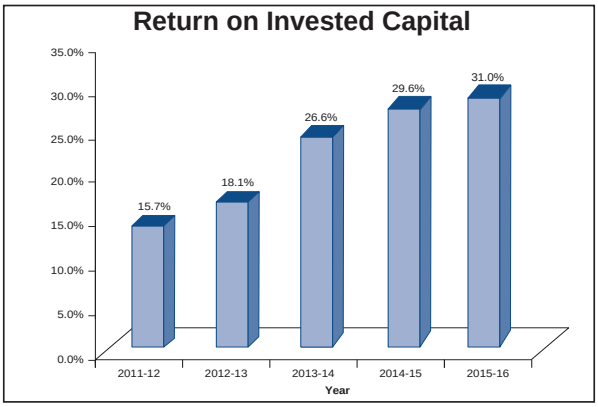






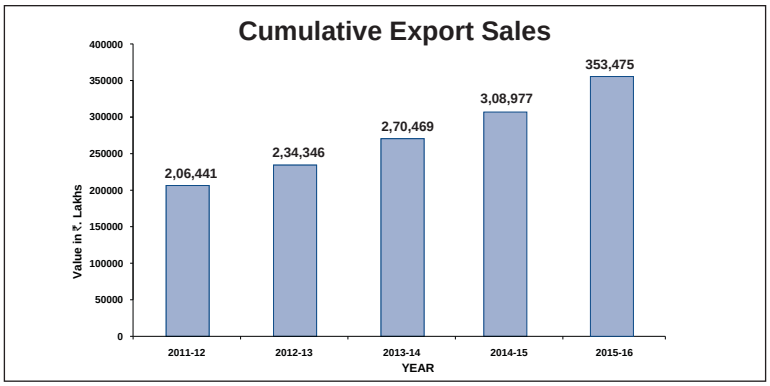




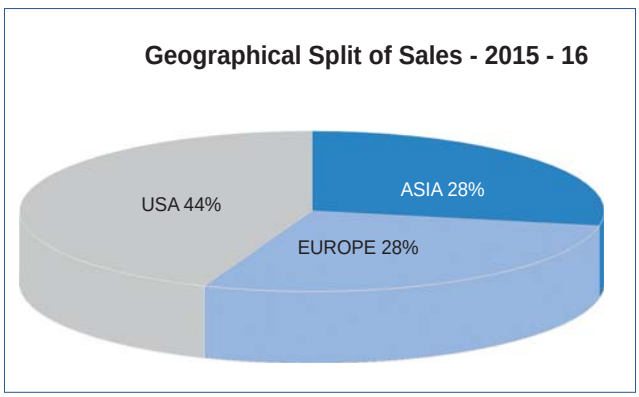


EXPORT SALES AND GEOGRAPHICAL DISTRIBUTION

Your Company has populated over 5,067 Lakh pieces since inception in Global Automotive Component Industry valued at over ₹. 353,475 Lakhs as seen in the chart below :



The geographical split of sales of your Company during the period 2015-16 is represented in chart below.



Both the above indicate the Depth and Width of experience by the Company in the demanding Global Automotive industry across geographies.

RISKS & CONCERNS

Your Company has formulated a Risk Management Policy which will guide the Risk Management Committee and the Internal Risk Management team to effectively manage the risks that the business faces. The key risks that the business faces are enumerated as follows:

a) Global Automotive Industry:

Your Company has been supplying electric motors to Global Automotive Industry which is of cyclical nature. Though global automotive industry shows steady growth recent past, the ability of Global Tier -1 customer continuing support OEMs adapt their offering to market specific may affect the business of the Company.

b) Pricing Pressures:

Your Company is being exposed to downward price pressures from Global Tier-1 customers due to typical characteristic of Global Automotive Industry. Your Company has taken various steps including technology intervention in both production and process development, reducing operating costs, sourcing improvements, customer negotiations and other actions to offset customer price reduction.

c) Currency Volatility :

Being an exporter your Company deals with global customers, volatility in currency exchange movements may affect the results of Company's operations. Your Company has been importing most of raw materials which acts as auto hedge mechanism for exchange rate fluctuation. Your Company has got currency hedging policy and practices in place which are regularly reviewed to mitigate this risk. Besides this, your Company had exchange rate pass through arrangement with customers.

d) Commodity Volatility :

Your Company imports majority of raw material from overseas and exposed commodity price volatility. Your Company has been issuing quotes with commodity variation clause to de-risk itself from fluctuations. Besides this, your Company had agreed on commodity variation with customers.

e) Product Liability, Warranty Claims, Quality Claims and Product Recall Risks :

Your Company, being automotive component suppliers faces the inherent business risk of exposure to warranty and product liability claims in the event that its products fail to perform as expected or such failure results in bodily injury or property damage. Your Company has implemented QAAP programs for maintaining consistent quality. Though, your Company has insurance coverage, any claim in excess of available insurance coverage would have adverse effects on Company's business.

f) Insurance :

As your Company addresses Global Automotive Component Industry, it is exposed to various risks such as Fire Risk, Machinery Break Down Risk, Product Liability Risk, Marine Risk etc. Your Company regularly reviews and wherever possible, uses the instrument of insurance to mitigate these risks.

SEGMENT WISE/ PRODUCT WISE PERFORMANCE

Your Company is engaged in the business of auto components for automobiles. This is only one segment, hence there is no segment wise reporting.

INTERNAL CONTROL SYSTEMS & ADEQUACY

Your 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 which submits reports periodically to the Management and the Audit Committee of the Board.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES

Your Company recognizes importance of leadership, technical and behavioural development for employees across the Company. Your Company has launched continuous improvement & training programs aimed for increasing knowledge level of employees and offer rewards to those employees who performed well in such programs. Apart from this, your Company has devised training plans and executed for each employee based on their skills, roles and aspirations.

Your Company has total employee strength of 600 out of which majority are women employees.

CAUTIONARY STATEMENT

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

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2016

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,
IGARASHI MOTORS INDIA LIMITED

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 authorised representatives during the conduct of Secretarial Audit and as per the explanations given to us and the representations made by the Management, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2016 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 31st March, 2016 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) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

   (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;

   (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

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

   (g) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

(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, Value Added Tax, Central Excise Act and Service Tax Rules, 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 issued by The Institute of Company Secretaries of India have been generally complied with

ii The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited

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

(a) *The Company has not complied with the requirement of maintaining Minimum public shareholding as mentioned in the Securities Contracts (Regulation) Act, 1956.*

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

For BP & Associates
Company Secretaries

S. Bhaskar
Partner
M No: 10798, CP No: 8315

Place: Chennai
Date : May 19, 2016

'ANNEXURE A’

To

The Members,

Igarashi Motors India Limited,

Plot No.B-12, B-15, Phase-II, MEPZ,

Tambaram, Chennai-45

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

S. Bhaskar
Partner
M No: 10798, CP No: 8315

Place: Chennai
Date : May 19, 2016

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company constituted 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: To promote women skill development, Environment protection and other activities covered under Schedule VII of the Companies Act, 2013
2. The Composition of the CSR Committee:

   Mr. K K Nohria (Chairman), Mr. Hemant M Nerurkar, Mr. S. Radhakrishnan, Mr. P. Mukund
3. Average profit (PBT) of the company for last three financial years : ₹. 5,034.47 Lakhs (2012-13, 2013-14, 2014-15)
4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): ₹.100.74 Lakhs
5. Details of CSR spent during the financial year.

   (a) Total amount to be spent for the financial year : ₹. 166.29 Lakhs (Incl. CSR un-spent FY14-15 ₹. 65.54Lakhs)

   (b) Amount unspent, if any; - ₹. 100.74 Lakhs

   (c) Manner in which the amount spent during the financial year is detailed below:-

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
S.NO	CSR Project or activity identified	Sector in which the project is covered	Projects or programs (1) local area or other area (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise (₹. Lakhs)	Amount spent on the projects or programs Sub – heads: (1) Direct expenditure on projects or programs (2) Overheads - (₹. Lakhs)	Cumulative expenditure upto to the reporting period -	Amount spent : Direct or through implementing agency*
1	Prime Minister's National Relief Fund (PMNRF)	PMNRF	India	65.55**	65.55**	NIL	Direct
	TOTAL			65.55**	65.55**		

**Committee decided to carry forward Un-spent CSR Amount for FY14-15 of ₹. 65.54 Lakhs. The Company has contributed ₹. 65.55 Lakhs (CSR un-spent FY14-15) to PMNRF during financial year 2015-16.

6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report.

   The Company had identified few projects on the parameters set by the CSR Committee and had been analyzing such projects on the basis of criteria so set. The Company would soon identify suitable projects for spending un-spent CSR amount during FY16-17 over and above next year CSR allocation.
7. The CSR Committee confirms that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

K K NOHRIA
Chairman CSR Committee

P. MUKUND
Managing Director

Place: Chennai
Date : May 19, 2016

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
AS ON THE FINANCIAL YEAR ENDED ON MARCH 31,2016
[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	Manufacturing / Automotive
V	Address of the Registered office & contact details	Registered Office :Plot No. B-12 to B-15, Phase II, MEPZ-SEZ, Tambaram,CHENNAI- 600 045 Phone : +91-44-42298199/22628199, Fax : +91-44-22628143 e-mail :investorservices@igarashimotors.co.in,
VI	Whether Listed Company	Yes
VII	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Cameo Corporate Services Ltd. "Subramanian Building" 1, Club House Road, Chennai – 600002 Phone: + 91-44-28460390 Fax No. : +91-44-28460129 E-mail: investor@cameoindia.com

II. PRINICPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S.NO	Name & Description of main products/ services	NIC Code of the Product /service	% to total turnoverof the company
1	Electric Micro Motors & Motor Components	85013301	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANY

S.no	Name & address of the Company	CIN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1.	Agile Electric Sub Assembly Private Limited. Plot Nos.A-33 & A-36,Phase I, MEPZ Tambaram, Chennai 600045, Tamil Nadu, India	U34300TN2005PTC057151	Holding Company	41.92%	Section 2(46)

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

A) CATEGORY WISE SHAREHOLDING

Category of Shareholders	No. of Shares held at the beginning of the year 01-Apr-15				No. of Shares held at the end of the year 31-Mar-16				
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	% change during the year
A. Promoters									
(1) Indian									
a) Individual/HUF	99,78,384	0	99,78,384	32.60	99,78,384	0	99,78,384	32.60	0
b) Central Govt.or State Govt.	0	0	0	0	0	0	0	0	0
c) Bodies Corporates	1,28,30,059	0	1,28,30,059	41.92	1,28,30,659	0	1,28,30,659	41.92	0
d) Bank/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) (1)	**2,28,08,443**	**0**	**2,28,08,443**	**74.52**	**2,28,09,043**	**0**	**2,28,09,043**	**74.52**	**0**
(2) Foreign									
a) NRI- Individuals	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corporates#.	0	0	0	0	34,67,641	0	34,67,641	11.33	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)	**0**	**0**	**0**	**0**	**34,67,641**	**0**	**34,67,641**	**11.33**	**0**
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	**2,28,08,443**	**0**	**2,28,08,443**	**74.52**	**2,62,76,684**	**0**	**2,62,76,684**	**85.85**	**0**
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	6,20,917	0	6,20,917	2.03	6,53,320	0	6,53,320	2.13	0.10
b) Banks/FI	8,205	0	8,205	0.03	0	0	0	0	(0.03)
c) Central govt	0	0	0	0	0	0	0	0	0
d) State Govt.	0	0	0	0	0	0	0	0	0
e) Venture Capital Fund	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIS	1,72,702	0	1,72,702	0.56	1,31,774	0	1,31,774	0.44	(0.12)
h) Foreign Venture Capital Funds	72,128	0	72,128	0.24	0	0	0	0	(0.24)
i) Others (specify) (Foreign Portfolio Investor)	0	0	0	0	1,39,759	0	1,39,759	0.45	0.45
SUB TOTAL (B)(1):	**8,73,952**	**0**	**8,73,952**	**2.86**	**9,24,853**	**0**	**9,24,853**	**3.02**	**0.16**

Category of Shareholders	No. of Shares held at the beginning of the year 01-Apr-15				No. of Shares held at the end of the year 31-Mar-16				
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	% change during the year
(2) Non Institutions									
a) Bodies corporates									
i) Indian	5,22,838	1,100	5,23,938	1.71	4,69,794	0	4,69,794	1.53	(0.18)
ii) Overseas	34,67,641	0	34,67,641	11.33	0	0	0	0	(11.33)
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital upto ₹ 1 lakhs	21,63,937	2,59,344	24,23,281	7.92	19,58,857	2,44,867	22,03,724	7.20	(0.72)
ii) Individuals shareholders holding nominal share capital in excess of ₹ 1 lakhs	5,11,189	0	5,11,189	1.67	4,66,403	0	4,66,403	1.52	(0.15)
c) Others (specify)									0
NRI	0	0	0	0	72,647		72,647	0.24	0.24
HUF	0	0	0	0	1,72,280		1,72,280	0.56	0.56
Clearing Member	0	0	0	0	22,059		22,059	0.07	0.07
SUB TOTAL (B)(2):	**66,65,605**	**2,60,444**	**69,26,049**	**22.63**	**31,62,040**	**2,44,867**	**34,06,907**	**11.13**	**(11.51)**
Total Public Shareholding (B)= (B)(1)+(B)(2)	**75,39,557**	**2,60,444**	**78,00,001**	**25.49**	**40,86,893**	**0**	**43,31,760**	**14.15**	**(11.34)**
C. Shares held by Custodian for GDRs & ADRs	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Grand Total (A+B+C)	**3,03,48,000**	**2,60,444**	**3,06,08,444**	**100.00**	**3,03,63,577**	**2,44,867**	**3,06,08,444**	**100.00**	**0**

Became Promoter with effect from July 30,2015

B) SHARE HOLDING OF PROMOTERS

S. No	Shareholder's Name	Shareholder's at the beginning of the year 01 - Apr - 15			Shareholder's at the end of the year 31 - Mar -16			% change in share holding during 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	
1.	Agile Electric Sub Assembly Pvt Ltd. $$	12,830,059	41.92	0	12,830,659	41.92	0	0
2.	Mr. P Mukund	9,978,384	32.60	0	99,78,384	32.60	0	0
3.	Igarashi Electric Works, (H.K) Ltd., Hong Kong $$	24,99,993	8.17	0	24,99,993	8.17	0	0
4.	Igarashi Electric Works Limited, Japan$	9,67,648	3.16	0	9,67,648	3.16	0	0

$ became Promoter w.e.f. July 30,2015 $$ Promoter Group w.e.f. July 30,2015

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

Sl. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
1	At the beginning of the year	228,08,443	74.91	228,08,443	74.91
2	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease	Indirect Acquisition of Shares/ voting rights of the Company by new Promoters# pursuant to Regulation 5 of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and Mr.P.Mukund Considered as continousing Promoter			
3	At the end of the year	26,276,684	85.85	26,276,684	85.85

On July 30,2015

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

Sl. No	Top 10 Shareholders	Shareholding at the beginning of the year 01 April, 2015		Shareholding at the end of the year 31 March, 2016	
		No. of shares	% of total shares of the Company	No of shares	% of total shares of the Company
1	IDFC Equity Opportunity – Series 1	0	0	2,95,311	0.96
2	IDFC Sterling Equity Fund	0	0	2,83,209	0.92
3	Rashi Financorp Ltd	0	0	95,000	0.31
4	India Emerging Opportunities Fund Limited	0	0	88,049	0.28
5	IDFC Tax Advantage (ELSS) Fund	0	0	74,800	0.24
6	Morgan Stanley Asia (Singapore) Pte.Ltd	0	0	69,687	0.22
7	Grandeur Peak Global Reach Fund	0	0	62,087	0.20
8	Roopa Corporate Services Pvt Ltd	49,000	0.16	49,000	0.16
9	Sharad Kanayalal Shah, Varsha Sharad Shah and Dipak Kanayalal Shah	45,000	0.15	45,000	0.15
10	Dimple Robin Goenka	0	0	40,739	0.13

E) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Sl. No	For Each of the Directors & KMP	Shareholding at the beginning of the year 01 April, 2015		Cumulative Shareholding during the year 31 March, 2016	
		No. of shares	% of total shares of the Company	No of shares	% of total shares of the Company
1	Mr. Hemant M Nerurkar At the beginning of the year At the end of the year	0 0	0 0	0 0	0 0
2	Mr. Amit Dixit* At the beginning of the year At the end of the year	0 0	0 0	0 0	0 0
3	Mr. S Radhakrishnan At the beginning of the year At the end of the year	0 0	0 0	0 0	0 0
4	Mr. Keiichi Igarashi At the beginning of the year At the end of the year	0 0	0 0	0 0	0 0
5	Mr. Akhil Awasthi # At the beginning of the year At the end of the year	0 0	0 0	0 0	0 0

Sl. No	For Each of the Directors & KMP	Shareholding at the beginning of the year 01 April, 2015		Cumulative Shareholding during the year 31 March, 2016	
		No. of shares	% of total shares of the Company	No of shares	% of total shares of the Company
6	Mrs. Eva Maria Rosa Schork #				
	At the beginning of the year	0	0	0	0
	At the end of the year	0	0	0	0
7	Mr. K.K Nohria $				
	At the beginning of the year	0	0	0	0
	At the end of the year	0	0	0	0
8	Mr. P Mukund , Managing Director				
	At the beginning of the year	99,78,384	32.60	99,78,384	32.60
	At the end of the year	99,78,384	32.60	99,78,384	32.60
9	Mr. R Chandrasekaran, Chief Financial Officer				
	At the beginning of the year	100	0	0	0
	At the end of the year	100	0	0	0
10	Mr. P Dinakara Babu, Company Secretary				
	At the beginning of the year	0	0	0	0
	At the end of the year	0	0	0	0

* Resigned w.e.f July 30, 2015 # Appointed from January 28, 2016 $ Appointed from July 23, 2015

V. INDEBTEDNESS

(₹ Lakhs)

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

Particulars	Secured Loans excluding deposits (a)	Unsecured Loans (b)	Deposits (c)	Total Indebtedness (a+b+c)
Indebtness at the beginning of the financial year- 01-Apr-15				
i) Principal Amount	5,493.34	258.19	-	5,751.53
ii) Interest due but not paid	3.21	-	-	3.21
iii) Interest accrued but not due	19.73	-	-	19.73
Total (i+ii+iii)	**5,516.28**	**258.19**	**-**	**5,774.47**
Change in Indebtedness during the financial year				
Additions		-	-	
Reduction	(1,208.84)	(129.96)	-	(1,338.79)
Net Change	**(1,208.84)**	**(129.96)**	**-**	**(1,338.79)**
Indebtedness at the end of the financial year- 31-Mar-2016				
i) Principal Amount	4,284.51	128.23	-	4,412.74
ii) Interest due but not paid	0.68	-	-	0.68
iii) Interest accrued but not due	20.54	-	-	20.54
Total (i+ii+iii)	**4,305.73**	**128.23**	**-**	**4,433.96**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. REMUNERATION TO MANAGING DIRECTOR, WHOLE TIME DIRECTOR / MANAGER: **(₹ Lakhs)**

S.NO	Particulars of Remuneration	Mr. P Mukund, Managing Director	Total Amount
1.	**Gross Salary**		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	60.00	60.00
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	27.22	27.22
	(c) Profits in lieu of salary u/s 17(3) of the Income Act, 1961	-	-
2.	Stock option	Nil	Nil
3.	Sweat Equity	Nil	Nil
4.	Commission as % of profit	Nil	Nil
5.	Others, please specify	Nil	0
	Total (A)	87.22	**87.22**
	Ceiling as per the Act	Nil	Nil

B. REMUNERATION TO OTHER DIRECTORS:

S.NO	Particulars of Remuneration	Name of the Directors			Total Amount (₹ Lakhs)
1.	Independent Directors	Mr. K K Nohria*	Mr. Hemant M Nerurkar	Mr S. Radha krishnan	
	-Fee for attending board committee meetings	1.60	0.80	2.20	4.60
	- Commission	8.00	4.00	4.00	16.00
	- Others please specify				
	Total (1)	9.60	4.80	6.20	20.60
2	Other Non Executive Directors	Mr Keiichi Igarashi	Mr Akhil Awasthi	Mrs. Eva Maria Rosa Schork	
	(a) Fee for attending board & Committee Meetings	-	-	-	-
	(b) Commission				
	(c) Others, Please Specify				
	Total (2)	-	-		-
	Total (B) = (1+2)	9.60	4.80	6.20	**20.60**
	Total Managerial Remuneration (A+B)				**107.82**
	Overall Ceiling as per the Act	Nil	Nil	Nil	Nil

* Appointed w.e.f. July 23, 2015

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

(₹ Lakhs)

S.NO	Particulars of Remuneration	Mr. R Chandrasekaran, Chief Financial Officer	Mr. P Dinakara Babu, Company Secretary	Total Amount
1.	**Gross Salary**			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	52.59	30.86	83.45
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	3.52	2.37	5.89
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-
2.	Stock option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission as % of profit	-	-	-
5.	Others, please specify Performance Incentives	15.00	6.80	21.80
	Total	**71.11**	**40.03**	**111.14**

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment / Compounding fees imposed (₹.)	Authority (RD/ NCLT/COURT]	Appeal made if any
A. COMPANY					
Penalty Punishment Compounding	205C(3)	Delay in filing un-paid dividend Form INV-5 FY2011-12 & 2012-13	45,000	Company Law Board	N.A
B. DIRECTORS					
Penalty Punishment Compounding	205C(3)	Delay in filing un-paid dividend Form INV-5 FY2011-12 & 2012-13	45,000	Company Law Board	N.A
C. OTHER OFFICERS IN DEFAULT					
Penalty Punishment Compounding	NIL	NIL	NIL	NIL	NIL

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	Bosch Electrical Drives India Pvt Ltd
1	Latest audited Balance Sheet Date	March 31, 2015*
2	Shares of ~~Associate~~/Joint Ventures held by the company on the year end	
	No.	3,370,049
	Amount of investment in ~~Associates~~ / Joint Venture	₹.337,004,900/-
	Extent of holding %	10.82%
3	Description of how there is significant influence	N.A
4	Reason why the ~~associate~~ / joint venture is not consolidated	Since, Company is holding 10.82% stake in Bosch Electrical Drives India Pvt Ltd
5	Net worth attributable to shareholding as per latest audited Balance Sheet	₹. 9,252,487/-
6	Profit / Loss for the year	
	i) Considered in consolidation	-
	ii) Not considered in consolidation	₹. (82,608,233)

* Due to change in financial year, the audited Balance sheet for the year ended March 31, 2016 is not yet available.

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.

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 arm's length transactions under third proviso thereto.

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

S.No	Particulars	Details
A	Name (s) of the related party & nature of relationship	Nil
B	Nature of contracts/arrangements/transaction	Nil
C	Duration of the contracts/arrangements /transaction	Nil
D	Salient terms of the contracts or arrangements or transaction including the value, if any	Nil
E	Justification for entering into such contracts or arrangements or transactions	Nil
F	Date of approval by the Board	Nil
G	Amount paid as advances, if any	Nil
H	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	Nil

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

S.No	Particulars	Details
A	Name (s) of the related party	Bosch Electrical Drives India Pvt. Ltd.
B	Nature of Relationship	Joint Venture Company
C	Nature of contracts / arrangements /transaction	Investment in equity shares
D	Duration of the contracts/ arrangements / transaction	Not applicable
E	Salient terms of the contracts or arrangements or transaction	Not applicable
F	Justification for entering into such contracts or arrangements or transactions	Investment in Joint Venture Company
G	Date of approval by the Board, if any	May 25, 2015 & November 05, 2015
H	Amount incurred/ ~~received~~ during the year	₹. 757.40 Lakhs

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.

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 requirements of Corporate Governance Under Section 17 of (Listing Obligations and Disclosure Requirement) Regulation,2015 [Listing Regulations] but follows it in spirit also.

During the year ended 31st March, 2016, your Company had complied with the provisions set out on Corporate Governance Practices required under Listing Regulations.

2. BOARD OF DIRECTORS

The Board of Directors of the Company comprises of an optimum combination of Executive and Non-Executive Directors, which is in conformity with the Listing Regulations as of the year ended 31st March 2016, the Board consists of 7 Directors comprising of One Executive Director, Three Non-Executive,Non Independent and Three Independent Directors. The Chairman of the Board is a Non-Executive Independent Director.

During the year, seven Board Meetings were held on 02nd April 2015, 25th May 2015, 22nd July 2015 (Two Meetings), 5th November 2015, 28th January 2016 and 14th March 2016. The Company's last Annual General Meeting was held on 22nd July 2015.

The particulars of Directors, their attendance during the financial year 2015-2016 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 (Member / Chairman)$
Mr. K.K.Nohria Chairman @	Non-Executive Independent	3	N.A	3	4 (Member)
Mr. P.Mukund Managing Director	Promoter-Executive	6	Yes	Nil	1
Mr. Hemant M Nerurkar	Non-Executive Independent	5	Yes	3	1 (Member)
Mr. S.Radhakrishnan	Non-Executive Independent	6	Yes	Nil	Nil
Mr. Keiichi Igarashi	Promoter - Non-Executive Non-Independent	3	Yes	Nil	Nil
Mr. Akhil Awasthi **	Non-Executive Non-Independent – Additional Director	2	NA	Nil	Nil
Mrs. Eva Maria Rosa Schork **	Non-Executive Non Independent – Additional Director	1	NA	Nil	Nil
Mr. Amit Dixit #	Non-Executive Non-Independent	3	Yes	11	4

$ Committees considered are Audit Committee & Stakeholders' Relationship Committee including that of Igarashi Motors India Limited

@ Appointed as Independent Director with effect from July 23,2015

Resigned with effect from July 30,2015

** Appointed as Additional Director with effect from January 28,2016

None of the Non-executive Directors held any equity shares or convertible instruments of the Company during the financial year ended 31st March, 2016. None of the Directors had any relationships inter-se.

During the year, separate meeting of the Independent Directors was held on 25th May 2015 without the attendance of non-independent directors and members of the management. All Independent Directors attended the said meeting.

During the year, the shareholders approved appointment of Mr. K K Nohria as Independent Director by way of Postal Ballot on March 26,2016 to hold office for three consecutive years for a term from July 23, 2015 to July 22, 2018. The Company issued letter of appointment to the Independent Director as per Schedule IV to the Companies Act, 2013 and the terms and conditions of their appointment have been disclosed on the website of the Company (web-link http://www.igarashimotors.com/investor/CorproateGovernance).

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/uploads/investor/pdf/14605431993Independent_Director-_Familirization_Programme.pdf

3. AUDIT COMMITTEE : 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, re-appointment, 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. Hemant M Nerurkar, an Independent Non Executive Director, is the Chairman of Audit Committee. Mr.S. Radhakrishnan and Mr. K K Nohria, Independent Non Executive Directors are members of the Audit Committee. Mr. Amit Dixit ceased to be member of the Committee with effect from 30th July 2015 upon relinquishment of his Office as a Director of the Company. The Company Secretary acts as the Secretary to the Committee.

During the year, the Audit Committee met four times on 25th May 2015, 22nd July 2015, 5th November 2015 and 28th January 2016

The details of attendance of each member of the Committee is as follows

Name of the Director	No of Meetings Attended
Mr. Hemant M Nerurkar (Chairman)	3
Mr. S. Radhakrishnan	4
Mr. K K Nohria @	2
Mr. Amit Dixit #	2

@ Appointed as Independent Director with effect from July 23,2015

Resigned from the Board with effect from July 30,2015

4. NOMINATION AND REMUNERATION COMMITTEE : 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/ noting and removal.

Mr. S. Radhakrishnan, Independent Non-Executive Director, is the Chairman of the Committee. Mr. Hemant M Nerurkar and Mr. K K Nohria, Independent Non-Executive Directors, are the members of Committee. Mr. Amit Dixit ceased to be member of the Committee with effect from 30th July 2015 upon relinquishment of his Office as a Director of the Company.

During the year, the Nomination and Remuneration Committee met two times on 25th May 2015 and 28th January 2016. All members attended the aforesaid meetings except one meeting held on 25th May 2015 as Mr. K K Nohria was appointed as director from 23rd July, 2015.

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 and Committee meetings and Commission as approved by members for their invaluable services to the Company.

b) Details of Remuneration paid to Directors

Name of the Director	Sitting Fee*(₹)	Salary (₹)	Perquisites (₹)	Performance Incentive / Commission (₹)	Other Allowances (₹)	Total (₹)
Mr. P Mukund, Managing Director	N.A	60,00,000	27,22,943	-	-	87,22,943
Mr. K K Nohria,@ Independent Director	1,60,000	N.A	N.A	8,00,000#	N.A	9,60,000
Mr. Hemant M Nerurkar, Independent Director	80,000	N.A	N.A	4,00,000	N.A	4,80,000
Mr. S Radhakrishnan, Independent Director	2,20,000	N.A	N.A	4,00,000#	N.A	6,20,000

*Sitting fee indicated above also includes payment for Board-level committee meetings as well.

Mr. Amit Dixit $, Mr. Keiichi Igarashi, Mr. Akhil Awasthi $$ and Mrs. Eva Maria Rosa Schork $$ have not been paid sitting fees during April 01,2015 to March 31,2016.

$ Resigned from the Board with effect from July 30,2015

$$ Appointed on the Board with effect from January 28,2016

Represents Commission for the year ended March 31, 2016

@ Appointed on the Board with effect from July 23, 2015

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 normally done for 3 to 5 years. The notice period is three months and the severance fee is the sum equivalent to remuneration for the notice period.

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 payable to Independent Non-Executive Directors.

The Company does not have any stock option scheme.

6. STAKEHOLDERS RELATIONSHIP COMMITTEE- 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 dematerialisation/ rematerialization of shares and related matters.

Mr. S. Radhakrishnan, Independent Non-Executive Director, is the Chairman of the Committee.Mr. P Mukund, Managing Director and two Non-Executive Independent Directors Mr. Hemant M Nerurkar and Mr. K K Nohria 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 25th May 2015, 22nd July 2015, 5th November 2015, and 28th January 2016.

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

Name of the Director	No of Meetings Attended
Mr. S. Radhakrishnan (Chairman)	4
Mr. Hemant M Nerurkar	3
Mr. P. Mukund	4
Mr. K K Nohria @	2

@ Appointed as Independent Director with effect from July 23,2015

During the year 2015-2016, the Company received two complaints from the investors. As on 31st March 2016, 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
2014-15	22nd July 2015	Music Academy, Mini Hall 306, T.T.K Road, Alwarpet, Chennai – 600014	3.00P.M	Approval of Material Transactions with Related Parties
2013-14	30th July 2014	KamarajarArangam, No 492, Anna Salai,Teynampet West, Chennai – 600 006	3.00P.M	a) Approval for Managerial Remuneration b) Authorize Creation of charges in excess of the Limit specified under Section 180 c) Authorize Board of Directors to enter into Related Party Transactions
2012-13	23rd September 2013	Music Academy, Mini Hall 306, T.T.K Road, Alwarpet, Chennai – 600014	3.00P.M	None

B) Extra Ordinary General Meeting held during the year- None

C) Details of Special Resolutions passed last year through Postal Ballot-

Item	Date of Declaration of Results	No of votes casted in favour	No of votes casted against	% Voted in Favour	% Voted against	Resolution Passed / Defeated
Re-appointment of Mr. P Mukund as Managing Director for a period of 3 years from April 01,2016 to March 31,2019	March 26,2016	136,61,953	5,011	99.96%	0.04 %	Passed
Adoption of new Articles of Association of the Company	March 26,2016	235,41,258	104,090	99.56%	0.44 %	Passed

D) Person who conducted the Postal Ballot exercise –Mr.S. Bhaskar, Partner, BP & Associates, Practising Company Secretaries (Membership No. A10798 and C.P No. 8315) (Scrutinizer)

E) Details of Special Resolution is proposed to be conducted through postal ballot – None

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 Hindu (Tamil). These were not sent individually to the shareholders. The quarterly and the annual results of the Company are made online filing with the stock exchanges on which the Company's shares are listed, immediately 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 Discussion and Analysis Report forms part of the Annual Report. During the year, no presentations were made to institutional investors or to the Analysists.

9. GENERAL SHAREHOLDER INFORMATION

i) Annual General Meeting (AGM):

Date	: August 04,2016
Venue	: Hotel Savera, 146, Dr.Radhakrishnan Road, Chennai – 600004
Time	: 3.00 P.M

ii) Financial Calendar : 1st April 2016 to 31st March 2017

a) First Quarter Results	: Second week of August 2016
b) Second Quarter Results	: Second week of November 2016
c) Third Quarter Results	: Second week of February, 2017
d) Last quarter Results and Annual	: before end of May, 2017 Audited Results

iii) Date of Book Closure : July 29, 2016 to August 04,2016

iv) Dividend payment date :

Final Dividend of ₹. 1.50 per equity share has been recommended by the Board of Directors and subject to the approval of the shareholders at the ensuing Annual General Meeting is proposed to be paid on and from August 19, 2016.

The interim dividend of ₹. 4 per equity share paid on March 28,2016.

v) Listing on Stock Exchanges : The Company's shares are listed on:

1. Bombay Stock Exchange Limited (BSE)
   PhirozeJeejeebhoy Towers
   Dalal Street, Mumbai – 400023

2. National Stock Exchange of India Limited (NSE)
   Exchange Plaza, 5th Floor,
   G-Block, BandraKurla Complex
   Bandra(west), Mumbai – 400051

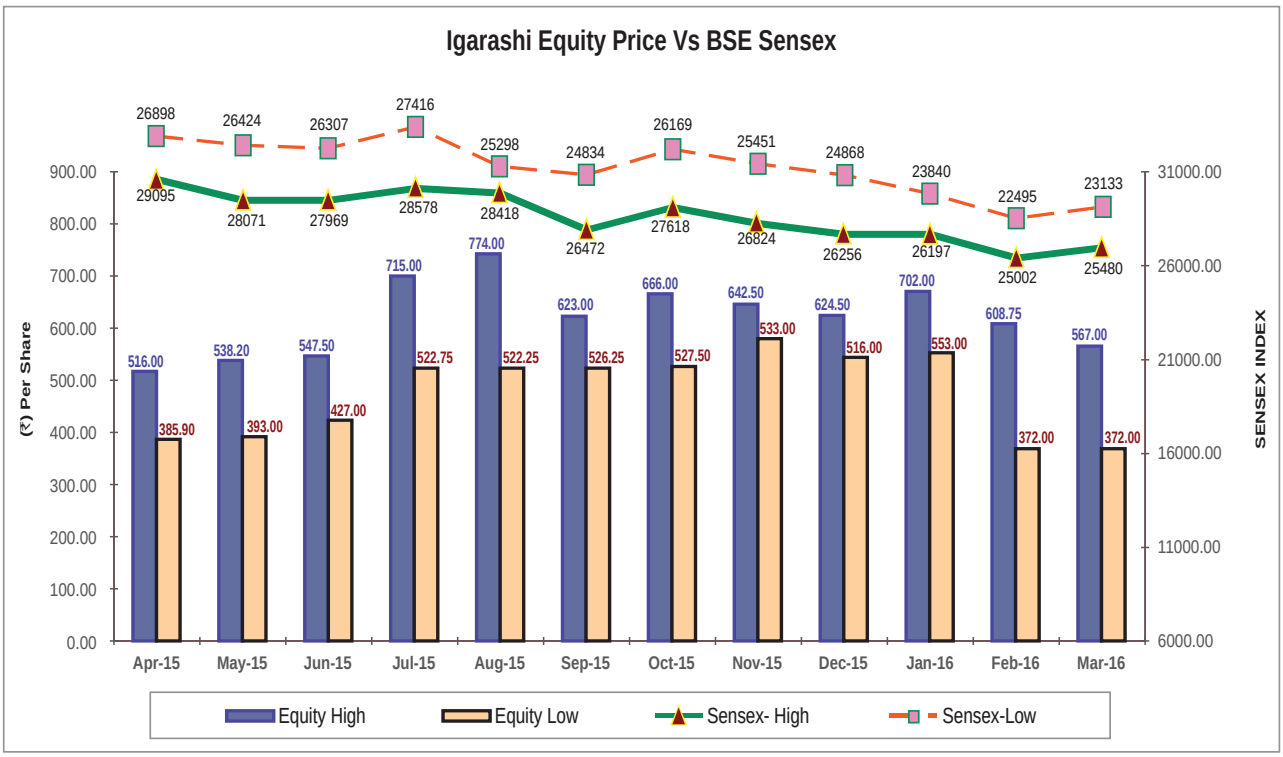
vi) Listing Fees: The Listing fee of all the stock exchanges for the year 2016-17 has already been paid.

vii) Stock Codes

Sl No	Name of the Stock Exchange	Stock Code
1	NSE	IGARASHI
2	BSE	517380

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

ix) Market Price Data :



Monthly highs and lows of market prices of the company's shares on BSE & NSE during the year 2015-2016:

Equity Price

Month	BSE		NSE	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April 2015	516.00	385.90	518.00	384.00
May 2015	538.20	393.00	538.90	395.00
June 2015	547.50	427.00	547.00	426.25
July 2015	715.00	522.75	715.00	524.55
August 2015	774.00	522.25	773.70	521.50
September 2015	623.00	526.25	624.00	525.00
October 2015	666.00	527.50	666.90	525.00
November 2015	642.50	583.00	642.00	583.00
December 2015	624.50	546.00	622.95	550.50
January 2016	702.00	553.50	701.45	555.00
February 2016	608.75	372.00	608.00	376.95
March 2016	567.00	372.00	564.90	375.00

x) Registrar and Transfer Agents : Cameo Corporate Services Ltd
"Subramanian Building"
1, Club House Road, Chennai – 600002
Phone :+ 91-44-28460390
Fax No.: +91-44-28460129
e-mail : investor@cameoindia.com

xi) Share Transfer system

The Company's shares are in compulsory Dematerialization Segment. Transfers in physical form are registered within a period of 15 days from the date of receipt, provided the documents are complete and the shares under transfer are not in dispute. The share certificates duly endorsed are being immediately dispatched after effecting transfer. All requests for dematerialisation of shares are processed and the confirmation is given to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) within 15 days.

xii) Distribution schedule as on 31st March 2016:

Category	No of Shareholders	Percentage	No of Shares	Percentage
Upto 5000	12,360	92.94	11,67,576	3.81
5001 – 10000	464	3.49	375,035	1.23
10001 – 20000	226	1.70	339,779	1.11
20001 – 30000	90	0.68	229,398	0.75
30001 – 40000	37	0.28	129,734	0.42
40001 – 50000	31	0.23	142,216	0.46
50001 – 100000	51	0.38	363,479	1.19
100001 & above	40	0.30	2,78,61,227	91.03
Total	**13,299**	**100.00**	**3,06,08,444**	**100.00**

Shareholding Pattern as on 31st March 2016

Category	No of Shareholders	No of Shares	Percentage of holding
Promoters and Promoter Group	4	2,62,76,684	85.85
Corporate Bodies	371	4,69,794	1.53
Mutual Funds	3	6,53,320	2.13
NRI/ FII /Clearing Members	254	2,26,480	0.74
General Public	12,667	29,82,166	9.75
Total	**13,299**	**3,06,08,444**	**100.00**

Top 10 Shareholders as on 31st March 2016

Serial No	Shareholders	No of Shares	Percentage of Holding
1	Agile Electric Sub Assembly Private Limited	1,28,30,659	41.92
2	Mr. P. Mukund	99,78,384	32.60
3	Igarashi Electric Works (H.K) Ltd, Hong Kong	24,99,993	8.17
4	Igarashi Electric Works Limited, Japan	9,67,648	3.16
5	IDFC Equity Opportunity – Series 1	2,95,311	0.96
6	IDFC Sterling Equity Fund	2,83,209	0.92
7	Rashi Fincorp Ltd	95,000	0.31
8	India Emerging Opportunities Fund Limited	88,049	0.28
9	IDFC Tax Advantage (ELSS) Fund	74,800	0.24
10	Morgan Stanley Asia (Singapore) PTE Ltd.	69.687	0.22

xiii) Dematerialization of Shares dematerialized upto		99.20% of equity shares have been 31st March 2016, Trading in your Company's shares is Permitted only in the dematerialized form as per Notifications issued by SEBI.
xiv) Outstanding GDRs/ADRs/Warrants or any convertible Instruments	:	Not Applicable
xv) Plant Locations	:	1.Plots B-12 to B –15,Phase II MEPZ-SEZ, Tambaram, Chennai 600 045. 2. Plots 8,9,10 ,Phase I MEPZ-SEZ, Tambaram, Chennai 600 045.
xvi) Investor Correspondence	:	The Company Secretary Igarashi Motors India Ltd Plots B-12 to B –15,Phase II MEPZ-SEZ, Tambaram, Chennai 600 045. Phone No.: +91-44-42298199 Fax No : +91-44-22628143 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 31,2016. 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

During the year 2015-16, the Company paid penalty of ₹. 8.49 Lakhs to BSE and ₹. 9.29 Lakhs to NSE for non-appointment of woman director during the period from April 01,2015 to January 27,2016.

c) The Company has no Subsidiary Company.

d) Policy on dealing with related parties is displayed on the Companies website (Web link):

WWW.IGARASHIMOTORS.COM/UPLOADS/INVESTOR/PDF/14531242482IMIL-RELATED_PARTY_TRANSACTION_POLICY_051115.PDF

e) 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.

f) 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.

g) Commodity price risk or foreign exchange risk and hedging activities

During the year 2015-16, the Company had managed the foreign exchange risk and hedged to the extent considered necessary. The Company enters into forward contracts for hedging foreign exchange exposures against exports and imports as per Hedging Policy.

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 Vigilance Mechanism to report concerns about unethical behaviour, actual or suspected fraud or violation of our code of conduct.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.

12. COMPLIANCE WITH NON- MANDATORY REQUIREMENTS

i) The Board :

The Company does not maintain a separate office for Non-Executive Chairman. The Chairman of the Company is a Non-Executive Independent Director .

ii) Shareholders rights:

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

iii) Audit Qualifications:

The auditors 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) Risk Management Committee :

The Company adopted non Mandatory Item of constituting the Risk Management Committee, for the efficient functioning of the Company.The roles and responsibilities of the Risk Management Committee are as prescribed under Regulation 21 of the Listing Regulations and includes monitoring and review of risk management plan periodically and reporting the same to the Board of Directors periodically as it may deem fit.

Mr. K K Nohria,Non-Executive-Independent (Chairman of the Committee), Mr. S Radhakrishnan Non Executive Independent, Mr. P Mukund Managing Director and Mr. Keiichi Igarashi Non-Executive Non Independent. The Company Secretary acts as the Secretary to the Committee. During the year, the Committee met on 28th January, 2016 and all the members of the Committee attended the meeting.

vi) Reporting of Internal Auditor:

The Internal Auditor reports directly to the Audit Committee.

13. CODE OF CONDUCT

The Company's Code of Conduct had been complied by all the members of the Board and select employees of the Company. The Company 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 is shares by persons having access to unpublished price sensitive information.

14. COMPLIANCE CERTIFICATE

As on March 31, 2016, Mr. P Mukund, Managing Director and Mr. R Chandrasekaran, CFO in terms of Regulation 17(8) read with Part B of Schedule II of the Listing Regulations, was placed before the Board at its meeting held on May 19,2016 to approve the Audited Financial Statements for the financial year ended March 31, 2016.

15. AUDITOR'S 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 SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, which is attached herewith.

16. DECLARATION

As provided under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Board of Directors and select employees have confirmed Compliance with the Code of Conduct.

MANAGING DIRECTOR & CHIEF FINANCIAL OFFICER CERTIFICATION

To
The Board of Directors,
Igarashi Motors India Limited

A. We have reviewed financial statements and the cash flow statement for the year ended 31st March 2016 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 listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of their knowledge and belief, no transactions entered into by the listed entity during the year which are fraudulent, illegal or violative of the listed entity's code of conduct.

C. We accept responsibility for establishing and maintaining Internal Controls for Financial reporting and that they have evaluated the effectiveness of Internal Control Systems of the listed entity pertaining to financial reporting and they have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such Internal Controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies

D. We have indicated 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 they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the listed entity's Internal Control System over Financial Reporting.

Place : Chennai	**P.Mukund**	**R.Chandrasekaran**
Date : May 19, 2016	Managing Director	Chief Financial Officer

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AUDITOR'S CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To

The members of Igarashi Motors India Limited,

We have examined all relevant records of M/s. Igarashi Motors India Limited for the purpose of certifying compliance of conditions of Corporate Governance under Clause 49 of the Listing Agreement(s) entered into with Indian Stock Exchanges (up to November 30, 2015) and as stipulated in Chapter IV read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended on March 31,2016

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance as stipulated in the said Clause / Regulations.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement and / or Chapter IV read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We further 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.

for SHARP & TANNAN
Chartered Accountants
(Firm's Registration No.003792S)

V.Viswanathan
Partner
Membership No. 215565

Place: Chennai
Date : May 19, 2016

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF IGARASHI MOTORS INDIA LIMITED

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of Igarashi Motors India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 the 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.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143 (10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

OPINION

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 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, 2016, and its profit and its cash flows for the year ended on that date.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in Annexure 'A' to this Report, a statement on the matters specified in para 3 and 4 of the said Order.

2) 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, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

(d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

(e) on the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure 'B'; and

(g) 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 on its financial position in its financial statements – Refer Note 17 (a) (ii) and (iii) accompanying 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.

for SHARP & TANNAN
Chartered Accountants
(Firm's Registration No.003792S)

V.Viswanathan
Partner
Membership No. 215565

Place: Chennai
Date : May 19, 2016

ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT

With reference to Annexure 'A' referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of the Independent Auditor's report to the members of Igarashi Motors India Limited on the financial statements for the year ended March 31, 2016, we report that:

(i). (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) We are informed that the Company has formulated a programme for physical verification of all the fixed assets over a period of three years which, in our opinion is reasonable considering the size of the Company and the nature of its assets. Accordingly, Plant & Machinery have been physically verified by the management during the year and there no material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and the records of the Company examined by us, the title deeds of immovable properties are held in the name of the Company.

(ii) As explained to us, inventories have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records were not material.

(iii) (a) The Company has granted an unsecured loan to a Company covered in the register maintained under Section 189 of the Companies Act, 2013. According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of the grant of the loan are not, prima facie, prejudicial to the Company's interest.

(b) The schedule of repayment of principal and payment of interest has been stipulated between the Company and the borrower and the borrower has been regular in the repayment of principal and payment of interest.

(c) There are no amounts overdue for more than ninety days as at March 31, 2016. Accordingly, reporting under clause 3 (iii)(c) of the Order does not arise.

(iv) According to the information and explanations given to us, the Company has not advanced any loan, given any guarantee or provided any security to the parties covered under Section 185 of the Companies Act, 2013. According to the information and explanations given to us, and the records of the Company examined by us, the provisions of Section 186 of the Companies Act, 2013 have been complied with, in respect of the investment made by the Company.

(v) According to the information and explanations given to us, the Company has not accepted any deposits within the meaning of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder. Accordingly, reporting under clause 3 (v) of the Order does not arise.

(vi) We have broadly reviewed the books of account and records maintained by the Company pursuant to the rules prescribed by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013, and are of the opinion that, *prima facie,* the prescribed accounts and records have been made and maintained. However, the contents of these records have not been examined by us.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of the books of account, in our opinion, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax and other statutory dues applicable to it during the year with appropriate authorities. According to the information and explanations given to us, there were no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, duty of excise, value added tax and other statutory dues outstanding as at March 31, 2016 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and the records of the Company examined by us, dues in respect of income-tax as at March 31, 2016, which has not been deposited on account of disputes pending is as under:

(₹)

Name of the statute	Nature of disputed dues	Total demand	Amount deposited	Amount not deposited	Period to which the dispute relates	Forum where disputes are pending
Income-tax Act, 1961	Disallowance under Section 14A (Read with Rule 8D), addition under Section 2(24)(x) read with Section 36(1)(va) and TDS credit mismatch	1,661,180	1,000,000	661,180	Assessment Year 2012-13 (Financial Year 2011-12)	Commissioner of Income Tax (Appeals)
	Disallowance under Section 14A (Read with Rule 8D), Section 40(a)(ii), TDS credit mismatch and set off of losses.	1,218,030	--	1,218,030	Assessment Year 2013-14 (Financial Year 2012-13)	
	Total	**2,879,210**	**1,000,000**	**1,879,210**		

According to the information and explanations given to us and the records of the Company examined by us, there are no dues in respect of sales tax, service tax, duty of customs, duty of excise, or value added tax as at March 31, 2016 which have not been deposited on account of any dispute.

(viii) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to a financial institution or bank during the year. The Company has not issued any debentures during the year.

(ix) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion and according to the information and explanations given to us, on an overall basis, the term loans have been applied for the purposes for which they were obtained.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instances of fraud by the Company, or any instances of frauds on the Company by its officers or employees, noticed or reported during the year, nor we have been informed of such cases by the management.

(xi) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, managerial remuneration has been paid / provided for, in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, reporting under clause 3(xii) of the Order does not arise.

(xiii) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, all transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, reporting under clause 3 (xiv) of the Order does not arise.

(xv) According to the information and explanations given to us, the Company has not entered into non-cash transactions with directors or persons connected with the directors during the year. Accordingly, reporting under clause 3 (xv) of the Order does not arise.

(xvi) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clause 3 (xvi) of the Order does not arise.

for SHARP & TANNAN
Chartered Accountants
(Firm's Registration No.003792S)

V.Viswanathan
Partner
Membership No. 215565

Place: Chennai
Date : May 19, 2016

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2(f) of our Report of even date]

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER CLAUSE (I) OF SUB-SECTION 3 OF SECTION 143 OF THE COMPANIES ACT, 2013

We have audited the Internal Financial Controls over financial reporting of Igarashi Motors India Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

MANAGEMENT'S RESPONSIBILITY FOR INTERNAL FINANCIAL CONTROLS

The Company's management is responsible for establishing and maintaining Internal Financial Controls based on the internal control over financial reporting 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 ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). 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 ("the Act").

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on the Company's Internal Financial Controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable, to an audit of Internal Financial Controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. 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 over financial reporting was established and maintained and if 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 system over financial reporting and their operating effectiveness. Our audit of Internal Financial Controls over financial reporting included obtaining an understanding of Internal Financial Controls over financial reporting, 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 system over financial reporting.

MEANING OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

A Company's Internal Financial Control over financial reporting 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 Control over financial reporting includes 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 OVER FINANCIAL REPORTING

Because of the inherent limitations of Internal Financial Controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the Internal Financial Control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

OPINION

In our opinion, the Company has, in all material respects, an adequate Internal Financial Controls system over financial reporting and such Internal Financial Controls over financial reporting were operating effectively as at March 31, 2016, based on the Internal Control over Financial Reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

for SHARP & TANNAN
Chartered Accountants
(Firm's Registration No.003792S)

V.Viswanathan
Partner
Membership No. 215565

Place: Chennai
Date : May 19, 2016

BALANCE SHEET AS AT MARCH 31, 2016

	Note	As at 31.03.2016 ₹	₹	As at 31.03.2015 ₹	₹
EQUITY AND LIABILITIES					
Shareholders' funds					
(a) Share capital	2	**306,084,440**		306,084,440	
(b) Reserves and surplus	3	**2,638,058,320**		2,203,440,857	
			2,944,142,760		2,509,525,297
Non-current liabilities					
(a) Long-term borrowings	4	**223,642,611**		416,993,218	
(b) Deferred tax liabilities (net)	5	**91,520,636**		89,346,336	
			315,163,247		506,339,554
Current liabilities					
(a) Short-term borrowings	6	**-**		13,327	
(b) Trade payables	7	**-**		-	
"(i) Total outstanding dues of micro enterprises and small enterprises"					
"(ii) Total outstanding dues of creditors other than microenterprises and small enterprises"		**682,529,915**		682,323,045	
(c) Other current liabilities	8	**366,576,686**		299,882,134	
(d) Short-term provisions	9	**403,110,718**	**1,452,217,319**	406,063,930	1,388,282,436
			4,711,523,326		4,404,147,287
ASSETS					
Non-current assets					
(a) Fixed assets	10				
(i) Tangible assets		**1,368,089,493**		1,191,760,162	
(ii) Intangible assets		**9,849,229**		18,792,198	
(iii) Capital work-in-progress		**110,718,491**		5,630,492	
(iv) Intangible assets under development		**6,466,944**		6,466,944	
			1,495,124,157		1,222,649,796
(b) Non-current investments	11		**337,004,900**		261,264,900
(c) Long-term loans and advances	12		**20,382,358**		33,817,376
Current assets					
(a) Inventories	13	**342,426,509**		330,615,328	
(b) Trade receivables	14	**859,275,095**		785,177,267	
(c) Cash and bank balances	15	**1,260,331,677**		911,428,928	
(d) Short-term loans and advances	16	**396,978,630**		859,193,692	
			2,859,011,911		2,886,415,215
			4,711,523,326		4,404,147,287
Contingent liabilities and commitments	17				
Significant accounting policies	1				

The accompanying notes form an integral part of the financial statements
As per our report attached of even date

for SHARP & TANNAN
Chartered Accountants
(Firm's Registration No.003792S)

P. Mukund
Managing Director

K K Nohria
Chairman

Keiichi Igarashi
Director

V.Viswanathan
Partner
Membership No. 215565
Place: Chennai
Date : May 19, 2016

Hemant M Nerurkar
Director

S. Radhakrishnan
Director

Akhil Awasthi
Director

Eva Maria Rosa Schork
Director

R. Chandrasekaran
Chief Financial Officer

P. Dinakara Babu
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016

	Note	2015 - 16		2014 -15	
		₹	₹	₹	₹
REVENUE					
Revenue from operations	18	**4,476,243,720**		3,864,228,277	
Less: Excise duty		**26,407,126**		13,445,698	
			4,449,836,594		3,850,782,579
Other income	19		**143,030,560**		171,437,039
Total Revenue			**4,592,867,154**		4,022,219,618
EXPENSES					
Manufacturing and operating expenses	20				
a) Cost of materials consumed		**2,651,370,983**		2,468,650,909	
b) Changes in inventories of finished goods and work-in-progress		**3,511,001**		(9,482,132)	
c) Other manufacturing and operating expenses		**165,672,183**		134,866,253	
			2,820,554,167		2,594,035,030
Employee benefits expense	21		**318,458,146**		276,833,712
Finance costs	22		**50,076,181**		57,423,169
Depreciation and amortisation expense	10(vi)		**189,628,340**		187,982,475
Selling, administration and other expenses	23		**240,565,501**		189,468,086
Total Expenses			**3,619,282,335**		3,305,742,472
Profit before taxes			**973,584,819**		716,477,146
Tax expense					
Current tax	9(a)	**335,000,000**		232,000,000	
Deferred tax	5	**2,174,300**		(5,039,720)	
			337,174,300		226,960,280
Profit for the year			**636,410,519**		489,516,866
Earnings per equity share (Basic and Diluted)	33		**20.79**		16.01
Face value per equity share			**10.00**		10.00
Significant accounting policies	1				

The accompanying notes form an integral part of the financial statements
As per our report attached of even date

for SHARP & TANNAN
Chartered Accountants
(Firm's Registration No.003792S)

V.Viswanathan
Partner
Membership No. 215565
Place: Chennai
Date : May 19, 2016

P. Mukund
Managing Director

K K Nohria
Chairman

Keiichi Igarashi
Director

Hemant M Nerurkar
Director

S. Radhakrishnan
Director

Akhil Awasthi
Director

Eva Maria Rosa Schork
Director

R. Chandrasekaran
Chief Financial Officer

P. Dinakara Babu
Company Secretary

Note 1 Significant Accounting Policies

a) Basis of presentation

The Company maintains its accounts on accrual basis following the historical cost convention, in accordance with the Accounting Principles Generally Accepted in India, [“GAAP”], and in compliance with the provisions of Companies Act, 2013 (“the Act”), including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. Further, the guidance notes / announcements issued by the Institute of Chartered Accountants of India (ICAI) are also considered, wherever applicable except to the extent where compliance with other statutory promulgations override the same requiring a different treatment.

b) Use of estimates

The preparation of financial statements in conformity with GAAP requires that the management of the company makes estimates and assumptions that affect the reported amounts of income and expenses of the period, the reported balances of assets and liabilities and the disclosures relating to contingent liabilities as of the date of the financial statements. Examples of such estimates include the useful lives of tangible and intangible fixed assets, allowance for doubtful debts / advances, future obligations in respect of retirement benefit plans, etc. Difference, if any, between the actual results and estimates is recognized in the period in which the results are known.

c) Revenue recognition

Revenue is recognized based on nature of activity when consideration can be reliably measured and there exists reasonable certainty of its recovery.

(i) Revenue from sale of products is recognised when the significant risks and rewards of ownership of the products are transferred to the customer under the terms of the contract and no significant uncertainty exists regarding the amount of the consideration that will be derived from the sale of products. Sales include excise duty and adjustments made towards liquidated damages and price variation, if any. Sales exclude sales tax / value added tax. Escalation and other claims, which are not ascertainable/ acknowledged by customers, are accounted in the period in which they are ascertained / acknowledged.

(ii) Interest income on deposits and loans is recognised at the applicable interest rate on time proportion basis.

(iii) Other items of income are accounted as and when the right to receive arises.

d) Tangible fixed assets

(i) Tangible assets are stated at original cost net of tax/ duty credits availed, if any, less accumulated depreciation and cumulative impairment.

(ii) Administrative and other general overhead expenses that are specifically attributable to the construction or acquisition of a fixed asset or bringing the fixed asset to its working condition are allocated and capitalized as part of cost of the fixed asset.

(iii) Tangible assets which are not ready for the intended use as on the date of the Balance Sheet are disclosed as “Capital work-in-progress”.

e) Depreciation

(i) Owned assets

Depreciation on assets including buildings constructed on leasehold land is provided for under the straight line method based on the useful lives prescribed in Schedule II to the Act. However, in respect of the following fixed assets, the Company has reviewed and revised the useful lives based on internal technical evaluation.

Asset category	Useful life as per Schedule II (in years)	Revised Useful life adopted based on internal technical evaluation (in years)
Plant and equipment - Tools	15	5
Furniture and fixtures – Welfare assets used by the employees	10	5

The Company has carried out an assessment of useful lives of the above assets and based on technical justification, different useful lives have been arrived at in respect of the above assets.

The justification for adopting different useful life compared to the useful life of assets provided in Schedule II is based on the consumption pattern and performance of the assets duly supported by internal technical assessment.

Assets costing less than ₹.5,000/- are depreciated fully in the year of purchase. Extra shift depreciation is provided on a location basis.

Depreciation charge for impaired assets is adjusted in the future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

(ii) Leased assets

Assets acquired under finance leases are depreciated on straight line method over the lease term. Where there is reasonable certainty that the Company shall obtain ownership of the assets at the end of the lease term, such assets are depreciated based on the useful life prescribed under Schedule II to the Companies Act, 2013.

f) Intangible assets and amortisation

Intangible assets are stated at original cost net of tax/ duty credits availed, if any, less accumulated amortisation and cumulative impairment.

Intangible assets are recognized when it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the asset can be measured reliably.

Product development expenses on new products are capitalised as intangible assets, if all of the following can be demonstrated:

i) The technical feasibility of completing the intangible asset so that it will be available for use or sale;

ii) The Company has intention to complete the intangible asset and use or sell it;

iii) The Company has ability to use or sell the intangible asset;

iv) The manner in which the probable future economic benefits will be generated including the existence of a market for output of the intangible asset or intangible asset itself or, if it is to be used internally, the usefulness of the intangible asset;

v) The availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and

vi) The Company has ability to measure the expenditure attributable to the intangible asset during its development reliably.

Other development costs that do not meet above criteria are expensed in the period in which they are incurred.

Intangible assets are amortised over their useful lives on straight line basis in the following manner:

i) Product development expenses on new products are amortized over a period of 60 months from the date of commencement of commercial production of the relevant product.

ii) Product design expenses in respect of future products are amortized over a period of 36 months from the date of approval of design by the customer.

iii) Specialised software are amortised over a period of 6 years from the date of capitalisation.

Intangible assets not ready for the intended use on the date of the Balance Sheet are disclosed as “Intangible assets under development”.

Amortisation charge for impaired assets is adjusted in the future periods in such a manner that the revised carrying amount of the asset is allocated over its remaining useful life.

g) Impairment of assets

As at each Balance Sheet date, the carrying amount of asset is tested for impairment so as to determine:

i) the provision for impairment loss, if any; and

ii) the reversal of impairment loss recognized in previous periods, if any,

Impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined:

i) in the case of an individual asset, at the higher of the net selling price and the value in use; and

ii) in the case of a cash generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.

(Value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life.)

h) Investments

Trade investments comprise investments in entities in which the Company has strategic business interest.

Investments, which are readily realisable and are intended to be held for not more than one year from the date of acquisition are classified as current investments. All other investments are classified as long-term investments.

Long-term investments are carried at cost, after providing for any diminution in value, if such diminution is other than temporary in nature.

The determination of carrying value of such investments is done on the basis of weighted average cost of each individual investment.

i) Inventories

Inventories are valued after providing for obsolescence as under:

Raw materials and components, packing materials, stores, spares and tools	At lower of weighted average cost and net realizable value. However, these items are considered to be realizable at cost if the finished products in which they will be used, are expected to be sold at or above cost of such finished products.
Work-in-progress	At lower of cost of raw material and components including related overheads and net realizable value.
Finished goods	At lower of cost and net realizable value. Cost includes raw materials, components and related overheads.

j) Cash and cash equivalents

Cash and cash equivalents represents cash on hand and demand deposits with banks and include short-term and highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

k) Employee stock options schemes

In respect of stock options granted pursuant to the Company's Stock Option Schemes, the intrinsic value of the options (excess of market price of the share over the exercise price of the option), is treated as discount and accounted as employee compensation cost over the vesting period. The amount recognized as expense each year is arrived at based on the number of grants expected to vest. If a grant lapses after the vesting period, the cumulative discount recognized as expense in respect of such grant is transferred to the General Reserve.

l) Leases

The determination of whether the agreement is, or contains, a lease is based on the substance of the agreement at the date of inception.

(i) Finance leases

Assets acquired under leases where the Company has substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalized at the inception of the lease at the lower of the fair value or the present value of minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost, so as to obtain a constant periodic rate of interest on the outstanding liability for each period.

(ii) Operating leases

Assets acquired on leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Lease rentals are charged to the Statement of Profit and Loss on accrual basis.

m) Foreign currency transactions, forward contracts and derivatives

(i) The reporting currency of the Company is Indian Rupee.

(ii) Foreign currency transactions are recorded on initial recognition in the reporting currency, using the exchange rate at the date of the transaction. At each balance sheet date, foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried at historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

(iii) Exchange differences that arise on settlement of monetary items or on reporting of the Company's monetary items at each balance sheet date at the closing rate are recognised as income or expense in the period in which they arise.

(iv) Forward contracts, other than those entered into to hedge foreign currency risk on unexecuted firm commitments or highly probable forecast transactions, are treated as foreign currency transactions and accounted accordingly as per Accounting Standard (AS) 11 "The Effects of Changes in Foreign Exchange Rates''. Exchange differences arising on such contracts are recognized in the period in which they arise. Gains and losses arising on account of roll over/ cancellation of forward contracts are recognized as income/expenses of the period in which such roll over/ cancellation takes place.

(v) All the other derivative contracts, including forward contracts entered into to hedge foreign currency risks on unexecuted firm commitments and highly probable forecast transactions, are recognized in the financial statements at fair value as at Balance Sheet date, in pursuance of the announcement of the Institute of Chartered Accountants of India (ICAI) dated March 29, 2008 on accounting of derivatives. The Company has adopted Accounting Standard (AS) 30 "Financial Instruments : Recognition and Measurement" for accounting of such derivative contracts, not covered under Accounting Standard (AS) 11 "The Effects of Changes in Foreign Exchange Rates'', as mandated by the ICAI in the aforesaid announcement.

Accordingly, the resultant gains or losses on fair valuation / settlement of the derivative contacts covered under Accounting Standard (AS) 30 "Financial instruments : Recognition and Measurement'" are recognized in the Statement of Profit and Loss or Balance Sheet as the case may be after applying the test of hedge effectiveness. Where the hedge in respect of off-balance sheet items is effective, the gains or losses are recognised in the "Hedging Reserve" which forms part of "Reserves and Surplus" in the Balance Sheet.

The amount recognised in the "Hedging Reserve" is transferred to the Statement of Profit and Loss in the period in which the underlying hedged item affects the Statement of Profit and Loss. Gains or losses in respect of ineffective hedges are recognised in the Statement of Profit and Loss in the period in which such gains or losses are incurred.

(vi) Premium paid / received on a foreign currency forward contract is accounted as expense / income over the life of the contract.

n) Employee benefits

(i) Short-term employee benefits:

All employee benefits falling due wholly within twelve months of rendering the service are classified as short-term employee benefits. The benefits like salaries, wages, short-term compensated absences, etc. and the expected cost of bonus and ex-gratia are recognized in the period in which the employee renders the related service.

(ii) Post-employment benefits:

1) Defined contribution plans

The Company's state governed provident fund scheme, employees' state insurance scheme and employee pension scheme are the defined contribution plans. The contribution paid/ payable under the schemes is recognized during the period in which the employee renders the related service.

2) Defined benefit plans

The Company's obligation towards gratuity is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans is based on the market yields on Government securities having maturity periods approximating to the terms of related obligations as at the balance sheet date.

The fair value of the plan assets is reduced from the gross obligation under the defined benefit plans to recognise the obligation on a net basis.

Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss, and gains or losses on the curtailment or settlement of the defined benefit plan are recognized when the curtailment or settlement occurs.

Past service cost is recognised immediately to the extent that the benefits are already vested, and otherwise is amortised on a straight-line basis over the average period until the benefits become vested.

(iii) Long-term employee benefits

The obligation for long-term employee benefits such as long-term compensated absences is recognized in the similar manner as in the case of defined benefit plans as mentioned in (ii) (2) above.

o) Borrowing costs

(i) Borrowing costs include interest, commitment charges, amortization of ancillary costs, amortization of discounts/ premium related to borrowings, finance charges in respect of assets acquired on finance lease and exchange differences arising from foreign currency borrowings, to the extent they are regarded as an adjustment to interest costs.

(ii) Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of cost of such asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time (ordinarily, a period of twelve months) to get ready for its intended use or sale.

(iii) All other borrowing costs are recognised as an expense in the period in which they are incurred.

p) Taxes on income

(i) Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961 and based on the expected outcome of assessments / appeals.

(ii) Deferred tax is recognized on timing differences between the accounting income and taxable income for the year and quantified using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date.

(iii) Deferred tax assets relating to unabsorbed depreciation/business losses are recognized and carried forward to the extent there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

(iv) Other deferred tax assets are recognized and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

q) Operating cycle for current/ non-current classification

Operating cycle for the business activities of the Company is taken as twelve months for classification of its assets and liabilities into current/ non-current.

r) Provisions, contingent liabilities and contingent assets

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

i) the Company has a present obligation as a result of a past event,

ii) a probable outflow of resources is expected to settle the obligation; and

iii) the amount of obligation can be reliably estimated.

Reimbursement expected in respect of expenditure required to settle a provision is recognized only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in the case of

i) present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation;

ii) a present obligation arising from past events, when no reliable estimate is possible;

iii) a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Contingent assets are neither recognized, nor disclosed.

Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

s) Commitments

Commitments are future liabilities for contractual expenditure. Commitments are classified and disclosed as follows:

(i) Estimated amount of contracts remaining to be executed on capital account and not provided for; and

(ii) Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

Other commitments related to sales/procurements made in the normal course of business are not disclosed to avoid excessive details.

t) Cash Flow Statement

Cash Flow Statement is prepared segregating the cash flows from operating, investing and financing activities. Cash flow from operating activities is reported using indirect method. Under the indirect method, the net profit is adjusted for the effects of :

(i) transactions of a non-cash nature

(ii) any deferrals or accruals of past or future operating cash receipts or payments and

(iii) items of income or expense associated with investing or financing cash flows.

Cash and cash equivalents are reflected as such in the Cash Flow Statement

NOTES ACCOMPANYING THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2016

2. SHARE CAPITAL

a) Authorised, issued, subscribed and paid up share capital

	As at 31.03.2016		As at 31.03.2015	
	Numbers	₹	Numbers	₹
Authorised Capital				
Equity shares of ₹ 10/- each	**35,000,000**	**350,000,000**	35,000,000	350,000,000
Issued, subscribed and fully paid up				
Equity shares of ₹ 10/- each	**30,608,444**	**306,084,440**	30,608,444	306,084,440
	30,608,444	**306,084,440**	30,608,444	306,084,440

b) Reconciliation of Equity shares outstanding at the beginning and at the end of the year

	As at 31.03.2016		As at 31.03.2015	
	Numbers	₹	Numbers	₹
At the beginning of the year	**30,608,444**	**306,084,440**	30,445,444	304,454,440
Issued during the year - on exercise of employees stock options	**-**	**-**	163,000	1,630,000
At the end of the year	**30,608,444**	**306,084,440**	30,608,444	306,084,440

c) Terms / rights / restrictions attached to equity shares

(i) The Company has only one class of equity shares having a face value of ₹. 10/- each. Each holder of equity share is entitled to one vote per share.

(ii) All shares issued carry equal rights for dividend declared by the Company. There are no restrictions attached to any of the shares.

(iii) The Company has not issued any securities with the right / option to convert the same into equity shares at a later date.

d) Shares held by the holding company/ ultimate holding company / their subsidiaries or associates

	As at 31.03.2016		As at 31.03.2015	
	Numbers	₹	Numbers	₹
Equity shares of ₹ 10/- each, fully paid up				
Agile Electric Sub Assembly Private Limited, the Holding Company	**12,830,659**	**128,306,590**	12,830,059	128,300,590
Igarashi Electric Works Limited, Japan, the Ultimate Holding Company	**967,648**	**9,676,480**	967,648	9,676,480
Igarashi Electric Works (H.K) Limited, Hong Kong, the subsidiary of the Ultimate Holding Company	**2,499,993**	**24,999,930**	2,499,993	24,999,930

e) Details of share holders holding more than 5% of equity shares in the Company

Name of shareholder	As at 31.03.2016		As at 31.03.2015	
	Numbers	**% holding**	Numbers	% holding
Agile Electric Sub Assembly Private Limited	**12,830,659**	**41.92**	12,830,059	41.92
P. Mukund (Person acting in concert)	**9,978,384**	**32.60**	9,978,384	32.60
Igarashi Electric Works (H.K) Limited, Hong Kong	**2,499,993**	**8.17**	2,499,993	8.17

f) The Company has not bought back any shares or issued shares for consideration other than cash or issued bonus shares during the five years immediately preceding March 31, 2016 (Five years immediately preceding March 31, 2015 - Nil)

g) There are no shares reserved for issue under options and contract / commitments for sale of share or disinvestment.

h) The Directors recommend payment of final dividend of ₹. 1.50/- (Previous year ₹. 4.44/-) per equity share of ₹.10/- each on the number of shares outstanding as on the record date. Provision for final dividend has been made in the books of account for 30,608,444 equity shares outstanding as at March 31, 2016 amounting to ₹. 45,912,666/- (Previous year ₹. 135,901,491/-)

3 RESERVES AND SURPLUS

	As at 31.03.2016		As at 31.03.2015	
	₹	₹	₹	₹
Securities premium account				
As per last Balance Sheet	**1,351,901,331**		1,342,635,541	
Add: Additions on Employee Stock options expenses	**-**		4,914,450	
Add: Transferred from Employee Stock options outstanding	**-**		4,351,340	
		1,351,901,331		1,351,901,331
Share options outstanding account				
Employees stock options outstanding				
As per last Balance Sheet	**-**		4,593,710	
Less: Allotment of shares during the year	**-**		(4,351,340)	
Less: Stock options lapsed during the year transferred to General Reserve	**-**		(242,370)	
				-
Deferred employee compensation expense				
As per last Balance Sheet	**-**		90,466	
Less: Amortisation during the year	**-**		(90,466)	
Hedging Reserve				
As per last Balance Sheet	**(825,842)**		-	
Add: Transfer to statement of Profit & Loss	**825,842**		(825,842)	
		-		(825,842)
General Reserve				
As per last Balance Sheet	**46,442,370**		-	
Add: Transferred from Surplus	**-**		46,200,000	
Add: Transferred from Employee Stock Options Outstanding pursuant to Options lapsed	**-**		242,370	
		46,442,370		46,442,370
Surplus				
As per last Balance Sheet	**805,922,998**		541,061,777	
Add: Profit for the year	**636,410,519**		489,516,866	
Less: Transferred to General Reserve	**-**		(46,200,000)	
Less: Depreciation charged against retained earnings pursuant to Schedule II to the Act (net of tax)	**-**		(14,999,247)	
Less: Interim dividend paid	**(122,433,776)**		-	
Less: Final dividend paid	**-**		(326,000)	
Less: Proposed dividend	**(45,912,666)**		(135,901,491)	
Less: Additional tax on dividend	**(34,272,456)**		(27,228,907)	
		1,239,714,619		805,922,998
		2,638,058,320		2,203,440,857

Note: The Board of Directors, in their meeting held on March 14, 2016 declared an interim dividend of 40% (₹.4.00 per equity share of ₹ 10/- each) to those shareholders whose name appeared in the register of members as on March 22, 2016.

NOTES ACCOMPANYING THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2016

4 LONG-TERM BORROWINGS

	As at 31.03.2016 ₹	As at 31.03.2015 ₹
Secured		
Term loans from banks		
(i) External commercial borrowings	**223,642,611**	386,964,205
(ii) Foreign currency term loan	**-**	17,205,951
Unsecured		
(i) Finance lease obligations [Refer Note 31 (a) infra]	**-**	12,823,062
	223,642,611	416,993,218

Terms and conditions of long-term borrowings

(a) Secured loans

Terms of repayment as at March 31, 2016

(i) External commercial borrowing (ECB-I) is repayable in six unequal quarterly installments ending in August 2017.

(ii) External commercial borrowing (ECB-III) is repayable in fifteen equal quarterly installments ending in November 2019.

(iii) Foreign currency term loan is repayable in April 2016.

Nature of security

(i) External commercial borrowing (ECB-I) is secured by first exclusive charge on the fixed assets of the Company created out of the ECB facility funded by the bank, both present and future, an equitable mortgage over the superstructures constructed by the Company and second ranking pari-passu charge on all the current assets of the Company, both present and future.

(ii) External commercial borrowing (ECB-III) is secured by first ranking pari-passu charge on the entire fixed assets, all right, title, interest, benefit, claims and demand of the Company, both present and future, and equitable mortgage over the superstructures constructed by the Company and second ranking pari-passu charge on all the current assects of the Company both present and future.

(iii) Foreign currency term loan is secured by first ranking pari-passu charge on all movable fixed assets of the Company, both present and future, an equitable mortgage over the superstructures constructed by the Company and second ranking pari- passu charge on all the current assects of the Company, both present and future.

(b) Unsecured loan

(i) Finance lease obligations are fully repayable in equated monthly installments by September 2016.

5 DEFERRED TAX LIABILITIES (NET)

Major components of deferred tax liabilities and deferred tax assets are as follows :

	As at 31.03.2016 (₹)		As at 31.03.2015 (₹)	
	Deferred Tax Assets (a)	**Deferred Tax Liabilities (b)**	Deferred Tax Assets (a)	Deferred Tax Liabilities (b)
Difference between book depreciation and tax depreciation		**92,327,638**		97,764,238
Tax effect of depreciation charged against opening balance of retained earnings		**-**		(7,938,187)
Provision for unpaid bonus, gratuity and leave encashment debited to the Statement of Profit and Loss	**807,002**		479,715	
Total	**807,002**	**92,327,638**	479,715	89,826,051
Deferred tax liability (net) [(b) - (a)]		**91,520,636**		89,346,336
Net increase / (decrease) in deferred tax liabilitycharged /(credited) to Statement of Profit and Loss		**2,174,300**		

6 SHORT-TERM BORROWINGS

	As at 31.03.2016 ₹	As at 31.03.2015 ₹
Secured		
Working Capital Loans		
Packing Credit / Buyers' Credit from banks [Refer Note (a) below]	**-**	13,327
	-	13,327

(a) Working capital loans in the nature of packing credit and buyers' credit are repayable within one year. They are secured by first ranking pari-passu charge on all current assets of the Company, both present and future and a second ranking pari-passu charge on all fixed assets of the Company, both present and future after term loans from banks. The charge also extends to bills discounted amounting to ₹ Nil (Previous year ₹ 72,638,834/-) and equitable mortage over the superstructures constructed by the Company as an additional security.

7 TRADE PAYABLES

	As at 31.03.2016 ₹	As at 31.03.2015 ₹
(i) Total outstanding dues of micro enterprises and small enterprises"	**-**	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises"	**682,529,915**	682,323,045
	682,529,915	682,323,045

(a) The disclosures pursuant to The Micro, Small and Medium Enterprises Development Act, 2006, [MSMED Act] is as under:

	2015 -16 ₹	2014 -15 ₹
Principal amount due to suppliers under MSMED Act, 2006	**-**	-
Interest accrued, due to suppliers under MSMED Act on the above amount, and unpaid	**-**	-
Payment made to suppliers (other than interest) beyond the appointed day during the year	**-**	-
Interest paid to suppliers under MSMED Act (other than Section 16)	**-**	-
Interest paid to suppliers under MSMED Act (Section 16)	**-**	99,657
Interest due and payable towards suppliers under MSMED Act for payments already made	**-**	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	**-**	-
Amount of further interest due and payable even in the succeeding year until such date when the interest dues, as above, are actually paid to the small enterprise	**-**	-

NOTES ACCOMPANYING THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2016

8 OTHER CURRENT LIABILITIES

	As at 31.03.2016 ₹	As at 31.03.2015 ₹
Current maturities of long-term borrowings [Refer note 4 *supra* for terms and conditions]		
Secured		
Term loans from banks		
External commercial borrowings	**186,568,547**	76,340,357
Foreign currency term loan	**18,239,602**	68,823,804
Unsecured		
Finance lease obligations	**12,823,062**	12,995,727
	217,631,211	158,159,888
Interest accrued and due on borrowings	**68,105**	320,772
Interest accrued but not due on borrowings	**2,053,700**	1,973,031
Advance received from customers	**10,454,856**	72,940,375
Unpaid dividend	**1,638,943**	810,423
Liability for capital goods	**61,228,975**	8,309,435
Liability for expenses	**61,752,548**	47,773,723
Statutory liabilities	**11,748,348**	9,594,487
	366,576,686	299,882,134

9 SHORT-TERM PROVISIONS

	As at 31.03.2016 ₹	As at 31.03.2015 ₹
Employee benefits [Refer Note 28 *infra*]		
Gratuity	**494,423**	-
Leave encashment	**1,574,112**	207,238
	2,068,535	207,238
Provision for Income taxes		
Current year [Refer Note (a) below]	**335,000,000**	232,000,000
Earlier years [net of advance tax ₹ 20,685,453/- (Previous year ₹ 20,685,453/-)]	**10,781,698**	10,781,698
	345,781,698	242,781,698
Proposed dividend	**45,912,666**	135,901,491
Additional tax on dividend	**9,347,819**	27,173,503
	403,110,718	406,063,930

(a) "Provision for current tax has been determined in accordance with the applicable provisions of the Income-tax Act, 1961."

10 FIXED ASSETS

(Figures in ₹)

(i)	Tangible assets												
		GROSS BLOCK				DEPRECIATION / OBSOLESENCE						NET BLOCK	
	Particulars	As at 01.04.2015	Additions	Deductions	As at 31.03.2016	Up to 31.03.2015	Charged against retained earnings	Opening cumulative depreciation	For the year	On deductions	Up to 31.03.2016	As at 31.03.2016	As at 31.03.2015
	Buildings												
	Owned [Refer Note (v)]	228,927,532	4,825,096	-	**233,752,628**	63,004,985	-	63,004,985	7,287,124	-	**70,292,109**	**163,460,519**	165,922,547
	Plant and equipment												
	Owned	1,810,887,024	350,334,410	27,597,315	**2,133,624,119**	842,906,398	-	842,906,398	162,371,434	26,217,449	**979,060,383**	**1,154,563,736**	967,980,626
	Taken on lease	65,257,731	-	-	**65,257,731**	20,237,823	-	20,237,823	5,671,057	-	**25,908,880**	**39,348,851**	45,019,908
	Office equipment												
	Owned	9,421,850	1,738,637	22,990	**11,137,497**	7,923,226	-	7,923,226	593,832	15,351	**8,501,707**	**2,635,790**	1,498,624
	Furniture and fixtures												
	Owned	32,294,410	604,064	-	**32,898,474**	23,261,047	-	23,261,047	3,381,719	-	**26,642,766**	**6,255,708**	9,033,363
	Vehicles												
	Owned	3,719,663	-	-	**3,719,663**	1,414,569	-	1,414,569	480,205	-	**1,894,774**	**1,824,889**	2,305,094
	Total tangible assets	2,150,508,210	357,502,207	27,620,305	**2,480,390,112**	958,748,048	-	958,748,048	179,785,371	26,232,800	**1,112,300,619**	**1,368,089,493**	-
	Previous year	1,992,267,969	165,288,332	7,048,091	**2,150,508,210**	764,531,130	22,937,434	787,468,564	176,712,338	5,432,854	**958,748,048**	-	1,191,760,162

(ii)	Intangible assets												
		COST				AMORTISATION / OBSOLESENCE						NET BLOCK	
	Particulars	As at 01.04.2015	Additions	Deductions	As at 31.03.2016	Up to 31.03.2015	Charged against retained earnings	Revised opening cumulative amortisation	For the year	On deductions	Up to 31.03.2016	As at 31.03.2016	As at 31.03.2015
	Product development expenses	53,429,466	-	-	**53,429,466**	52,856,275	-	52,856,275	573,191	-	**53,429,466**	-	573,191
	Product design expenses	27,105,126	-	-	**27,105,126**	9,787,963	-	9,787,963	9,035,047	-	**18,823,010**	**8,282,116**	17,317,163
	Specialised software	1,015,000	900,000	-	**1,915,000**	113,156	-	113,156	234,731	-	**347,887**	**1,567,113**	901,844
	Total Intangible assets	81,549,592	900,000	-	**82,449,592**	62,757,394	-	62,757,394	9,842,969	-	**72,600,363**	**9,849,229**	
	Previous year	80,534,592	1,015,000	-	**81,549,592**	51,487,257	-	51,487,257	11,270,137	-	**62,757,394**	-	18,792,198

	Particulars	As at 31.03.2016	As at 31.03.2015
(iii)	Capital work-in-progress	**110,718,491**	5,630,492
(iv)	Intangible assets under development	**6,466,944**	6,466,944

(v) Factory buildings have been constructed on land taken on lease from May 1, 1991 for a period of fifteen years from Madras Export Processing Zone (MEPZ) and monthly rent paid has been recognized as an expense in the Statement of Profit and Loss. The Company has not paid any advance towards the lease. The said lease has since been renewed for a further period of five years from May 2, 2011 and is renewable further thereafter at the option of the Company on mutually agreed terms with MEPZ. In the event of the Company deciding to vacate the premises, the lessor (MEPZ) will compensate the Company, a mutually agreed consideration for the sale of the factory building. Accordingly, depreciation on factory buildings has been provided based on the useful lives prescribed in Schedule II to the Companies Act, 2013.

(vi) Depreciation and amortisation expense

Particulars	2015-16 ₹	2014-15 ₹
Depreciation	**179,785,371**	176,712,338
Amortisation	**9,842,969**	11,270,137
Total	**189,628,340**	187,982,475

NOTES ACCOMPANYING THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2016

(vii) Impairment of assets

The Company has reviewed the future cash flows on the basis of value-in-use of its assets and has satisfied that the estimated recoverable amount of fixed assets is more than the carrying amount as per the books. Accordingly, no provision for impairment loss is required to be made in these financial statements.

(viii) Borrowing cost capitalised during the year ₹ Nil (Previous year ₹ Nil)

11 NON -CURRENT INVESTMENTS

	As at 31.03.2016 ₹	As at 31.03.2015 ₹
Long-term investments at cost		
Unquoted Trade Investments		
Investments in equity instruments		
Fully paid equity shares of other Companies: Bosch Electrical Drives India Private Limited (3,370,049 Equity Shares of ₹ 100/- each) (Previous year 2,612,649 Equity Shares of ₹ 100/- each)	**337,004,900**	261,264,900
	337,004,900	261,264,900
a) Aggregate amount of unquoted non-current investments Book value	**337,004,900**	261,264,900

12 LONG-TERM LOANS AND ADVANCES

	As at 31.03.2016 ₹	As at 31.03.2015 ₹
(Unsecured, considered good)		
Capital advances	**6,166,814**	652,500
Security deposits	**9,051,374**	32,912,861
Employee advances	**5,164,170**	-
Prepaid expenses	**-**	252,015
	20,382,358	33,817,376

13 INVENTORIES

	As at 31.03.2016 ₹	As at 31.03.2015 ₹
Raw materials and components	**238,559,390**	242,104,676
[includes goods-in-transit ₹ 89,110,792/- (Previous year ₹ 92,332,536/-)]		
Stores and spares	**26,208,708**	25,914,972
[[includes goods-in-transit ₹ 101,990/- (Previous year ₹ 433,522/-)]		
Tools	**47,514,072**	28,940,340
Work-in-progress	**22,723,537**	16,569,977
Finished goods	**7,420,802**	17,085,363
	342,426,509	330,615,328

Refer Note 1(i) for mode of valuation

14 TRADE RECEIVABLES

	As at 31.03.2016 ₹	As at 31.03.2015 ₹
Unsecured, considered good		
Outstanding for a period of more than six months	-	3,252,969
Others	859,275,095	781,924,298
	859,275,095	785,177,267

15 CASH AND BANK BALANCES

	As at 31.03.2016 ₹	As at 31.03.2015 ₹
(i) Cash and cash equivalents		
Balances with banks		
on current accounts	130,742,764	70,825,218
on fixed deposit accounts with maturity of less than 3 months [including interest accrued thereon ₹ 7,296,219/- (previous year ₹ 12,487,522/-)]	968,454,383	684,013,329
Cash on hand	-	-
Sub total - Cash and cash equivalents	1,099,197,147	754,838,547
(ii) Other bank balances		
Fixed deposits with maturity of more than 3 months and less than 12 months [including interest accrued of ₹ 79,673/- (Previous year ₹ 596,035/-]	100,079,673	105,596,035
Margin money deposits [including interest accrued thereon ₹ 1,843,923/- (previous year ₹ 1,507,094/-)] [Refer note below]	59,415,914	50,183,923
Earmarked balances - Unpaid dividend accounts	1,638,943	810,423
Sub total - Other bank balances	161,134,530	156,590,381
	1,260,331,677	911,428,928

Note : Margin money deposits have been pledged towards credit facilities availed from banks.

Bank deposits with maturity more than 12 months	-	-

16 SHORT-TERM LOANS AND ADVANCES

	As at 31.03.2016 ₹	As at 31.03.2015 ₹
Unsecured, considered good		
Inter-corporate deposit with Holding Company	-	580,000,000
Advance income taxes - current year	329,249,717	229,473,636
Advance income taxes - earlier years (net of provisions) [Refer Note below]	20,683,975	20,960,870
Security deposits	25,036,319	600,000
Advances to employees	6,533,074	1,333,814
Balance with customs and excise authorities	441,283	704,430
Other advances recoverable in cash or kind	15,034,262	26,120,942
	396,978,630	859,193,692

Note: includes income tax paid under protest ₹ 13,534,828/- (previous year ₹ 10,164,183/-)

NOTES ACCOMPANYING THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2016

17 CONTINGENT LIABILITIES AND COMMITMENTS

a) Contingent liabilities

		As at 31.03.2016 ₹	As at 31.03.2015 ₹
i)	Bills discounted	-	72,638,834
ii)	Income tax liability that may arise in respect of matters for which the Company is under appeal	**15,538,283**	11,829,833
iii)	Employees State Insurance demand on dues for trainees	**2,434,404**	2,434,404

b) Other details regarding contingent liabilities

The Company does not expect any reimbursement in respect of the above contingent liabilities except bills discounted.

It is not practicable to estimate the timing of outflows, if any, in respect of matters pertaining to (ii) and (iii) above, pending resolution of the appellate proceedings.

c) Commitments

		As at 31.03.2016 ₹	As at 31.03.2015 ₹
1	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	**53,550,798**	23,267,859

18 REVENUE FROM OPERATIONS

	2015 - 16 ₹	2015 - 16 ₹	2014 - 15 ₹	2014 - 15 ₹
Sale of products				
Finished goods				
Exports [including deemed exports of ₹ 301,749,490/- (previous year ₹ 177,359,667/-)]		**4,290,310,926**		3,709,080,018
Domestic	**185,932,794**		155,148,259	
Less: Excise duty	**26,407,126**		13,445,698	
		159,525,668		141,702,561
		4,449,836,594		3,850,782,579

Details of products sold	2015 - 16 ₹	2015 - 16 ₹	2014 - 15 ₹	2014 - 15 ₹
1) Electric Micro Motors		**3,920,830,732**		3,606,277,607
2) Stamping and motor components		**529,005,857**		244,504,972
		4,449,836,594		3,850,782,579

19 OTHER INCOME

	2015 - 16 ₹	2015 - 16 ₹	2014 - 15 ₹	2014 - 15 ₹
Interest income on				
Bank deposits	**59,500,424**		51,784,361	
Electricity deposits	**581,802**		575,951	
Inter-corporate deposits	**53,245,902**		60,900,000	
		113,328,128		113,260,312
Exchange gain (net)		**1,174,499**		34,494,947
Lease rental income		**22,360,596**		22,360,596
Miscellaneous receipts		**6,167,337**		1,321,184
		143,030,560		171,437,039

20 MANUFACTURING AND OPERATING EXPENSES

	2015 - 16		2014 -15	
	₹	₹	₹	₹
(a) Cost of materials consumed				
Raw materials and components consumed				
Opening stock	**242,104,676**		189,649,951	
Add: Purchases	**2,617,422,104**		2,491,862,081	
	2,859,526,780		2,681,512,032	
Less : Closing stock	**238,559,390**		242,104,676	
		2,620,967,390		2,439,407,356
Less: Scrap sales		**68,912,536**		67,567,517
		2,552,054,854		2,371,839,839
Stores, spares and tools consumed				
Opening stock	**54,855,312**		32,686,738	
Add: Purchases	**118,183,597**		118,979,644	
	173,038,909		151,666,382	
Less : Closing stock	**73,722,780**		54,855,312	
		99,316,129		96,811,070
		2,651,370,983		2,468,650,909
(b) Changes in inventories of finished goods and work-in-progress				
Closing stock :				
Finished goods	**7,420,802**		17,085,363	
Work-in-progress	**22,723,537**		16,569,977	
	30,144,339		33,655,340	
Less: Opening stock :				
Finished goods	**17,085,363**		6,831,993	
Work-in-progress	**16,569,977**		17,341,215	
	33,655,340		24,173,208	
		3,511,001		(9,482,132)
(c) Other manufacturing and operating expenses				
Power and fuel	**55,375,127**		47,488,765	
Repairs to				
Plant and machinery	**99,197,162**		74,708,057	
Building	**11,099,894**		12,669,431	
		165,672,183		134,866,253
		2,820,554,167		2,594,035,030

NOTES ACCOMPANYING THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2016

(d) Disclosure of materials consumed

		2015 - 16 ₹	2014 - 15 ₹
(i)	Ferrous materials	**898,287,682**	782,780,314
(ii)	Non-ferrous materials	**279,057,565**	283,329,832
(iii)	Commutator	**218,767,413**	229,988,289
(iv)	Magnet	**199,038,721**	175,949,515
(v)	Brush	**136,214,379**	139,777,929
(vi)	Ball bearing	**206,492,305**	206,195,275
(vii)	Sintered parts	**234,911,300**	233,987,826
(viii)	Others	**478,601,618**	416,641,929
		2,651,370,983	2,468,650,909

(e) Analysis of materials consumed

Category	**2015 - 16**		2014 - 15	
	% of total consumption	**Value (₹)**	% of total consumption	Value (₹)
Imported	**92.26**	**2,446,200,249**	86.21	2,128,125,804
Indigenous	**7.74**	**205,170,734**	13.79	340,525,105
Total	**100.00**	**2,651,370,983**	100.00	2,468,650,909

(f) Details of inventory

		As at 31.03.2016 ₹	As at 31.03.2015 ₹
1)	**Raw materials and components**		
(i)	Ferrous materials	**57,330,447**	65,873,877
(ii)	Non-ferrous materials	**16,989,331**	16,250,685
(iii)	Commutator	**18,895,934**	25,849,958
(iv)	Magnet	**28,849,039**	21,902,238
(v)	Brush	**15,471,538**	14,784,125
(vi)	Ball bearing	**25,308,706**	17,238,478
(vii)	Sintered parts	**42,929,710**	43,642,795
(viii)	Others	**32,784,685**	36,562,520
		238,559,390	242,104,676
2)	**Stores, spares and tools**		
(i)	Tools	**47,552,965**	28,940,340
(ii)	Spares	**20,488,171**	19,167,900
(iii)	Consumables and others	**5,681,644**	6,747,072
		73,722,780	54,855,312
3)	**Work-in-progress**		
(i)	Electric Micro Motors	**13,776,809**	11,383,872
(ii)	Stamping and motor components	**8,946,728**	5,186,105
		22,723,537	16,569,977
4)	**Finished goods**		
(i)	Electric Micro Motors	**7,420,802**	17,085,363

21 EMPLOYEE BENEFITS EXPENSE

	2015 - 16 ₹	2014 - 15 ₹
Salaries, wages and bonus	**265,521,541**	232,160,684
Contribution to and provision for provident fund and gratuity fund	**10,203,743**	8,774,696
Expenses on Employee Stock Option Scheme	**-**	90,466
Welfare and other expenses	**42,732,862**	35,807,866
	318,458,146	276,833,712

22 FINANCE COSTS

Interest		
On term loans	**20,182,649**	19,735,243
On working capital loans	**851,684**	3,013,661
On finance lease	**1,937,926**	2,919,158
Others	**344,471**	1,548,112
	23,316,730	27,216,174
Other borrowing costs	**4,628,818**	6,801,257
Exchange loss on borrowings (net)	**22,130,633**	23,405,738
	50,076,181	57,423,169

23 SELLING, ADMINISTRATION AND OTHER EXPENSES

Rent	**23,572,836**	23,450,221
Rates, taxes and fees	**3,774,750**	2,330,495
Insurance	**4,469,217**	4,536,240
Travel and conveyance	**45,487,609**	47,680,786
Communication expenses	**5,078,018**	2,492,425
Recruitment and training	**4,999,054**	5,805,593
Printing and stationery	**4,869,912**	3,874,186
Bank charges	**12,550,975**	13,401,708
Professional charges [Refer Note (a) below]	**27,531,478**	16,422,898
"Expenditure on Corporate Social responsibility (CSR) activities [Refer Note (b) below]"	**7,550,000**	480,000
Selling and forwarding expenses	**50,119,066**	26,453,516
Loss on sale of fixed assets (net)	**636,552**	402,584
Quality cost	**17,582,127**	19,088,498
Miscellaneous expenses	**32,343,907**	23,048,936
	240,565,501	189,468,086

(a) Includes Auditor's remuneration (excluding service tax) as detailed below:

Statutory audit fees	**1,400,000**	900,000
Tax audit fees	**125,000**	105,000
Limited review certification fees	**360,000**	360,000
Certification fees	**170,000**	125,000
Reimbursement of expenses	**44,938**	91,423
	2,099,938	1,581,423

NOTES ACCOMPANYING THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2016

(b) Expenditure towards Corporate Social Responsibility (CSR) activities:

(i) Amount required to be spent by the Company on CSR related activities for 2015-16 is ₹ 10,074,350/- (₹ 6,482,254 for 2014-15)

(ii) The amount recognised as expense in the Statement of Profit & Loss on CSR related activities is ₹ 7,550,000/-, which comprises of:

		In cash ₹	Yet to be paid in cash ₹	Total ₹
(i)	Construction/Acquisition of assets charged to the Statement of Profit and Loss	-	-	-
(ii)	For purposes other than (i) above	**7,550,000**	-	7,550,000
	Total	**7,550,000**	-	7,550,000

24 VALUE OF IMPORTS (ON C.I.F.BASIS)

		2015 - 16 ₹	2014 - 15 ₹
(i)	Raw materials [includes purchases from units in SEZ of ₹. Nil (previous year ₹. Nil)]	**647,255,515**	430,654,601
(ii)	Components, stores and spares [includes purchases from units in SEZ of ₹. 529,137,846/- (previous year ₹. 494,631,628/-)]	**1,906,601,365**	1,855,452,402
(iii)	Capital goods [includes purchases from units in SEZ of ₹. 19,163,920/- (previous year ₹. 37,954,595/-)]	**243,838,318**	104,955,934

25 EXPENDITURE IN FOREIGN CURRENCY

(i)	Foreign travel	**3,369,597**	2,151,595
(ii)	Professional fees	**2,045,344**	3,004,831
(iii)	Sub-contract charges	**17,546,608**	19,063,202
(iv)	Interest	**20,182,649**	21,749,085

26 DIVIDEND REMITTED IN FOREIGN CURRENCY

Final dividend for the year 2014-15 and interim dividend for the year 2015-16 remitted to two non-resident shareholders on 3,467,641 equity shares (previous year final dividend for the year 2013-14 remitted to two non-resident shareholders on 3,467,641 equity shares)	**29,266,890**	6,935,282

27 EARNINGS IN FOREIGN CURRENCY

Export of goods calculated on F.O.B. basis [Including earnings in foreign currency on account of deemed exports of ₹. 301,749,490/- (Previous year ₹. 177,359,667/-)]	**4,219,088,041**	3,709,080,018

28 EMPLOYEE BENEFITS

Disclosure of employee benefits pursuant to Accounting Standard (AS) 15 "Employee Benefits"

(i) Defined benefit plans

Provision for Gratuity (defined benefit plan) and Leave encashment (Long-term employee benefit) represents provision made as per Actuarial valuation report.

NOTES ACCOMPANYING THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2016

a) The amounts recognised in the balance sheet are as follows: (₹)

Particulars	Gratuity Plan		Leave Encashment	
	As at 31.03.2016	As at 31.03.2015	**As at 31.03.2016**	As at 31.03.2015
A. Present Value of Defined Benefit Obligation				
- Wholly funded	**19,028,873**	15,932,670	**12,148,478**	9,185,446
- Wholly Unfunded	**-**	-	**-**	-
Less: Fair value of plan assets:	**(18,534,450)**	(16,379,880)	**(10,574,366)**	(8,978,208)
Unrecognised past service costs	**-**	-	**-**	-
Amount to be recognised as liability / (asset)	**494,423**	(447,210)	**1,574,112**	207,238
B. Amounts reflected in the Balance Sheet				
Liabilities	**19,028,873**	15,932,670	**12,148,478**	9,185,446
Assets	**(18,534,450)**	(16,379,880)	**(10,574,366)**	(8,978,208)
Net liability / (asset)	**494,423**	(447,210)	**1,574,112**	207,238

Note: Assets are not recognised in the Balance Sheet

b) The amounts recognised in the Statement of Profit and Loss are as follows : (₹)

Particulars	Gratuity Plan		Leave Encashment	
	2015 -16	2014 -15	**2015 -16**	2014 -15
Current service cost	**1,933,294**	1,436,184	**673,444**	157,233
Interest Cost	**1,207,339**	1,111,103	**695,001**	555,601
Less: Expected return on plan assets	**(1,395,241)**	(1,161,627)	**(780,564)**	(524,769)
Actuarial losses / (gains)	**1,537,290**	1,098,897	**2,514,570**	2,172,438
Past service cost	**-**	-	**-**	-
Effect of any curtailment or settlement	**-**	-	**-**	-
Actuarial gain not recognised in books	**-**	-	**-**	-
Total included in “Employee benefit expenses”	**3,282,682**	2,484,557	**3,102,451**	2,360,503
Actual Return on Plan assets	**1,495,391**	1,316,173	**856,435**	731,372

c) The changes in the present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as follows:

(₹)

Particulars	Gratuity Plan		Leave Encashment	
	2015 -16	2014 -15	**2015 -16**	2014 -15
Balance of the present value of defined benefit obligation as at the beginning of the year	**15,932,670**	12,559,221	**9,185,446**	6,253,129
Add: Current service cost	**1,933,294**	1,436,184	**673,444**	157,233
Add: Interest Cost	**1,207,339**	1,111,103	**695,001**	555,601
Add / Less : Actuarial losses / (gains)	**1,637,440**	1,253,443	**2,590,441**	2,379,041
Less: Benefits paid	**(1,681,870)**	(427,281)	**(995,854)**	(159,558)
Add: Past service cost	**-**	-	**-**	-
Balance of the present value of Defined benefit obligation as at the end of the year	**19,028,873**	15,932,670	**12,148,478**	9,185,446

NOTES ACCOMPANYING THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2016

d) Change in fair value of plan assets representing reconciliation of the opening and closing balances thereof are as follows: (₹)

Particulars	Gratuity Plan		Leave Encashment	
	2015 -16	2014 -15	**2015 -16**	2014 -15
Fair value of the plan assets as at the beginning of the year	**16,379,880**	11,487,772	**8,978,208**	7,301,862
Add: Expected return on plan assets	**1,395,241**	1,161,627	**780,564**	524,769
Add/(less) : Actuarial gains/(losses)	**100,150**	154,546	**75,871**	206,603
Add: Contribution by the employer	**2,341,049**	4,003,216	**1,735,577**	1,104,532
Less : Benefits paid during the year	**(1,681,870)**	(427,281)	**(995,854)**	(159,558)
Fair value of the plan assets as at the end of the year:	**18,534,450**	16,379,880	**10,574,366**	8,978,208

e) All Investments in plan assets are managed by the Life Insurance Corporation of India.

f) Principal actuarial assumptions at the balance sheet date (expressed as weighted averages):

Particulars	**2015 -16**	2014-15
Discount rate as at year end	**7.75%**	8.00%
Expected return on plan assets as at year end		
a) Gratuity Scheme	**8.35%**	9.00%
b) Leave Encashment Scheme	**8.35%**	9.00%
Salary growth rate:		
a) Gratuity Scheme	**8.00%**	8.00%
b) Leave Encashment Scheme	**8.00%**	8.00%

Attrition rate: 1-3% per annum, assumed to be independent of age and service.

Mortality rate : IALM (2006-08) Ultimate Table.

The estimates of future salary increases considered in actuarial valuation, take into account inflation, seniority promotion and other relevant factors such as supply and demand in the employment market.

g) The amounts pertaining to defined benefit plans and long-term employee benefits are as follows: (₹)

	Particulars	**As at 31.03.2016**	As at 31.03.2015	As at 31.03.2014	As at 31.03.2013	As at 31.03.2012
1)	Gratuity plan (funded)					
	Defined benefit obligation	**19,028,873**	15,932,669	12,559,221	12,000,980	11,617,474
	Plan assets	**18,534,450**	16,379,880	11,487,772	11,418,581	8,905,200
	Surplus / (deficit)	**(494,423)**	447,211	(1,071,449)	(582,399)	(2,712,274)
	Experience adjustment on plan liabilities	**980,073**	(782,212)	1,409,568	1,370,953	507,850
	Experience adjustment on plan assets	**100,150**	154,546	(22,877)	892,280	(1,090,563)
2)	Leave Encashment (funded)					
	Defined benefit obligation	**12,148,478**	9,185,446	6,253,129	6,709,239	6,681,443
	Plan assets	**10,574,366**	8,978,208	7,301,862	7,616,362	5,187,608
	Surplus / (deficit)	**(1,574,112)**	(207,238)	1,048,733	907,123	(1,493,835)
	Experience adjustment on plan liabilities	**2,299,651**	1,707,246	262,161	(915,534)	838,838
	Experience adjustment on plan assets	**75,871**	206,603	(199,657)	50,072	(20,807)

(h) General description of the defined benefit plan

The Company operates a funded defined benefit gratuity plan wherein every employee is entitled to a benefit equivalent to fifteen days last drawn salary for each completed year of service, subject to the maximum limit specified under the Payment of Gratuity Act, 1972, as amended from time to time. The same is payable on termination of service or retirement whichever is earlier. The benefit vests after five years of continuous service.

(ii) **Defined contribution plans**

Contribution to provident funds are made to the Regional Provident Fund office. Expenses recognised in the Statement of Profit and Loss is ₹ 6,921,061/- (previous year ₹ 6,290,139/-) Contribution to Employee State Insurance is made to the Employees' State Insurance Corporation. Expense recognised in the Statement of Profit and Loss is ₹ 2,176,616/- (previous year ₹ 2,025,648/-)

29 SEGMENT REPORTING PURSUANT TO ACCOUNTING STANDARD (AS) 17

(i) The Company is engaged in single segment of production of Micro motors and its accessories mainly for the Automotive sector. Hence disclosure of primary segment under Accounting Standard (AS) 17 "Segment Reporting" does not arise. The details of secondary segment being "geographical segments" are given below.

(₹)

Segment	Domestic		Overseas		Total	
	2015 -16	2014 -15	**2015 - 16**	2014 -15	**2015 -16**	2014 -15
External revenue by location of customers	**532,498,042**	319,062,228	**3,917,338,552**	3,531,720,351	**4,449,836,594**	3,850,782,579
Carrying amount of segment assets by location of assets	**3,303,872,225**	2,664,419,834	**720,712,510**	648,028,047	**4,024,584,735**	3,312,447,881

(ii) Segment identification, reportable segments and definition of each reportable segment

(a) Secondary Segment reporting format

In respect of secondary segment information, the Company has identified its geographical segments as (1) Domestic and (2) Overseas. The secondary segment information has been disclosed accordingly.

(b) Reportable segments

Reportable segments have been identified as per the criteria specified in AS 17 - "Segment Reporting".

(iii) All fixed assets of the Company are located within India.

30 RELATED PARTY DISCLOSURES PURSUANT TO ACCOUNTING STANDARD (AS) 18

(i) Names of related parties and related party relationship

(a) *Related parties where control exists*

1. Blackstone Capital Partners (Singapore) VI FDI Three Pte.Limited - Ultimate Holding Company upto July 29, 2015
2. Igarashi Electric Works Limited, Japan - Ultimate Holding Company from July 30, 2015
3. Agile Electric Sub Assembly Private Limited - Holding Company

(b) *Related parties with whom transactions have taken place during the year*

1. Agile Electric Sub Assembly Private Limited - Holding Company
2. Mr. P. Mukund, Managing Director - Key Management Personnel
3. Igarashi Electric Works Limited, Japan - Ultimate Holding Company from July 30, 2015
4. Igarashi Electric Works (HK) Ltd, Hong Kong - Fellow Subsidiary from July 30, 2015
5. Igarashi Electric Works International Ltd, Hong Kong - Fellow Subsidiary from July 30, 2015
6. Igarashi Motor Sales USA LLC, USA - Fellow Subsidiary from July 30, 2015
7. Igarashi Motoren Gmbh, Germany - Fellow Subsidiary from July 30, 2015

NOTES ACCOMPANYING THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2016

(ii) The following transactions were carried out with the related parties in the ordinary course of business.

(₹)

Sl No	Nature of relationship / transaction	Ultimate Holding Company	Holding Company	Fellow Subsidiaries	Key Management Personnel	Total
1	Purchase of goods	29,894,664 -	540,690,438 (499,075,492)	80,925 -	- -	570,666,026 (499,075,492)
2	Sale of goods	- -	338,621,046 (217,421,617)	2,480,871,042 -	- -	2,819,492,089 (217,421,617)
3	Services received	- -	- (6,249,180)	- -	- -	- (6,249,180)
4	Purchase of fixed assets	- -	19,163,920 (51,897,539)	- -	- -	19,163,920 (51,897,539)
5	Sale of fixed assets	- -	- (785,326)	- -	- -	- (785,326)
6	Receipt of Inter corporate deposits given	- -	580,000,000 -	- -	- -	580,000,000 -
7	Interest income on Inter corporate deposits	- -	53,245,902 (60,900,000)	- -	- -	53,245,902 (60,900,000)
8	Reimbursement of expenses received from	- -	2,424,955 (2,282,398)	- -	- -	2,424,955 (2,282,398)
9	Cost of services charged to	- -	14,103,600 (20,368,194)	- -	- -	14,103,600 (20,368,194)
10	Dividend paid	8,166,949	108,288,098 (25,660,118)	- -	84,217,561 (19,956,768)	200,672,608 (45,616,886)
11	Remuneration to Managing Director	- -	- -	- -	8,722,943 (8,726,206)	8,722,943 (8,726,206)
12	Advance received	- -	- -	5,241,181 -	- -	5,241,181 -
13	Discount received	- -	3,981,997 -	- -	- -	3,981,997 -

(iii) Amount due to / from related parties (₹)

Sl No.	Nature of transaction	Ultimate Holding Company	Holding Company	Fellow Subsidiaries	Key Management Personnel	Total
1	Due from related parties	- -	123,145,762 (89,525,373)	618,064,689 -	- -	741,210,451 (89,525,373)
2	Due to related parties	17,739,820 -	78,663,750 (130,408,526)	81,694 -	- -	96,485,264 (130,408,526)
3	Inter corporate deposits receivable	- -	- (580,000,000)	- -	- -	- (580,000,000)

(Note: Figures in brackets represent corresponding amounts of the previous year).

(iv) The Company has not written off or written back any amounts due from or due to related parties during the current or previous year.

31 DISCLOSURES PURSUANT TO ACCOUNTING STANDARD (AS) 19 "LEASES"

(a) Finance Lease

(i) The Company has acquired certain plant and equipment on finance lease. The lease has a primary period which is fixed and non-cancellable. There are no exceptional / restrictive covenants in the lease agreement.

(ii) The minimum lease payments and the present value of minimum lease payments in respect of assets acquired under finance lease as at March 31, 2016 is as follows:

(₹)

		Minimum Lease payments		Present value of Minimum Lease payments	
		As at 31.03.2016	As at 31.03.2015	**As at 31.03.2016**	As at 31.03.2015
1	Payable not later than 1 year	**12,970,798**	14,866,564	**12,823,062**	12,995,727
2	Payable later than 1 year and not later than five years	**-**	12,970,798	**-**	12,823,062
3	Payable later than five years	**-**	-	**-**	-
	Total	**12,970,798**	27,837,362	**12,823,062**	25,818,789
	Less: Future finance charges	**147,736**	2,018,573		
	Present Value of Minimum Lease payable	**12,823,062**	25,818,789		

(iii) Contingent rent recognised / (adjusted) in the Statement of Profit and Loss in respect of finance leases is ₹ Nil (Previous year ₹ Nil).

(b) Operating Lease

(i) The Company has taken certain premises and cars on cancellable operating lease. These lease agreements are normally renewed on expiry. There are no exceptional / restrictive covenants in these lease agreements.

(ii) (a) The Company has taken certain plant and equipment on non-cancellable operating lease. There are no exceptional/ restrictive covenants in the lease agreement.

(b) The minimum lease payments in respect of assets taken under non-cancellable operating lease as at March 31, 2016 is as follows:

		Minimum Lease payments	
		As at 31.03.2016	As at 31.03.2015
1	Payable not later than 1 year	**20,067,048**	20,067,048
2	Payable later than 1 year and not later than five years	**21,293,368**	41,360,416
3	Payable later than five years	**-**	-
		41,360,416	61,427,464

(iii) Lease payments recognised as expenses in the Statement of Profit and Loss for the year is ₹. 22,619,605/- (Previous year ₹. 22,741,067/-)

(iv) Contingent rent recognised in the Statement of Profit and Loss ₹ Nil (Previous year ₹ Nil)

(v) The Company has sub-leased the plant and equipment mentioned in (ii) (a) above on non-cancellable operating lease. The sub-lease rental income for the year is ₹. 22,360,596 /- (Previous year ₹. 22,360,596/-). There are no exceptional / restrictive covenants in the lease agreement.

(vi) Total of future minimum sub-lease rent expected to be received under non-cancellable sub-lease as on March 31, 2016 is ₹. 46,120,704/- (As at March 31, 2015 is ₹. 68,481,300/-)

NOTES ACCOMPANYING THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2016

32 DERIVATIVE CONTRACTS

(a) "In line with the Company's risk management policy, the financial risks mainly relating to changes in the exchange rates are hedged by using forward contracts, besides natural hedges.

The Company follows the principles of hedge accounting as per the Accounting Standard (AS) 30 "Financial Instruments: Recognition and Measurement" in respect of those derivative transactions which are not covered by Accounting Standard (AS) 11. Accordingly, the Company has recognised a net gain of ₹ 31,407,868/- (previous year net gain of ₹ 1,270,000/-) arising out of fair valuation of outstanding derivative contracts in Statement of Profit and Loss for the year ended March 31, 2016."

(b) The particulars of derivative contracts entered into for hedging foreign currency exchange risks, which are outstanding as at March 31, 2016 are as under :

Category of derivative instruments	**As at 31.03.2016 ₹**	As at 31.03.2015 ₹
Forward contracts for receivables including firm commitments and highly probable forecasted transactions	**202,740,300**	184,335,950

(c) Un-hedged foreign currency exposures as at March 31, 2016 are as under:

Unhedged foreign currency exposures	**As at 31.03.2016 ₹**	As at 31.03.2015 ₹
Receivables, including firm commitments and highly probable forecasted transactions	**636,783,507**	634,321,970
Borrowings	**430,572,561**	551,641,447
Payables, including firm commitments and highly probable forecasted transactions	**656,557,609**	656,438,379

33 DISCLOSURE PURSUANT TO ACCOUNTING STANDARD 20 "EARNINGS PER SHARE"

			2015 - 16	2014 - 15
	Basic			
(a)	Profit after tax as per Statement of Profit and Loss	₹	**636,410,519**	489,516,866
(b)	Number of equity shares outstanding	Nos	**30,608,444**	30,608,444
(c)	Weighted average number of equity shares outstanding	Nos	**30,608,444**	30,583,882
	Basic and Diluted Earnings per Share [(a) / (c)]	₹	**20.79**	16.01
	Face value of an equity share	₹	**10.00**	10.00

34 Figures for the previous year have been regrouped / reclassified wherever necessary.

As per our report attached of even date

for SHARP & TANNAN
Chartered Accountants
(Firm's Registration No.003792S)

V.Viswanathan
Partner
Membership No. 215565
Place: Chennai
Date : May 19, 2016

P. Mukund
Managing Director

K K Nohria
Chairman

Keiichi Igarashi
Director

Hemant M Nerurkar
Director

S. Radhakrishnan
Director

Akhil Awasthi
Director

Eva Maria Rosa Schork
Director

R. Chandrasekaran
Chief Financial Officer

P. Dinakara Babu
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016

	2015 - 16		2014 - 15	
	₹	₹	₹	₹
A) CASH FLOW FROM OPERATING ACTIVITIES				
Net profit before exceptional items and taxes		**973,584,819**		716,477,146
Adjustments for:				
Depreciation and amortisation expense	**189,628,340**		187,982,475	
Loss / (profit) on sale of fixed assets (net)	**636,552**		402,584	
Amortisation of employee stock option expenses	**-**		90,466	
Exchange (gain) / loss on borrowings (net)	**22,130,633**		23,405,738	
Interest expenses	**27,945,548**		34,017,431	
Interest income	**(113,328,128)**		(113,260,312)	
Net exchange (gain) / loss on working capital (net)	**3,460,129**		(6,208,959)	
		130,473,074		126,429,423
Operating profit before working capital changes		**1,104,057,893**		842,906,569
Adjustments for				
(Increase) / decrease in trade receivables	**(83,858,441)**		(84,671,438)	
(Increase) / decrease in loans and advances	**228,275,096**		(135,085,320)	
(Increase) / decrease in inventories	**(11,811,181)**		(84,105,431)	
Increase / (decrease) in trade and other payables	**(269,158,340)**		281,476,349	
		(136,552,866)		(22,385,840)
Cash generated from operations		**967,505,027**		820,520,729
Less: Direct taxes paid		**331,005,864**		229,473,636
Net cash from operating activities (A)		**636,499,163**		591,047,093
B) CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of fixed assets		**(416,084,980)**		(205,488,151)
Proceeds from sale of fixed assets		**750,953**		1,212,653
Purchase of non-current investments		**(75,740,000)**		(49,400,000)
Interest received		**113,507,661**		111,796,015
Intercorporate deposits repaid by holding company		**580,000,000**		-
Net cash from / (used in) investing activities (B)		**202,433,634**		(141,879,483)
C) CASH FLOW FROM FINANCING ACTIVITIES				
Proceeds from issue of share capital		**-**		6,544,450
Dividend paid		**(258,335,267)**		(61,216,888)
Additional tax on dividend paid		**(52,098,140)**		(10,403,810)
Proceeds from long-term borrowings		**-**		184,033,527
Repayment of long-term borrowings		**(154,420,793)**		(88,996,044)
Repayment of short-term borrowings (net)		**(13,327)**		(29,962,630)
Exchange gain / (loss) on repayment of borrowings (net)		**(1,589,124)**		(28,107,664)
Interest paid		**(28,117,546)**		(33,173,495)
Net cash from / (used in) financing activities (C)		**(494,574,197)**		(61,282,554)
Net increase/(decrease) in cash and cash equivalents (A+B+C)		**344,358,600**		387,885,056
Cash and cash equivalents as at the beginning of the year		**754,838,547**		366,953,491
Cash and cash equivalents as at the end of the year		**1,099,197,147**		754,838,547

Cash flow statement for the year ended March 31, 2016 (contd.)

Notes to the Cash flow statement

1. Cash flow statement has been prepared under the indirect method as set out in Accounting Standard (AS) -3 "Cash Flow Statements" as specified in Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014.
2. Purchase of fixed assets includes movement of capital work-in-progress, capital advances and liability for capital goods during the year.
3. Cash and cash equivalents comprise cash on hand and balance with banks on current accounts and fixed deposit accounts with maturity of less than three months and exclude unpaid dividend accounts, fixed deposits with maturity period greater than three months and margin money deposits. Refer Note 15(i) for components of cash and cash equivalents.
4. Figures for the previous year have been regrouped/reclassified wherever applicable.

As per our report attached of even date

for SHARP & TANNAN
Chartered Accountants
(Firm's Registration No.003792S)

V.Viswanathan
Partner
Membership No. 215565
Place: Chennai
Date : May 19, 2016

P. Mukund
Managing Director

K K Nohria
Chairman

Keiichi Igarashi
Director

Hemant M Nerurkar
Director

S. Radhakrishnan
Director

Akhil Awasthi
Director

Eva Maria Rosa Schork
Director

R. Chandrasekaran
Chief Financial Officer

P. Dinakara Babu
Company Secretary

NOTES:

NOTES:

IGARASHI MOTORS INDIA LIMITED

ATTENDANCE SLIP

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

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE HALL.ONLY MEMBERS OR THEIR PROXIES ARE ENTITLED TO BE PRESENT AT THE MEETING.

Name of the attending Member(s) : Folio/DP ID-Client ID No. :

No. of Shares held :

I hereby record my presence at the 24th ANNUAL GENERAL MEETING of the Company to be held at Hotel Savera, 146, Dr. Radhakrishnan Road, Chennai - 600 004 on Thursday, the 4th August, 2016 at 3.00 P.M.

NAME OF PROXY IN BLOCK LETTERS	SIGNATURE OF THE SHAREHOLDER/PROXY*

* Strike out whichever is not applicable.

IGARASHI MOTORS INDIA LIMITED

PROXY FORM

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

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Members :
Registered Address :

E-mail ID :
Folio/DP ID-Client ID No. :

I/We, being the member(s) of.....shares of Igarashi Motors India Limited, hereby appoint:
(1)Name ..... Address .....
Email Id.....Signature .....or failing him/her;
(2)Name.....Address .....
Email Id.....Signature .....or failing him/her;
(3)Name.....Address .....
Email Id.....Signature .....or failing him/her;
my /our Proxy to vote for me /us on my/our behalf at the 24th Annual General Meeting of the Company to be held at Hotel Savera, 146, Dr. Radhakrishnan Road, Chennai - 600 004 on Thursday, the 4th August, 2016 at 3.00 P.M. and at any adjournment thereof in respect of such resolutions as are indicated below :
** I wish my above proxy to vote in the manner as indicated in the box below:

No.	Resolutions	For**	Against**	Abstain**
Ordinary Business				
1	Adoption of Audited Financial Statment for the financial year ended March 31, 2016, and the Reports of the Board of Directors and Auditors' Report thereon.			
2	Approval for payment of interim dividend and to declare final dividend of Rs.1.50/- per equity share			
3	Appointment of Mr. Keiichi Igarashi, who retires by rotation and being eligible, seeks re-appointment			
4	Appoint M/s. Sharp & Tannan as Auditors of the Company for the financial year 2016-17			
Special Business				
5	Appointment of Mr. Akhil Awasthi (DIN: 00148350) as Director retiring by rotation			
6	Appointment of Mrs. Eva Maria Rosa Schork (DIN: 07159550) as Director retiring by rotation			
7	Appointment M/s. B S R & Co. LLP as Auditors of the Company for 5 years from financial year 2017-18 to 2021-22			

Signed this ..... day of ....., 2016.

Member's Folio/DP ID-Client ID No.....Signature of Shareholder(s).....

Signature of Proxyholder(s).....

Affix a ₹. 1 Revenue Stamp

Notes:

i. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
ii. A Proxy need not be a member of the Company.
iii. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
iv. ** This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
v. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
vi. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

GLOBAL IGARASHI MOTOR APPLICATIONS

Manufactured in India

IGARASHI
MOTORS INDIA LTD

Registered Office

IGARASHI MOTORS INDIA LTD.
Plots B-12 to B-15, Phase II, MEPZ - SEZ ,
Tambaram, Chennai - 600 045, Tamil Nadu, India.
Tel: +91-44-2262 8199 / 4229 8199 Fax: +91-44-2262 8143
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