

IMIL/SE/AR24/0724

July 15, 2024

By Online Submission

Bombay Stock Exchange Limited
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Stock Code : 517380

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor ,Plot No.C/1,
G-Block, Bandra Kurla Complex,
Bandra (East),
Mumbai 400 051
Email [cm1ist@nse.co.in]
Stock Code : IGARASHI

Attn: Compliance Department

Dear Sir/Madam,

Sub: Notice of 32nd Annual General Meeting and Annual Report for the Financial Year 2023-24– reg. Ref: SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023; Regulation 30 and 34 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

Pursuant to Regulation 30 and 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Notice convening 32nd Annual General Meeting and the Annual Report for the financial year 2023-24 which will be circulated to the shareholders through electronic mode. The 32nd AGM will be held on **Friday, August 09, 2024 at 10.00 a.m. (IST)** through Video Conference (VC) / Other Audio Visual Means (OAVM).

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

The schedule of AGM is as set out below:

Particulars	Details
Benpos Date for Sending Notice	July 12, 2024
Date of 32 nd AGM Notice and Annual Report 2023-24 circulated to Shareholders through e-mail	July 15, 2024
Cut Off Date (e-Voting)	July 31, 2024
Remote e-Voting Start Date	August 06, 2024
Remote e-Voting Start Time	9:00 A.M. (IST)
Remote e-Voting End Date	August 08, 2024
Remote e-Voting End Time	5:00 P.M. (IST)
Date of AGM	August 09, 2024
AGM Start Time	10:00 A.M. (IST)
AGM e-voting Result Date	Within 2 working days from the date of AGM

This is for your information and records.

Thanking you.

Yours faithfully,
For Igarashi Motors India Limited

P Dinakara Babu
Company Secretary & Compliance Officer

Encl: As stated above

IGARASHI MOTORS INDIA LIMITED

Reg. Off & Plant 1: Plot B12 to B15, Phase II, MEPZ-SEZ, Tambaram, Chennai- 600 045, India

CIN : L29142TN1992PLC021997, e-mail: investorservices@igarashimotors.co.in,Website: www.igarashimotors.com Tell: +91-44-42298199/22628199



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For more details, please visit:

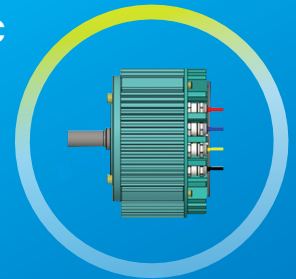
<https://www.igarashimotors.com>

Forward-looking statement

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

STEADY MOMENTUM. EMBRACING POTENTIAL.

Igarashi Motors remains committed to innovation, developing technologically-agnostic solutions, aligned with global benchmarks, in Automotive Application and Electric Consumer Durables for the FMEG segment. Despite ongoing challenges, our momentum remains strong, fuelled by our core strengths, positioning us to seize vast opportunities in Indian and global markets, driving volume and growth.



Backed by our rich parentage and core capabilities, we prioritise innovation to consistently diversify product applications globally in the automotive and FMEG sectors. As a global leader in Actuator Motors, we continue to strengthen our portfolio to develop tech-agnostic solutions tailored to evolving market dynamics. In addition to Engine Air Management, our offerings include Safety applications (Electric Parking Brake - EPB and Park Lock Actuators-PLA) and Body systems (Trunk Opening & Closing Devices -TOCD) and Sub-assemblies for seat applications, fuel pumps, window lifts and coolant control hubs. Our dedicated team is actively engaged in several programs collaborating with key industry players to expand our automotive product portfolio offerings.

Concurrently, we intensify our presence in the domestic automotive segment. Post implementation of BS-VI norms, we elevated our domestic automotive market share in Engine Air Management Application (ETC) > 42% by extending

supplies to domestic Tier-1 Customers. Additionally, we are actively forging partnerships with prominent OEMs in India and also leading Korean Tier-1 Customers to enhance our presence in the domestic Indian market as well as the East Asia market across Safety and Body applications, alongside Air Management applications.

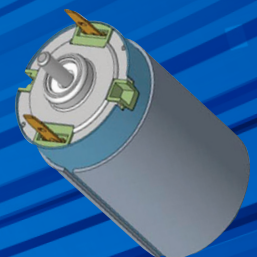
Foraying into the evolving FMEG market segment, we have launched Brushless DC Motors (BLDC) and Driver Electronics (ESDM) for Electrical Consumer Devices. Despite the delay in the adoption of energy efficiency rating norms for Ceiling Fans, our BLDC market share increased to 22%. Committed to delivering energy-efficient appliances, we continue to adopt the latest technologies and platforms to diversify our portfolio, having populated > 3.2 Million BLDC Solutions of 11 models with 44 variants.

We have also successfully developed BLDC-EV Motors with drivers for the growing Electric Vehicle segment

(E2W/E3W- eVA Series), having cleared customer simulation interaction tests and are in the next phase of technical evaluation. Additionally, exploring strategic partnerships to strengthen our global automotive dominance.

Despite challenges, our strategic focus on product diversification, product technology, scalable manufacturing (backward integration), quality assurance, team competency, operational efficiency and semi-automation of manufacturing lines have helped maintain steady growth.

Fostering lasting connections with our customers, we embrace the immense opportunities within the dynamic domestic automotive as well as FMEG markets, while expanding our significant presence in Actuator Motor applications within the global PV market.



About IMIL

Unveiling New Paths With Steady Momentum

Igarashi Motors India Limited (IMIL) is the leading global automotive component market player in Actuator Motors. We have evolved significantly since our establishment in 1996 as a modest contract manufacturer, successfully transitioning to design and develop critical automotive applications in 2000. Since 2020, we have expanded our scope to deliver energy-efficient BLDC motors for ceiling fans, establishing ourselves as the leading BLDC solutions provider in the FMEG segment.

We are primarily engaged in the production and export of Permanent Magnet DC Motors for Actuation in Air Management- [ETC, EGR, CCV, VGT, WGA] and Safety applications (Electric Parking Brake, Park Lock Actuators), Body systems (Trunk Opening & Closing devices -TOCD) and Sub-assemblies for seat applications, fuel pump, window lift and coolant control hub mainly for the automotive sector. We have populated over 584 Million DC Motors till March 31, 2024.

Furthermore, our expansion into BLDC motors has resulted in the delivery of 3.2 Million BLDC motor solutions for ceiling fan applications.

Leveraging our robust parentage, cutting-edge technology, meticulous processes, manufacturing excellence, and highly skilled workforce, we are steadfast in our dedication to crafting top-quality products with backward integration. Our commitment to innovation drives us to develop technologically-agnostic solutions that exceed industry standards in automotive applications as well as Electrical Consumer Durables in the FMEG segment.

Simultaneously, we continue to diversify product applications worldwide across automotive and FMEG segments. Additionally, we are

strengthening strategic manufacturing partnerships for motors to achieve cost advantage through advanced applications such as Electric Parking Brake and Trunk Opening & Closing Devices.

We are actively forging new alliances to expand our footprint in the domestic automotive market, collaborating with prominent OEMs and leading

Korean Global Tier-1 companies to supply electric parking brake and seat applications in India.

Harnessing the burgeoning opportunities in both Indian and global markets, we are positioned to maintain our steady momentum while embracing the vast potential ahead, delivering enduring value for all our stakeholders.





VISION

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



MISSION

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

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

UNLOCKING SUCCESS WITH KEY DIFFERENTIATORS

➤ Global Automotive Passenger Vehicle Market Leader in Actuator Motors in Engine Air Management Application

➤ Robust Parentage Support

➤ Established Strong Customer Relationships while catering to a Diverse Clientele

➤ Conduct Business with Leading Global Automotive Tier-1 Players and domestic FMEG market leaders, Leveraging Economies of Scale

➤ Vertically Integrated Modern Manufacturing Facilities and Logistic Warehouses at MEPZ-SEZ, Chennai and the Domestic Tariff Area Unit at Maraimalai Nagar, Tamil Nadu

➤ Leading with Enhanced Technology and Highly Efficient Manufacturing Processes for Over Three Decades

➤ Dedicated to Maintaining the Highest Quality Standards

➤ Dynamic leadership and robust team competency

IMIL's shares are listed on both NSE and BSE

BUSINESS SNAPSHOT

584 Million

DC Motors populated since 1996

3.2 Million

BLDC motor solutions since 2020

9

State-of-the-art manufacturing facilities

2

Logistics warehouses

675

Committed Employees

FINANCIAL HIGHLIGHTS FY 2023-24

₹72,504 Lakhs

Revenue from Operations

₹7,408 Lakhs

Operating Profit

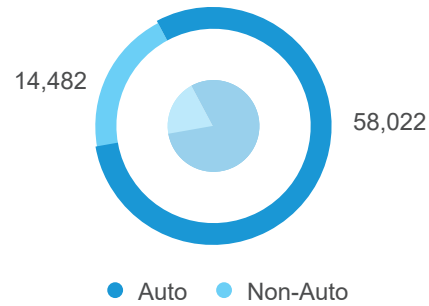
₹957 Lakhs

Net Profit



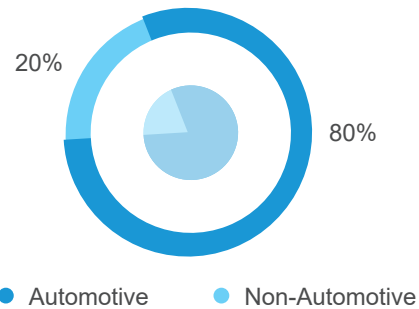
REVENUE BREAK-UP

By Business Segment (₹ in Lakhs)



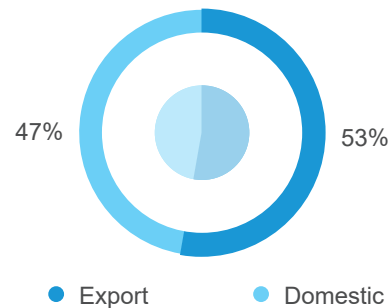
REVENUE BREAK-UP

By Business Segment



REVENUE BREAK-UP

By - Geography-wise



STAYED ON TRACK TO ACHIEVING OUR SUSTAINABILITY GOALS – FY2024



Environmental Stewardship

- ▶ **64%** renewable energy consumption
- ▶ Installed in-house **400 KW** capacity of Solar Power system
- ▶ **14.5%** reduction[^] of Hazardous and Non-Hazardous waste
- ▶ **ZERO** hazardous waste in Landfills



Empowering People

- ▶ **ZERO** reportable[^] fatality incidents
- ▶ **84%** of employees received skill upgrade training
- ▶ **♂ 73%, ♀ 27%**, Diversity Ratio (Incl. Direct & Associates)
- ▶ **17%** Diversity Ratio in women managerial position
- ▶ A total of **43,040** training man-hours were provided to direct and associates during FY2024



Helping Communities

- ▶ **51,897** CSR beneficiaries
- ▶ **₹5.5 Million** CSR Spend
- ▶ **89%** higher CSR spending than the prescribed regulatory norms



Governance

- ▶ **33%** Independent Directors
- ▶ **17%** Women representation on the Board

[^] Base year FY2022



ONE IGARASHI PROGRAM

Our comprehensive 'One Igarashi' initiative is designed to seamlessly integrate all facets and sites within the Igarashi Group worldwide. This comprehensive program emphasises unity and synergy, laying the foundation for sustained growth in the future. Our dedicated efforts in consolidating technology, customer program teams, manufacturing units, and sourcing operations in recent years are geared towards enhancing productivity and efficiency across the entire global Igarashi value chain, while also fostering an environment conducive to talent-sharing and development.

- ▶ Alignment of corporate direction
- ▶ Unified thought and action Igarashi Way
- ▶ Operational standardisation

Igarashi Global Footprint

📍 Sales Office



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



📍 Baesung Igarashi Co. Ltd, Korea



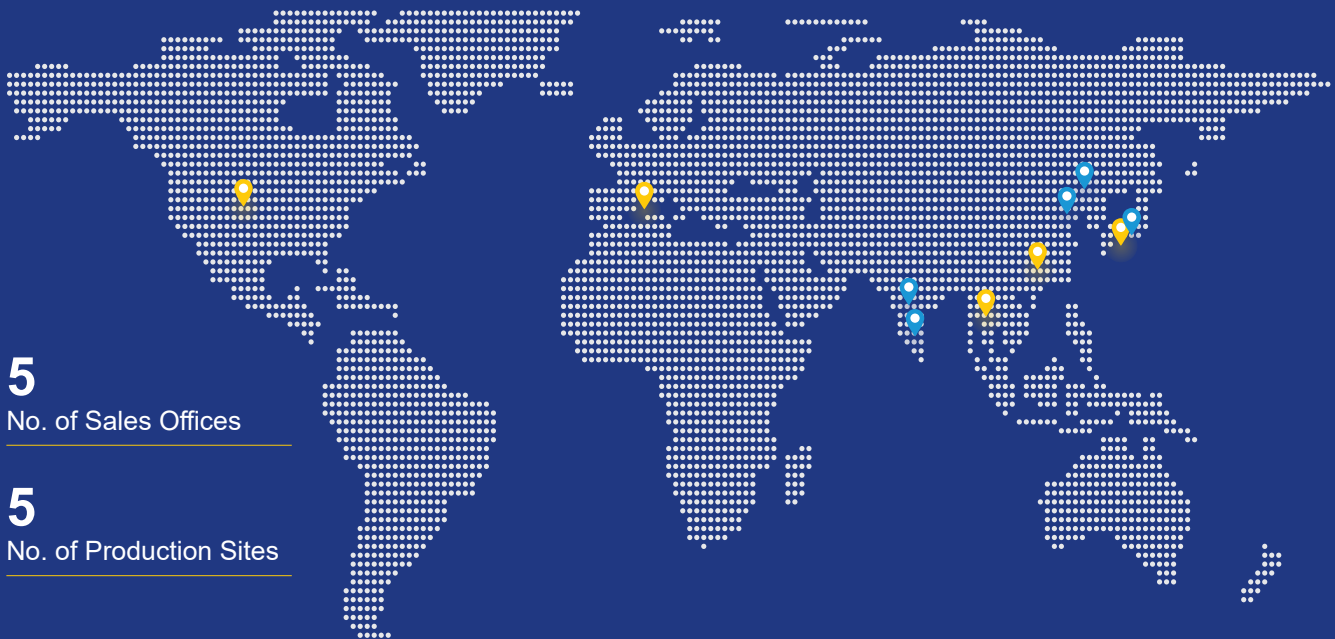
📍 Igarashi Motoren GmbH, Germany



📍 Igarashi Motors Sales USA LLC, USA



📍 Igarashi Electric Works Ltd, Japan



5
No. of Sales Offices

5
No. of Production Sites

📍 Production Site



📍 Agile Electric Sub Assembly Pvt Ltd, India



📍 Igarashi Electric Works (Zuhai) Ltd, China



📍 Igarashi Electric Works Ltd, Japan



📍 Igarashi Electric Works (Shenzhen) Ltd, China



📍 Igarashi Motors India Ltd, India

Map not to scale. For illustrative purposes only.

Infrastructure Excellence

8

Modern units are located in
MEPZ-SEZ Chennai

1

Domestic Unit at Maraimalai Nagar,
Tamil Nadu

2

Logistic Warehouses

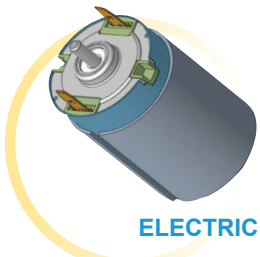


Versatile Product Portfolio Catering To Every Need

We offer a comprehensive product portfolio encompassing precision actuator DC motors for automotive and BLDC Ceiling Fan applications. Leveraging cutting-edge technology, we focus on innovation and quality to develop technologically-agnostic solutions, serving diverse industry segments.



We continue our dedicated efforts to integrate essential products across various application in the Automotive Segment, with a focus on Engine, Turbo, and Exhaust components, serving both global and Indian markets. Our evolution has seen us expand from a primary focus on the ETC space to becoming a key player in Air Management systems [EGR, CCV, VGT, WGA]. We uphold our leading position of 13% market share in Engine Air Management in the Global TAM-4W Passenger Car market. Additionally, with the adoption of BS-VI standards, we have achieved a 42% share in the domestic Passenger Car market by increasing our supplies to domestic Tier-1 Customers.



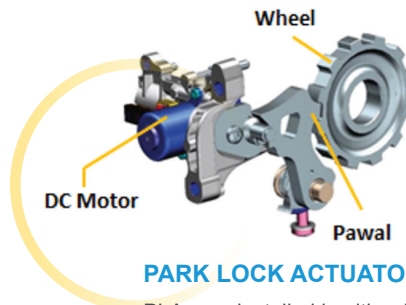
ELECTRIC PARKING BRAKE (EPB)

EPB is gaining increasing popularity in new car models owing to its rich array of features. As a technology-agnostic application, EPB is essential with two motors per car for both ICE and BEV vehicles. Additionally, the Global Tier-1 customers of the Igarashi Group have expressed interest in transitioning their EPB sourcing to India. Tapping this growing opportunity, we have focussed on expanding our product portfolio in this segment. Our Program team is currently engaged in 8 programmes, collaborating with five Tier-1 customers (both global and domestic), with plans to launch them in 2025.



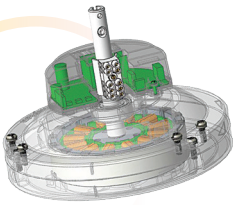
TRUNK OPENING AND CLOSING DEVICE (TOCD)

Igarashi Group is the global leader in TOCD motor applications in Passenger Cars worldwide. Igarashi Group Global Tier-1 customers have partnered with Igarashi India for the commercial launch of New Generation TOCD product, slated for an unparalleled launch in the year 2025.



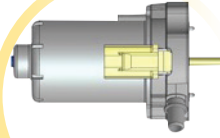
PARK LOCK ACTUATORS (PLA)

PLAs are installed in either Internal Combustion Engine (ICE) vehicles with automatic transmission or in Battery Electric Vehicles (BEV) to secure the vehicle against unintended movement when parked and also facilitate hill assist mode. Currently, our program team is actively engaged in developing three programs with volume potential of 4 Million for Export Tier-1 Customers, with launch plans scheduled for 2025.



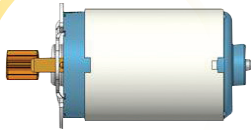
ENERGY-EFFICIENT BLDC MOTOR FOR CONSUMER APPLIANCE SEGMENT

Committed to delivering energy-efficient appliances, we have introduced the BLDC motor platform for Ceiling Fan Motor (CFM). Cumulatively 3.2 Million (with market share of 22% in BLDC ceiling fans) CFM units till FY2024 with 11 models having 44 variants, all equipped with remote units for enhanced control and convenience.



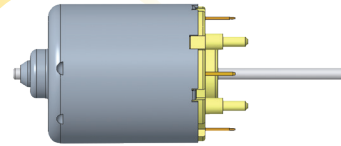
ELECTRIC VACUUM PUMP (EVP)

The electric vacuum pump is integral to braking systems, providing crucial vacuum support for brake boosters in various vehicles, including BEVs, Hybrids, and standard ICE vehicles. Your Company is actively engaged in three programs with prominent global and domestic Tier-1 customers for launch in the next three years. Samples are undergoing product validation at the customer's end.



GEAR BOX ACTUATORS (GBA)

The Gear Box Actuator (GBA) is a critical component in a modernised manual transmission gear box that is responsible for engaging and disengaging the gear in the gear box using an electro-mechanical device through electronic control unit for the optimised mechanical transmission with three motors per GBA. We are currently working with a global Tier-1 customer for the commercial launch in 2024/25.



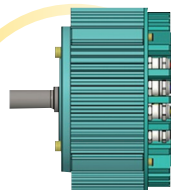
HEAD REST ACTUATORS

The Head Rest Actuator in a car is a mechanism that allows for the adjustment of the head rest position (Height and Angle) to enhance passenger comfort and safety. Our development team is working with one domestic tier 1 customer with estimated volume of 3 Million in the next 4 years.



ESDM (ELECTRONIC SYSTEM DESIGN & MANUFACTURING)

Our dedicated efforts in Electric Motor Drivers and Controllers over the past six years have laid a solid foundation for us to explore new opportunities across the ESDM segment. To date, we have delivered a cumulative total of >2.5 Million PCB solutions to our valued customers in India. Our EMS line equipped with high-speed dual lane EMS machines to enhance capacity and efficiency caters to escalating demand from our Indian clients.



EV TRACTION MOTOR PLATFORM

To tap the growing opportunity in the electric vehicle (EV) segment, we have meticulously crafted a platform for EV applications. In our pursuit to strengthen our dominance in the global automotive industry, we are actively exploring strategic tie-ups tailored to this platform. Adapting to the evolving market dynamics, the Igarashi technology desk has successfully developed BLDC EV Motors with drivers for the E2W/E3W electric vehicle segment (eVA Series) offering power ranges between 3.3 KW, 7.5 KW and 15 KW which have cleared simulation interaction tests by the customers. Currently, we are in the next phase of technical evaluation.

Elite Clientele

We serve a diverse customer base including some of the leading and established industry players in India and internationally.

AUTOMOTIVE (GLOBAL & DOMESTIC)

			
			
			
			
 Brakes India Limited			

NON-AUTOMOTIVE ELECTRICAL CONSUMER DURABLE IN FMEG

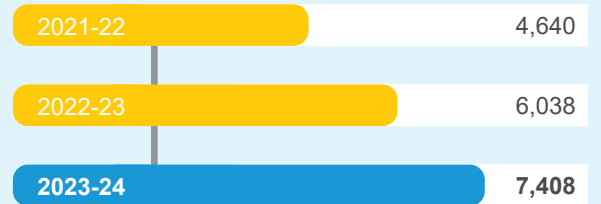
* All names, images and logos are copyright of their respective owners

Financial Highlights

Revenue from Operations (₹ in Lakhs)



Operating Profit (₹ in Lakhs)



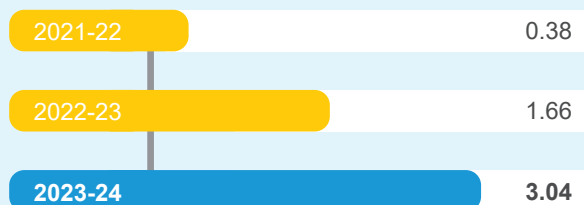
Net Profit (₹ in Lakhs)



Net Worth (₹ in Lakhs)



Earnings Per Share (₹)



Operating Profit Margin (%)



Message from the Chairman

Rising to Capabilities With Steady Momentum



“ During the fiscal year, we prioritised leveraging our internal capabilities diversifying beyond Air Management to Technology-agnostic Applications viz., Safety and Body applications for use across ICE, Hybrid and BEV car segments.

Dear Shareholders,

I am delighted to share with you the 32nd Annual Report of Igarashi Motors India Limited for FY 2023-24. During the fiscal, we maintained a steady momentum amidst global challenges, leveraging our internal capabilities to maintain Global automotive share and also our domestic automotive and non-automotive share, foster enduring customer connections and embrace potential market opportunities.

During FY 2023-24, the global economy demonstrated moderate growth and disinflation, showcasing resilience amid challenges such as continuing geopolitical tensions, stringent monetary tightening measures, the Red Sea issue resulting in increased marine cargo transit time and higher shipping costs, container shortages and economic slowdowns in several nations. Despite sluggish global automotive demand in FY 2023-24 due to slower chip shortage recovery,

ongoing supply chain constraints, and escalating raw material costs, the global automotive segment exhibited resilience. The segment witnessed a gradual recovery in the latter part of the fiscal year, driven by reduced inventory challenges and increased production in many countries, hinting at a measured rebound in 2024.

Innovation focus and path-breaking trends such as efficient Internal Combustion Engine (ICE) and Hybrid systems in vehicles, the global automotive industry are steering towards transformation and rapid expansion. Moreover, the 'Minus China' strategy is gaining momentum, with major global Original Equipment Manufacturers (OEMs) seeking alternative sources to address geopolitical issues and supply chain bottlenecks.

Despite global headwinds, the Indian economy maintained its position as the fastest growing major economy globally, with an estimated GDP growth of 7.6% in FY 2023-24 up from 7%

in FY 2022-23. This growth is largely attributed to robust domestic demand, rise in industrial activity, moderating inflation and an upstick in investments. Additionally, measures like favourable government policies such as the PLI scheme, Make in India and FAME-II are increasing India's appeal as a potential global manufacturing hub. The domestic automobile segment echoed the Indian economy's buoyancy, reporting sales growth of 12.5% in the fiscal year, according to the Society of Indian Automobile Manufacturers (SIAM).

Adopting a forward-looking lens has helped our Company proactively position ourselves to capitalise on the burgeoning opportunities within the domestic automotive and FMEG markets.

PERFORMANCE HIGHLIGHTS

Our Company has navigated FY 2023-24 with strategic finesse amid a volatile business environment, maintaining a stable momentum while diversifying its portfolio, and



technologies and strengthening internal capabilities, generating an impressive 10% topline growth and an 83% increase in net profit compared to FY 2022-23.

With a robust global track record spanning two decades, we continue to solidify our position as the leader in the global 4W Actuator market by diversifying beyond air management [ETC, EGR, WGA, VGT, CCV] to include technology-agnostic Safety applications [EPB, PLA, GBA, EVP] and Vehicle Body applications [TOCD] for use across ICE, Hybrid and BEV car segments.

We remain dedicated to our 4W DC Motor sub-assembly business, providing solutions for Window Lift, Wiper, Seat, and Fuel Pump applications, serving both export and domestic markets.

Additionally, the domestic 4W actuators market has been witnessing expansion following the implementation of BS-VI norms and technological advancements. Our focussed efforts have translated into impressive results for FY 2023-24, with us securing a commanding 42% domestic market share in engine air management applications.

We upgraded our BLDC ceiling fan technology, allowing our customers to introduce new and improved models. Notably, our non-auto BLDC ceiling fan motor segment has maintained a 22% market share, despite the slower adoption of the mandatory energy efficiency and Star Rating program implemented from January 2023.

STRATEGIC PRIORITY

During the fiscal year, we prioritised leveraging our internal capabilities to increase our market share within the domestic automotive sector. We focussed on technology integration, scalable manufacturing (backwards integration), quality assurance, team skill development, operational streamlining, semi-automation in manufacturing and building finished goods inventory to ensure sustained growth and embrace upward market potential.

We had been awarded by a top-tier global client on a GBA actuator, forecasting the production of 5-6 Million units in the upcoming five years. The product has successfully completed testing at the customer's facility, and full-scale production is scheduled to begin in late 2024.

Additionally, the team achieved an impressive milestone by developing the EPB actuator, a technology-neutral motor, within a 9-month period. This product is set for a commercial release in FY2025, in collaboration with three leading customers, and marks our strategic entry into the East Asian market. Highlighting our commitment to broadening our product applications and providing innovative solutions to our esteemed partners, our development team continues to be actively involved in strategic initiatives.

We have collaborated with 12 top-tier customers globally and domestically to develop 24 Engine Air Management programs with an approximate yield capacity of 22~25 Million motors over the next 4-5 years. Simultaneously, we are engaged in 9 plus applications programs in Safety and Body systems, expected around 25 Million motors over the same period, partnering with 10 Tier-1 customers both in India and worldwide. We are also working on 8 EPB programs with 5 leading Tier-1 customers targeting 20 Million motors over the next 4-5 years both globally and domestically, set for commercial launch in FY2025 with two Tier-1 customers.

Under 'Minus China' strategy, a leading Global Tier-1 Customer has worked closely with our company to achieve the successful launch of the New Generation TOCD product for the European Market. This milestone was reached within an unprecedented timeframe for commercial launch in FY2025, supported by our parent company, Igarashi Electric Works Ltd, Japan.

The electronics R&D division of your company has successfully created products spanning standard, premium, and super-premium segments within

the ceiling fan category. These products emphasise voice recognition, smart sensing technology, and BLDC motors designed for water pump applications.

Our development team designed competitive PCB controllers for Domestic Exhaust fans and Table/Pedestal/Wall (TPW) fans, poised for launch upon the introduction of mandatory star ratings for TPW applications by the government, expected within the next 12 months.

MOVING AHEAD

We remain committed to bolstering our core business by implementing robust strategies, leveraging advanced technology platforms and enhancing internal capabilities to sustain momentum and foster long-term customer relationships. Additionally, we are diversifying our portfolio to develop technology-agnostic products tailored to meet evolving demands across both global and Indian automotive and non-automotive sectors, driving volume, sustainable growth and customer reach.

ESG

As we continue sustainability efforts, we maintain our dedication to ESG principles and ESG targets. Our goal is to create an enduring value for our stakeholders over the long term.

IN CONCLUSION

Lastly, I express my heartfelt gratitude to our shareholders and all stakeholders for their unwavering trust and confidence in the Company's endeavours. I would also extend my thanks to the Senior Management and employees for their continuous support and steadfast commitment to helping fulfil the Company's objectives and scaling new heights.

Warm Regards,

Hemant M Nerurkar
Chairman

Message from Keiichi Igarashi, President, Igarashi Group

Leveraging Capabilities For Embracing Potential



“Risks to global growth are perceived as broadly balanced. Amidst these uncertainties, it’s heartening to see that the Indian economy is thriving and better positioned than ever before.”

Dear Shareholders,

Maintaining stable growth and inflation moderating, the global economy remained resilient in fiscal year 2023 despite facing headwinds related to ongoing geopolitical issues, monetary tightening, Red Sea Crisis, supply chain volatility, rising raw material and energy costs, elevated vehicle pricing and global economic slowdown. Risks to global growth are perceived as broadly balanced. Amidst these uncertainties, it’s heartening to see that the Indian economy is thriving and better positioned than ever before.

With impressive post-pandemic recovery marked by growing domestic demand, increased

investments, moderating inflation, and robust economic activity, India is poised to maintain its status as the fastest-growing global economy in 2024 for the third consecutive year. Furthermore, favourable demographics and government initiatives have paved the way for a stronger and more competitive manufacturing landscape.

Mirroring global economic trends, the automotive industry globally is slowly recovering albeit cautiously, primarily driven by a rise in demand and production across multiple regions. In response to persistent global supply chain hurdles, global manufacturers are undertaking efforts to relocate production closer to their target sales markets. The sector is also

undergoing a seismic shift with the evolving consumer tastes.

The Indian automotive industry serves as a pivotal growth engine for the nation's economy, contributing 7.1% to the overall GDP. Fuelled by key drivers such as a technology-enabled economy, increasing adoption of electric vehicles and supportive government initiatives aimed at enhancing infrastructure and manufacturing under the 'Viksit Bharat' vision by 2047, the long-term prospects look very bright for the growth of the Indian automotive sector. Moreover, with global OEMs eyeing India as a potential manufacturing hub under the 'Minus China' strategy, there is a significant potential to bolster the country's manufacturing landscape and establish it as a leading global manufacturing hub.

At Igarashi India, we are well-prepared to capitalise on growing opportunities in both the global and domestic automotive segments. Leveraging and expanding our core capabilities, we aim to consolidate our core segment while establishing a strong presence in the non-automotive sector Electrical Consumer Durable offerings for FMEG market. Supporting responsible growth, we are adopting cutting-edge technology and platforms to create energy-efficient products. Simultaneously, we are diversifying our portfolio with assistance from both Igarashi Global and in-house R&D teams to develop technology-agnostic products for both global and Indian automotive and non-automotive sectors.

In light of the expected consolidation among Tier-1

and Tier-2 players in the global auto ICE segment, Igarashi Group committed to establishing ourselves as a leading player in the TAM segment worldwide. This strategic approach aims to address the growing demand for actuator motors across ICE, hybrid, and BEV systems.

Igarashi Group commitment to solidifying our leading global position in Passenger Car in Air Management Applications, we are actively seeking partnerships to meet the growing demand for actuator motors across diverse technological applications, including Safety and body systems for both ICE, Hybrid and BEV. Additionally, we have already capitalised new business opportunities, in Safety applications [EPB, PLA, GBA, EVP] with major leading Korean Tier-1 firms across both domestic and export segments for catering to East Asia markets.

I am pleased to share that the adoption of BS-VI regulations and advancements such as ETC, EGR, WGA, CCV, and VGT, the Indian 4W actuators market has seen significant growth. According to analysts, the Indian automotive actuators market, which includes ETC, VGT, EGR, WGA, ETV, and fuel pumps, reached an impressive 10.8 Million units in 2023. Looking ahead, it is projected to grow to approximately 14-16 Million units by 2026, with a robust compound annual growth rate (CAGR) of 15% to 18% from 2022 to 2026. This promising outlook underscores the dynamic progress and strong potential within our market.

To enhance our position in the Fast Moving Electrical Goods (FMEG) market, we are expanding

our Brushless DC Motors (BLDC) segment with TPW application technology-enabled products. This initiative aims to capitalise on the Energy-Efficient Program driven by the upcoming star rating norms set to be implemented for TPW application soon by the Government of India.

Despite challenges, we have maintained a steady momentum displaying resilience and a steadfast commitment to innovation by leveraging our core capabilities to delivering tech-enabled products.

Igarashi India, with the support of Igarashi Japan, has been awarded new programs for sourcing TOCD, creating significant TOCD export opportunities. Impressively, the Igarashi India Engineering team has reduced the program launch time to an unprecedented 12 months, achieving a commercial launch date in 2024. I commend the Igarashi India team for this outstanding achievement. I am confident that the strategic developments and opportunities ahead will propel Igarashi India's expansion in both domestic and global automotive segments, as well as the FMEG sector in the years to come.

In conclusion, I would like to thank our shareholders, employees, customers and other stakeholders for their steadfast support and trust in our Company's capabilities to deliver lasting value to our stakeholders.

Yours sincerely,

Keiichi Igarashi

President, Igarashi Group

Environmental, Social and Governance

Our Focussed ESG Commitments

As a committed and responsible automotive and FMEG company, we foster sustainability across our operations through sustainable practices and operational efficiency and delivering long-term stakeholder value.

KEY FY 2023-24 ESG INITIATIVES AND ENVIRONMENTAL IMPACT

“Driving the National Mission for Enhanced Energy Efficiency (NMEEE) : BLDC Ceiling Fans Paving the Way for Electricity Savings in India”


In the past year, your Company has made significant strides in energy conservation through the widespread adoption of our BLDC ceiling fans. With 0.9 Million BLDC Ceiling Fans installed across various residential and commercial spaces, we have effectively contributed to reducing power consumption under NMEEE program.

Each BLDC ceiling fan operates for an average of 8 hours per day. By utilising advanced technology that optimises energy usage, these fans consume significantly less power compared to traditional induction ceiling fans. To quantify the impact of our efforts, we conducted a thorough analysis:

- I) Regular fans (assuming 75 watts) would consume: $75 \text{ watts} \times 8 \text{ hours} \times 6,90,000 \text{ fans} \times 365 \text{ days} = 137.91 \text{ GWh}$
- II) BLDC fans (assuming 30 watts) consume: $30 \text{ watts} \times 8 \text{ hours} \times 6,90,000 \text{ fans} \times 365 \text{ days} = 68.95 \text{ GWh}$
 Annual power savings = Regular fan consumption - BLDC fan consumption = $137.91 - 68.95 = 68.96 \text{ GWh}$
 Hence, the utilisation of BLDC ceiling fans results in an approximate annual electricity saving of 68.96 GWh

INITIATIVE

A



REDUCTION IN ANNUAL REPORT PRINTING

Description

- » IMIL chose not to print 191 pages (A4 sheets) of its Annual Report FY 2022-23 in three colours
- » The report totalled 6,000 copies under the Green Initiative of the Government of India

Impact

By abstaining from printing these reports, we have

- » Conserved approximately 5,73,000 sheets of A4 papers
- » Translated to the preservation of around 1,330 trees
- » Prevented emission of approximately 3.289 metric tons of CO₂, associated with the paper production process and transportation

INITIATIVE

B

DIGITISATION OF EMPLOYEE LEAVE MANAGEMENT AND VISITOR MANAGEMENT

Description

- » IMIL undertook successful digitisation of Employee Leave Management and visitor management systems
- » Eliminated paper-based documentation

Impact

Digital transformation has resulted in

- » An annual saving of over 50,327 sheets of A4 papers
- » Streamlined administrative processes and reduced manual errors
- » Translated to the preservation of around 117 trees
- » Contributed to an estimated CO₂ emission reduction of approximately 0.289 metric tonnes.

INITIATIVE

C DIGITISATION OF BOARD OF DIRECTORS MEETINGS

Description

- » IMIL transitioned to digital platforms for conducting Board of Directors' meetings
- » Minimised the requirement for printing meeting materials

Impact

- The digitisation of Board meetings has helped**
- » Save approximately 5,000 sheets of A4 papers annually
 - » Facilitated seamless collaboration among Board members
 - » Translated to the preservation of around 12 trees
 - » Contributed to an estimated CO₂ emission reduction of approximately 0.028 metric tonnes

INITIATIVE

D DISTRIBUTION OF PLANTS

Description

- » IMIL distributed 1,500 plants covering a variety of species including neem, guava, eucalyptus, hibiscus, jasmine, rose, pomegranate, and sapota to local communities as part of the Environment Day celebration on June 05, 2023

Impact

The initiative promoted

- » Biodiversity
- » Enhanced green cover
- » Contributed to air purification
- » Ecosystem health
- » Environmental awareness
- » IMIL's commitment to community engagement and sustainability

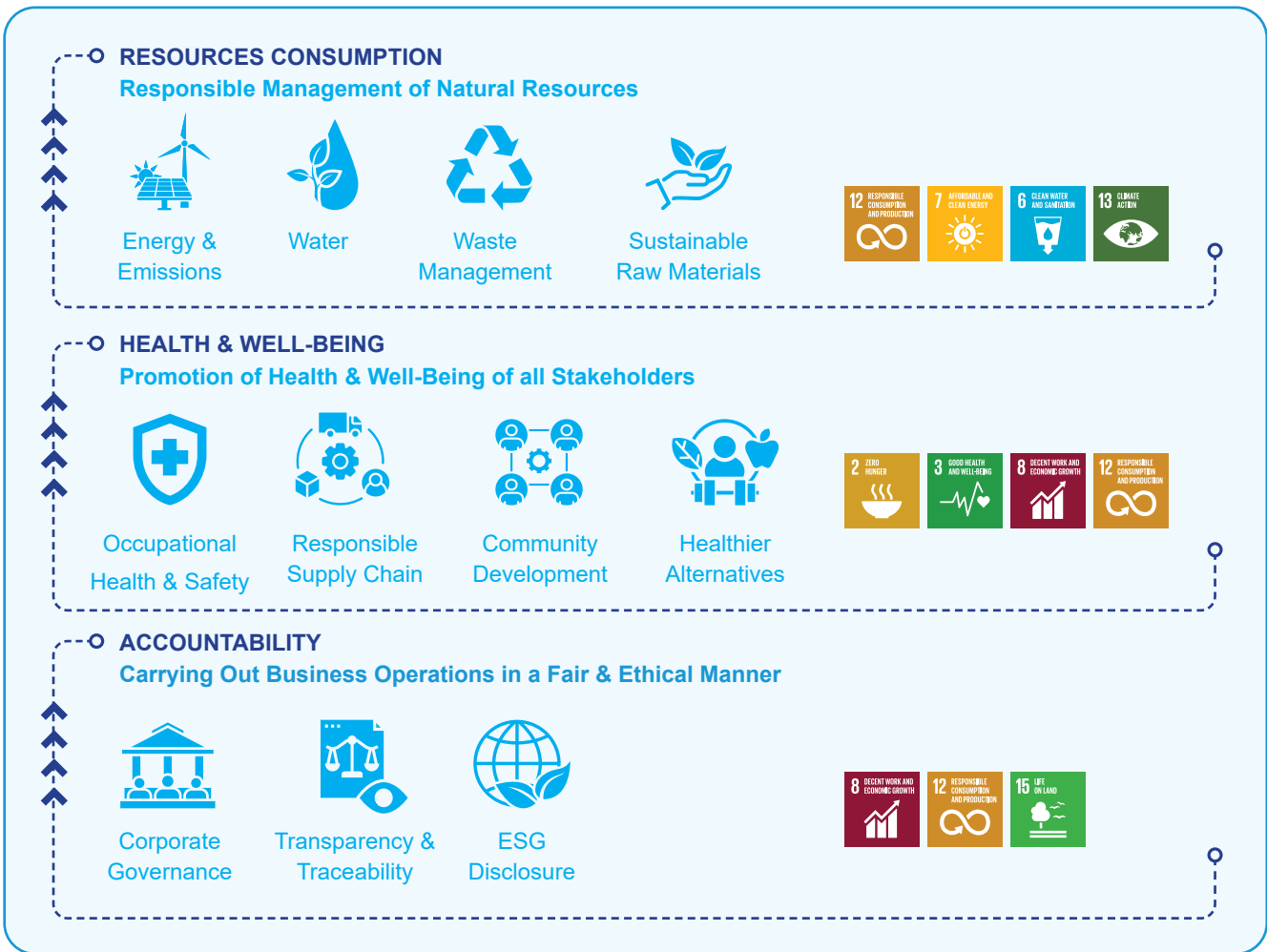
Overall Impact

Collectively, these initiatives have resulted in significant annual resource savings

- » Equivalent to the preservation of numerous trees
- » Avoidance of approximately 3.616 metric tonnes of CO₂ emissions

SOLAR POWER GENERATION - 400 KWh





In February 2024, we successfully installed a 400KW solar power generation system, marking a significant step forward in our commitment to sustainable energy practices. This proactive initiative places us ahead of schedule for achieving our green energy targets, encompassing both wind and solar power.

Our green energy contribution is currently at 64%, with plans to reach 90% by FY 2026-27 with renewable energy (Solar+Wind).

Through the generation of 10,433 MWh of electricity from renewable sources, we avoid emitting approximately 5,216.5 tonnes of CO₂ into the atmosphere.

By embracing renewable energy sources, we are reducing our carbon footprint while also fostering a cleaner, greener future for generations to come.

Robust Community Development

At IMIL, we remain committed to creating a positive impact on society through focussed CSR endeavours under ESG programs.

Proactively engaging in purposeful initiatives has helped us foster harmonious relations with our operating communities. Through our meaningful initiatives, we invest in their holistic development, positively impacting lives and building a brighter, sustainable future for all stakeholders.

Our CSR projects aim to

- › Promote Breast cancer awareness and encourage Breast Cancer Screening (34,000 beneficiaries)
- › Provide healthcare to patients (20 Multiple Sclerosis patients)
- › Patient health and hygiene services (150-bed cancer block) in government hospitals (48,000 beneficiaries)
- › Health Facility at MEPZ Health Centre, MEPZ-SEZ, Tambaram, Chennai (877 beneficiaries)

₹55 Lakhs

Total CSR spend in FY 2023-24

₹29 Lakhs

89% More than as per regulatory norms





KEY CSR INITIATIVES IN FY 2023-24

» Cancer Awareness Project

We have partnered with the Indian Cancer Society (ICS), having made significant strides in the field of healthcare and awareness, particularly through our Partnership in Cancer Survivorship Optimisation program (Project PICASSO).

» Awareness Campaigns

The Indian Cancer Society has produced a breast cancer awareness film to be shared across multiple platforms, including social media and cinema advertising. The film, available in five languages and three versions, aims to reduce fear and encourage regular check-ups among women.

» Breast Cancer Awareness Month 2023

In October 2023, ICS conducted face-to-face awareness sessions in several cities, reaching over 34,000 individuals.

» Healthcare Services

Late effects of cancer treatment, such as short stature, hearing loss, and prosthesis issues have been effectively assessed and managed.

₹30 Lakhs

Total spend on Project Breast Cancer Awareness among women

Multiple Sclerosis Patient Healthcare



Through our partnership with Multiple Sclerosis Society, we aim to support multiple sclerosis patient care including rehabilitation care, personal care and general wellness, provided by trained staff.

20
Beneficiaries assisted

₹5 Lakhs
Total spend

MEPZ Manufacturers Association



We supported MEPZ Manufacturers Association for maintaining Health Centre and Environmental Protection activities.

₹10 Lakhs
Total contribution

877
People working in MEPZ-SEZ, Tambaram, Chennai benefited from this facility

Assistance in providing health and hygiene in government hospitals



We supported Viswajayam Foundation for the project 'Viswa Suraksha', to improve health and hygiene facilities in Chennai's Royapeta government hospital in Cancer Ward block.

₹10 Lakhs
Total donations

48,000
Beneficiaries benefited by the initiative

Empowering Young Minds: Transforming Education

Committed to enhancing the well-being and development of the communities in which we operate and aligned with our CSR agenda, we have supported Tamil Nadu's local community through various initiatives in FY 2023-24.



a) Apprenticeship Programmes

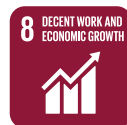
IMIL extended apprenticeship opportunities to 180 students from various educational backgrounds in Tamil Nadu. These included Technical Diploma holders, Engineering graduates, Science graduates, and Commerce graduates. These apprenticeship programs offer valuable hands-on experience and skill development opportunities to young talents to increase employability prospects and support the growth of the local workforce.

b) In-Plant Training and Project Work

We have facilitated in-plant training for 47 students and project work for 4 postgraduate students specialising in Management and Science disciplines from Southern states. This initiative offers practical insights into industry operations, enhancing student's deeper understanding of theoretical concepts and future career prospects.

c) Industrial Visits for Engineering Students

In collaboration with six prominent colleges, IMIL organised industrial visits for 28 engineering students from Tamil Nadu during the fiscal year. These visits offered students first-hand exposure to industrial processes, technologies and best practices. Students gained valuable insights complementing their academic learning and future professional endeavours through interactions with industry experts and observing real-world applications.





Corporate Information

CHAIRMAN EMERITUS

Mr. K K Nohria [DIN 00060015]

BOARD OF DIRECTORS

Mr. Hemant M Nerurkar [DIN 00265887]
Chairman, Non-Executive, Non-Independent Director

Mr. Haruo Igarashi [DIN 08587832]
Non-Executive, Non-Independent Director

Mr. Thomas Francis McKeough [DIN 09510485]
Non-Executive, Non-Independent Director

Mr. L Ramkumar [DIN 00090089]
Non-Executive, Independent Director

Mrs. S M Vinodhini [DIN 08719578]
Non-Executive, Independent Woman Director

MANAGING DIRECTOR

Mr. R Chandrasekaran [DIN 00012643]

CHIEF OPERATING OFFICER

Mr. P Govindaraju

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. P Dinakara Babu

CHIEF FINANCIAL OFFICER

Mr. S Vivekchandranath

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Chennai 600018
Ph: +91-44-24334504

BANKERS

Axis Bank
IDFC First Bank

REGISTERED OFFICE

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e-mail: investorservices@igarashimotors.co.in
CIN: L29142TN1992PLC021997
Website: www.igarashimotors.com

Management Discussion and Analysis

Economic Overview

Global Economy

The global economy exhibited remarkable resilience in 2023. The International Monetary Fund (IMF) has revised its projection for global economic growth in 2023 from 3.0% in its October 2023 outlook to 3.1%. Ongoing geopolitical challenges, volatility in energy and food markets, aggressive monetary tightening and higher-for-longer interest rates have contributed to the moderation in global economic growth.

Global inflation continues to recede faster than expected. It declined from 8.7% in 2022 to 6.8% in 2023. While headline inflation has sustained a decline from its unprecedented peaks, core inflation has proven to be sticky. Global headline inflation is expected to decrease to 5.8% in 2024 and to 4.4% in 2025.

Economic growth in several emerging markets and developing economies (EMDEs) has exceeded expectations in 2023. The US economy has experienced the strongest recovery among major economies. Its GDP is estimated to grow from 1.9% in 2022 to 2.5% in 2023. The European

“Economic growth in several emerging markets and developing economies (EMDEs) has exceeded expectations in 2023. The US economy has experienced the strongest recovery among major economies.

Union (EU) has demonstrated resilience in navigating through unprecedented shocks from the prolonged geographical tensions war and higher interest rates. Although its GDP growth contracted from 3.6% in 2022 to 0.6% in 2023, the EU managed to avoid the recession in 2023.

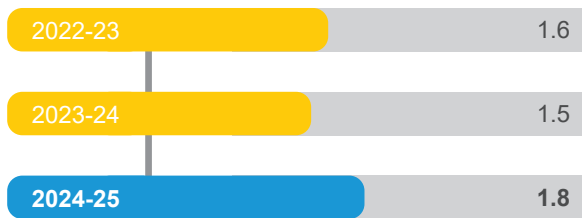


Global Economic Growth (%)

Global Economy (%)



Advanced Economics (%)



Emerging Market & Developing Economies (%)



(Source: International Monetary Fund)

The economic outlook for 2024 will be impacted by higher interest rates, carrying the risk of a resurgence in inflation due to persistent core inflation and shifts in the anticipated monetary stance. Furthermore, the ongoing geographical tensions conflict has the potential to dampen the overall economic outlook of the EU. The escalation of geopolitical conflict in the Middle East and the Red Sea route could elevate logistics costs, energy and commodity prices, raise the risks of supply disruptions and pose downside risks to the global economy. However, with faster disinflation and steady growth, the possibility of a severe economic downturn has diminished. The global economy is expected to sustain its resilience in 2024. The IMF forecasts a global growth of 3.1% in 2024, with a slight uptick to 3.2% in 2025. The Asia-Pacific (APAC) region is expected to be the fastest-growing region in the world economy in 2024, driven by robust domestic demand in East Asia and India.

(Source: IMF Economic Outlook Update January 2024, EIA, S&P Global)

Indian Economy

Amid the volatile global economic environment, India continues to shine as a beacon of hope. It is the fifth-largest economy in the world and is poised to retain its position as the world's fastest-growing major economy. As per the first advance estimates released by the National Statistical Office (NSO), real GDP is expected to grow by 7.3% in FY 2023-24 as against 7.2% in FY 2022-23, driven by buoyant domestic demand, moderate inflation, a stable interest rate environment, and strong investment activity. Despite repetitive food price shocks, CPI inflation is on a downward trajectory and eased to 5.10% in January 2024 from 5.69% in December 2023. The RBI keeps the policy repo rate unchanged at 6.50% and retains the CPI inflation forecast at 5.4% in FY 2023-24. Furthermore, the Index of Industrial Production (IIP) shows that the output of India's industry grew by 6.1% in the first three quarters of FY 2023-24 compared to 5.5% in the corresponding period of last year. The Manufacturing sectors recorded a higher growth of 5.6%.

According to the IMF, the Indian economy is expected to advance steadily at 6.5% in 2024. Both private and government investments are expected to be the primary driver of economic growth in 2024, backed by improving prospects of rural consumption with easing of inflation, increased spending in an election year and the government's proactive policy measures. The Interim Budget 2024-25 reflects the government's continued focus on infrastructure development, economic stability, sector-specific developments, environmental sustainability and strategic global positioning. It sets the foundation for the vision of a 'Viksit Bharat' (Developed India) by 2047.

(Source: Ministry of Statistics & program Implementation, Reserve Bank of India, Ministry of Finance, IMF Economic Outlook Update January 2024)

According to the IMF, the Indian economy is expected to advance steadily at 6.5% in 2024. Both private and government investments are expected to be the primary driver of economic growth in 2024.

Industry Overview

Global Automotive Industry

The global automotive industry exhibits resilience despite obstacles such as declining sales of electric vehicles (EV), widespread strikes in U.S. factories, supply chain disruptions, and escalating raw material costs in 2023. Despite challenges, there is a sense of optimism as recovery is evident in the global light vehicle market. According to S&P Global Mobility, the global sale of light vehicles reached ~90 Million units in 2023, reflecting an increase of 8.9% from 2022 levels. Global sales of new light vehicles are expected to increase by 5.6% y-o-y in 2024 and reach 95 Million units. The industry is benefiting from demand recovery and production increase due to inventory restocking efforts across many regions.

The automotive industry is anticipated to face another subdued year and a cautious recovery in 2024. The industry is weighed down by an uncertain demand environment influenced by sluggish consumer spending and macroeconomic factors, including higher inflation leading to elevated vehicle prices, extended marine transit times resulting from the adoption of slightly longer routes due to the Red Sea Crisis causing the lead time up by 15~20%, marginal increase in transit costs, and the re-emergence of supply chain disruptions due to escalating geopolitical tensions.

Indian Automotive Industry

The Indian automobile sector witnessed a reasonably satisfactory year in FY2024, with all segments demonstrating healthy growth. Passenger Vehicles (PV), Commercial Vehicles (CV), and Two-wheelers (2W) segments recorded single-digit growth, while three-wheelers (3W) exhibited a notable recovery. Implementation of various government schemes for the automobile sector is showing good results. The combined production of PV, CV, 3W, 2W and Quadricycles stood at 23.83 Million units in FY2024 (21.20 Million units in FY2023) with a 12.5% increase.

4W – Domestic Automotive Sales Trend

According to the Society of Indian Automobile Manufacturers (SIAM), the total sales of four-wheelers Passenger Cars stood at 4.21 Million units (3.89 Million units in FY2023) with 8.4% surge in domestic sales during FY2024. In the PV category, SUVs in particular saw strong demand, with extended waiting periods for key models. The strong performance of the PV segment was fuelled by positive consumer sentiments, new model launches and product upgrades from OEMs, greater availability, effective marketing, enticing vehicle offers, good monsoon outlook and recovery in the rural market. Furthermore, electric 4-wheeler sales reached 0.9 Million units in FY2024 (0.4 Million units in FY2023).

Despite concerns about high inventory levels, the PV segment is expected to witness growth in 2024, bolstered by new product launches, evolving consumer preferences and positive market sentiments.

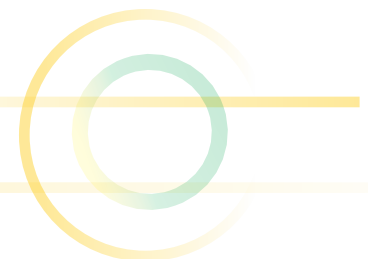
4W - Automotive Actuators Market

Automotive actuators constitute an essential integrated component within electronic control systems for both commercial and passenger vehicles. The global automotive sector is undergoing a transformation driven by innovation and significant trends such as efficient ICE/Hybrid/Plug-in hybrid/Mild Hybrid/Fuel cells powered vehicles, powertrain electrification, and connected vehicles, among other advancements. The modern passenger vehicle is equipped with over 100 motor units to manage varied applications including light source positioning, grill shutter, seat adjustment, HVAC systems, and fluid and refrigerant valves, among others.

The global automotive actuators market was valued at US\$ 28.2 Billion in 2023 and is projected to reach US\$ 44.6 Billion by 2032, growing at a CAGR of 5.1%. The market's growth is propelled by key factors such as the widespread adoption of automation and electronic systems across vehicle categories, ranging from economy to high-end vehicles, to enhance vehicle and passenger safety and in-vehicle comfort level. Passenger car is the leading segment in the automotive actuators market.

The significant expansion in the automotive industry has led to a rising demand for downsizing vehicle engines to improve fuel efficiency, serving as a primary driver propelling the growth of the automotive actuators market. Furthermore, escalating environmental awareness has prompted governments of several countries to promote the integration of electric and hydraulic automotive actuators in vehicles, thereby contributing to market growth.

Drawing insights from interactions with global OEMs and customers, it is anticipated that efficient ICE and Hybrid systems will remain the primary drivers for the majority of 4W powertrains in the coming decade, even as BEVs gain traction in specific regions. Industry experts foresee consolidation among Tier-1 and Tier-2 players in the ICE segment within the global auto industry. Igarashi's strategic approach is to strengthen its position as a leading global player in the TAM segment to meet the increasing demand for Actuator motors in ICE and Hybrid Systems.





Indian 4W – Actuators Market

Following the adoption of BS-VI regulations and advancements like ETC, EGR, WGA, and VGT, the Indian 4W actuators market expanded. Analysts report that the Indian automotive actuators market, including ETC, VGT, EGR, WGA, ETV, and fuel pump, reached 10.8 Million units in 2023 and is forecasted to grow to approximately 14-16 Million units by 2026, with a compound annual growth rate (CAGR) of 15% to 18% from 2022 to 2026. Major players in the Indian actuator market, specifically in engine air management, include Bosch, Denso, Mikuni, KSPG, Dellorto, PVNA, and Turbo Energy. Your Company is working closely with these industry leaders to fortify our market presence, with the goal of positively boosting market share >48% and solidifying our position as a leading player in the industry.

Electric Motor Growth Platforms

Broad-banding of Actuator Motor Applications - 4W

With a robust global track record spanning two decades, your Company stands poised to strengthen its position as a leader in the global 4W Actuator market with 13% global PV market share for Engine Air Management applications. Our commitment to innovation drives us to diversify actuator applications, extending beyond air management (ETC, EGR, VGT) to include Safety applications (EPB, PLA, GBA, and EVP), as well as Vehicle Body applications (TOCD). These versatile motors are integral components in the Internal Combustion Engine (ICE), Hybrid, and Battery Electric Vehicle (BEV) car segments.

In the realm of Engine Air Management, our dedicated development team is actively engaged in over 25 programs, collaborating with 13 Tier-1 customers globally and domestically. These efforts are projected to yield approximately 20-25 Million motors over the next 4-5 years.

Similarly, in the Safety system, our development team is currently focussed on 9+ programs with key customers across the global automotive market. Anticipated volumes for these initiatives stand at around 25-30 Million units over the next 4-5 years. Since a leading global Tier 1 customer had awarded new business, we have planned to launch

4 programs during next year with an annual volume of 2.75 Million units. Our Team put an extraordinary effort to develop these programs in a recordable time of nine months (normally takes 18 to 36 months).

In the arena of Body systems, our development team is spearheading 3 new application programs with leading

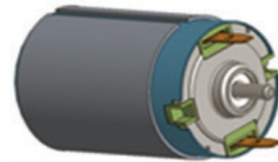
Tier-1 customers for TOCD, Seat and HRA applications for the global PV market. Forecasts indicate a volume of approximately 13~17 Million motors over the next 5 years. Furthermore, our research and development team is actively engaged in the development of side door open and close system motors with a prominent global customer.

Electric Parking Brake (EPB)

The traditional mechanically-operated handbrake is undergoing a transformation towards modernisation. In contemporary vehicles, the conventional handbrake has given way to the electric parking brake, a sophisticated electronically-controlled system featuring an integrated actuator (motor) within the rear brake caliper. Activation is facilitated by a switch conveniently located within the car's interior consisting of 2 motors per EPB per car.

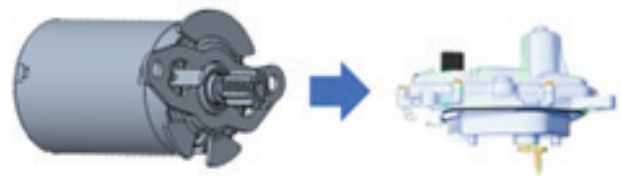
Our development team is actively engaged in 8 programs in partnership with 5 renowned Tier-1 customers both internationally and domestically. These initiatives are expected to yield a volume of 20 Million motors over the next 4-5 years, with commercial launch slated for FY2025 alongside three Tier-1 customers.

Furthermore, recognising the significance of the global market, your Company is strategically venturing into the East Asia market with a strong focus on the EPB sector. Your Company has initiated 2 programs targeting major OEMs in the region, aligning with our commitment to expanding our market reach and catering to evolving industry demands.



Gear Box Actuators (GBA)

The Gear Box Actuator (GBA) is a critical component in modernised manual transmission gear box that is responsible for engaging and disengaging the gear in the gear box using an electro-mechanical device through electronic control unit for the optimised mechanical transmission. Presently, our development team is working on a GBA with a global Tier-1 customer, with 3 motor per GBA, the projected volume of 5~6 Million in the next 5 years. Further, the product has successfully proven in the testing at the customer's facility and full-time production is planned in late 2024.

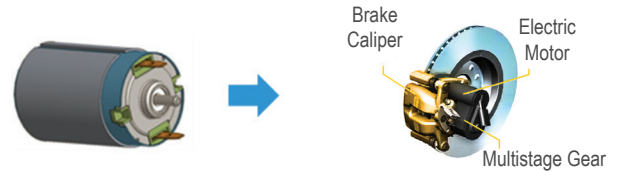


Park Lock Actuators (PLA)

The application of PLAs is technology-agnostic, representing a crucial component in both ICE vehicles with automatic transmission and Electric Vehicles (EV). PLAs play a vital role in preventing vehicle rollaway during parking, as well as facilitating features like the Hill Assist mode, and enhancing theft protection.

Presently, our development team is actively involved in 3 programs alongside esteemed global Tier-1 customers, with a projected volume potential of 4 Million motors over the next 4 years. We are pleased to announce that the

product has successfully undergone testing and validation at the customer's facility, marking a significant milestone in our journey towards delivering innovative solutions to meet market demands.



Trunk Opening and Closing Device (TOCD)

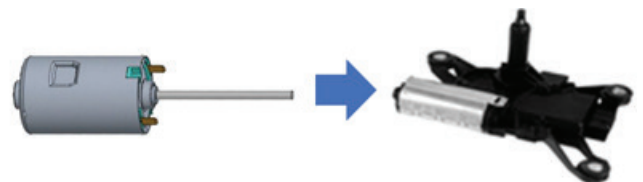
Trunk Open-Close Devices (TOCDs) are installed in both ICE-powered vehicles and EVs in a technology-agnostic manner. This device utilises an actuator (motor) to automatically unlatch the trunk upon switch activation. Typically integrated into high-end vehicles, this feature enhances the premium feel of the vehicle, particularly in developed countries. It is positioned for widespread adoption across all vehicle categories in the near future.

In alignment with the 'Minus China strategy' and support of Igarashi, Japan, a Global Tier-1 Customer has closely collaborated with your Company to achieve the successful launch of the New Generation TOCD product within an unprecedented timeframe for commercial launch in FY2025. The RFQ volume is anticipated to reach 10 Million units over the next 4-5 years.



Motor Assembly for Seat Adjustment

As a part of aesthetics in automotive technology, Seat adjustment actuators are growing the market for the driver's ergonomics while driving. Our development team is working with global and domestic tier-1 customers for seat movement motors, with a projected volume of 3~5 Million in the next 5 years.



Sub-Assemblies for DC Brushed & Brushless DC Motors

Your Company stands as a leading supplier of sub-assemblies tailored for DC Brush/Brushless Motors utilised in Seat applications, which include motor, armature, and brush holder assembly, as well as stator and armature assemblies for Window Lift applications, and armature and carrier assembly for Fuel pump applications. Our comprehensive range of sub-assemblies caters to a diverse clientele, serving both global and domestic customers with top-notch quality and reliability.

Moreover, we are actively pursuing numerous new RFQ enquiries for these applications, demonstrating our unwavering dedication to business growth and innovation.

Armature Assemblies for Window Lift Motors

The automatic window lift has emerged as a standard feature within the 4W passenger vehicle segment, reflecting the growing demand for convenience and innovation. The Indian Window Lift Mechanism (WLM) market has witnessed substantial growth, reaching 15.3 Million units in FY2024, and is poised to expand further to 22.2 Million units by FY2027, demonstrating a robust CAGR of 13%.

Your Company has maintained a strong presence as a reliable supplier of WLM armature assemblies to key market players for over two decades, boasting a production record of 120 Million parts since 2010 for both global and domestic clientele. In FY2024, your Company held a significant one-third share of the domestic market, and we aspire to increase this share by an additional 10% over the next couple of years.

Currently, our development team is actively spearheading nine new programs in collaboration with major market players, with an estimated volume potential of 16 Million units in the forthcoming years. These initiatives are slated for launch in FY2025, underscoring our continuous commitment to innovation and market leadership.

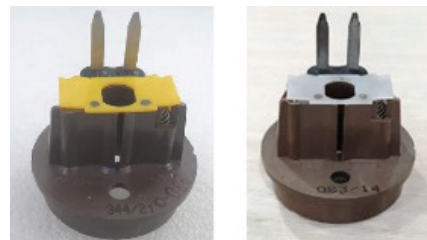


Fuel Pump

The Domestic Indian fuel pump market reached 4.5 Million units in FY2024 and is projected to expanded to 5.3 Million units by FY2027, exhibiting a compound annual growth rate (CAGR) of 5.4%. With a proven history of supplying fuel pump carrier assemblies to major market players, your Company has delivered over 50 Million parts since 2010, serving both global and domestic markets. We are presently collaborating with key automotive market players, whose active participation will be instrumental in doubling our market share in the near future.

Carrier Assembly for Fuel Pump

With two decades of experience in manufacturing fuel pump sub-assemblies for Brushed DC motors, your Company has established itself as a trusted supplier to global Tier-1 customers. Currently, our development team is engaged in six new programs with key market players, projecting a potential volume of 23 Million units in the upcoming years. These new initiatives are scheduled for launch in FY2025.



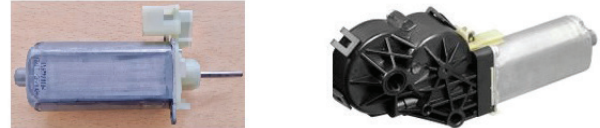
Armature Assembly for Fuel Pump

Your Company is currently underway with the moulded Armature Assembly project for a prominent domestic Tier-1 auto client. Our development team is also focussed on a new program with another domestic Tier-1 Customer, with the challenging design using carbon commutator rather than Brass commutator. We forecasting a potential volume of 4.5 Million units in the forthcoming years. These fresh initiatives are anticipated to be rolled out in FY2025.

Currently, our development team is deeply involved in five new programs with a key market player, projecting a potential volume of 38 Million units in the forthcoming years. These new initiatives are slated for launch in the near future.

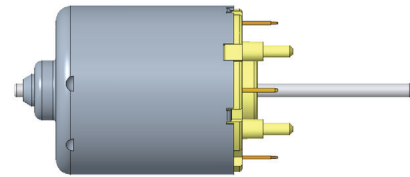
Motor Sub Assembly for Seat - Automatic Height Control

Your Company has been providing motor sub-assemblies and brush holder assemblies for seat actuators to respected global Tier-1 customers. With a track record spanning a decade in supplying motor sub-assemblies, we have consistently served as a dependable supplier to major market players, delivering over 25 Million parts for the global market since 2014.



Head Rest Actuators

The Head Rest Actuator in a car is a mechanism that allows for the adjustment of the head rest position (Height and Angle) to enhance passenger comfort and safety. Our development team is working with one domestic tier 1 customer with estimated volume of 3 Million in the next 4 years.



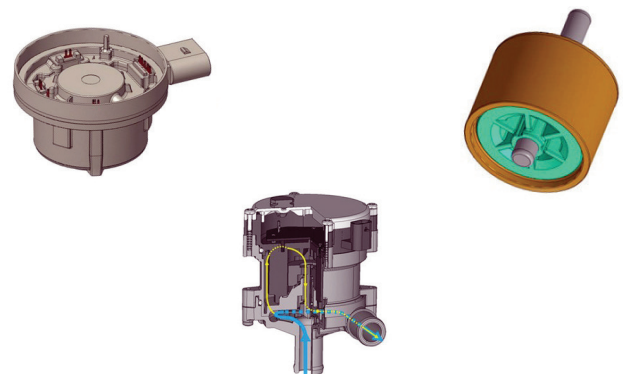
BLDC Water Pump Sub-Assemblies for Coolant Control Hub

The Coolant Control Hub (CCH) system plays a crucial role in thermal management within BEV and Hybrid powertrain systems. Serving as a centralised unit, it regulates the temperature of both the battery and traction motor, optimising their performance and extending their operational lifespan. Utilising BLDC technology for enhanced efficiency and durability, the water pump ensures effective cooling.

control valve BLDC Stator and Rotor program was awarded by the same customer and application has secured business worth 3.2 Million units, with product launch slotted during the year 2025.

During the year, your Company was nominated by a leading global Tier-1 player for the development of B-samples for a CCH pump program. These B-samples underwent successful validation and testing at our customer's facility.

With an RFQ volume of approximately 7 Million units for the European market over a 5-year period, the Igarashi Europe team is actively engaged in advanced discussion towards the commercial launch of this program. Furthermore, coolant



Indian Fast Moving Electrical Goods (FMEG) Market BLDC Ceiling Fan Motor Market - Industry Overview

The Indian ceiling fan market (CFM), including Induction and BLDC motors, reached 61 Million units in FY2024. Within this market, the Brushless Direct Current (BLDC) fan segment accounted for 8.4 Million units, affirming substantial growth potential. According to Industry experts, the Indian ceiling BLDC fan market is expected to grow at a CAGR of 27% during 2024-29 and reach 28 Million units.

The industry is undergoing a seismic shift, led by new entrants and the mandatory Bureau of Energy Efficiency (BEE) star labelling for ceiling fans starting January 1, 2023. This regulatory change, coupled with heightened energy conservation awareness, sparks a surge in demand for highly energy-efficient fans, particularly those with a BEE 5-star rating. This demand is met by fans equipped with energy-efficient BLDC motor technology, consuming 30-35W. Representing the new product generation, BLDC fans offer higher speed, less electricity consumption, and lower heat emission, meeting market airflow needs. The anticipated expansion of the Indian CFM market to 67 Million units by FY2026, with BLDC

fans reaching 15~17 Million units, underscores growth potential. Additionally, premium ceiling fans gain traction, featuring BLDC motors and advanced technology like IoT capabilities, app operation, and decorative features. These innovations drive demand for energy-efficient ceiling fans with BLDC motors, an area your Company aims to capitalise on through emphasis on premium, standard, and economy series.

Your Company has populated more than 3.2 Million BLDC solutions to Indian CFM since the launch of this product in the year 2020. Your Company maintained 22% market share in BLDC Fan segment by working with six key market players who collectively hold more than 60% of market share in the organised BLDC fan market.

Our development team is working on six customers for ceiling fan motor and sub assemblies covering 15 programs with 5 Million motors and controllers of 20 programs with volume of 6.6 Million in next 3~4 years.

Electronic System Design & Manufacturing (ESDM)

Over the years, your Company has substantially strengthened its expertise in electronics design, evidenced by the introduction of new products and enhancements in quality. Our printed circuit boards (PCBs) now feature RF remote and IoT capabilities, reflecting our commitment to innovation. Additionally, the introduction of the Wall Regulator PCB, compatible with standard induction fan regulators, has opened up opportunities in government tenders and institutional contracts.

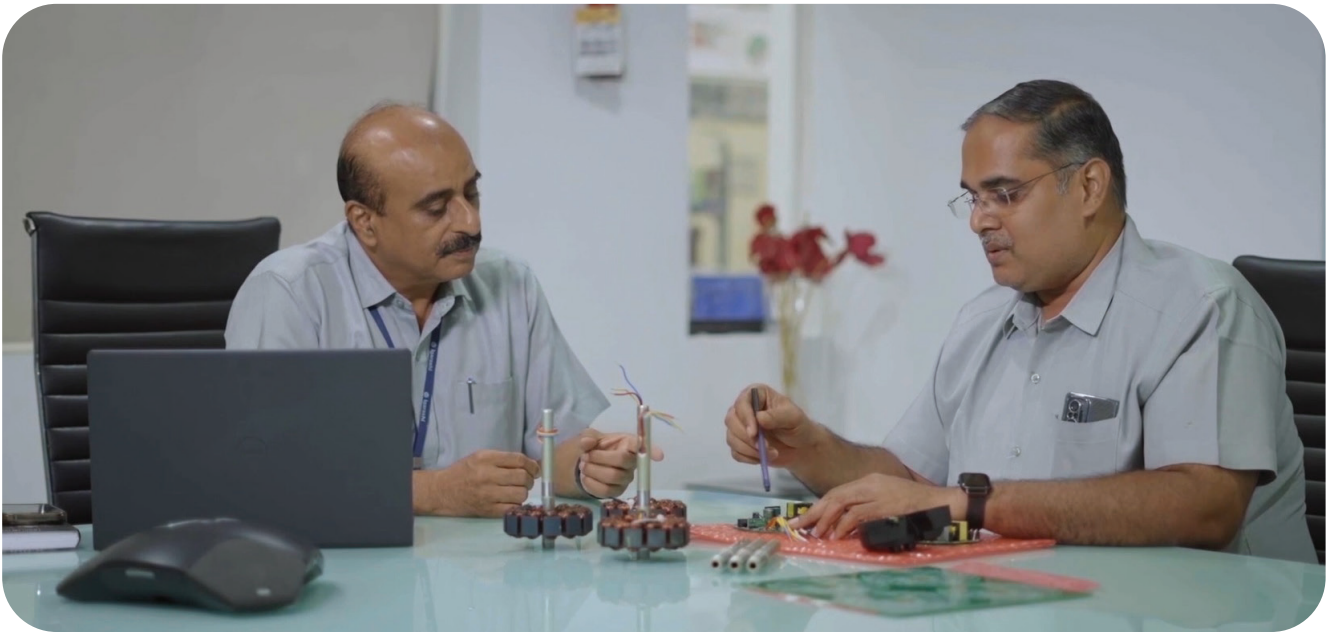
To address increasing demand, we have invested in high-speed dual-lane EMS machines. Furthermore, we have developed a round-type PCB controller, complete with under-light functionality, tailored for industry leaders. Mass production of this controller for premium fans commence in 2023.

Our dedication to quality is evident through the implementation of stringent testing procedures. We have incorporated Electrical and Thermal Stress test machines, Load testing machines, and a dedicated Noise-Free Room for motor checks. These facilities underscore our steadfast commitment to maintaining

superior quality standards throughout our product lifecycle, from manufacturing to market delivery.

The manufacturing quality of products is key to achieving customer satisfaction and enhancements have been made to improve quality from the part level to the final products. Receipt parts undergo testing with temperature and load stress to ensure compliance with requirements and long-lasting quality. The produced products are subjected to 12 electrical and functional parameter tests, along with BIS validation requirements to ensure the best quality for the customer.

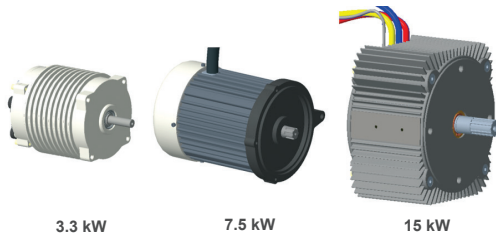




R&D Development Projects

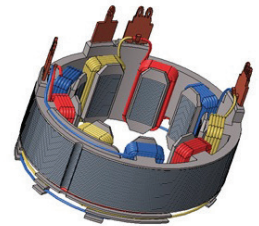
EV Motor Development

With the rapid growth of the EV market, particularly in the Indian E2W and E3W sectors, your Company is actively engaged in developing a 3.3 kW traction motor for E2W vehicles. Concept samples have been produced and tested to assess preliminary performance. Collaborating with a European customer, we aim to secure a significant share of the Indian E2W market. The development and validation of the customised 3.3 kW motor concluded successfully by the end of 2023. Additionally, we are closely working with a domestic OEM to develop a 7.5 kW traction motor for E3W vehicles, providing concept samples for vehicle-level fitment and performance verification.



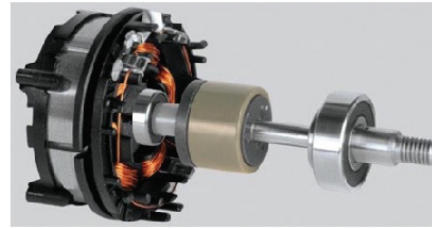
BLDC Fuel Pump

Leveraging two decades of proficiency in fuel pump technology, your Company is dedicated to producing sub-assemblies for the brush motor, particularly tailored for esteemed global Tier-1 customers. There is a growing inclination among global customers towards BLDC sub-assemblies (Stator & Rotor) for fuel pumps, mirroring the trend of OEMs transitioning from conventional PMDC motors to BLDC technology. This transition is motivated by the quest for heightened efficiency and improved system reliability in 4-W applications.



“ We are closely working with a domestic OEM to develop a 7.5 kW traction motor for E3W vehicles, providing concept samples for vehicle-level fitment and performance verification.

The total domestic fuel pump market is projected to expand to 5.3 Million units by FY2027, demonstrating a compound annual growth rate (CAGR) of 5.4%. Your Company is deeply engaged in designing and developing Stator and Rotor sub-assemblies for fuel pumps with BLDC technology, serving both domestic and global markets, with an estimated potential volume of around 10 Million units.



Electronics – R&D

Your Company’s electronics R&D has developed products across standard, premium, and super-premium segments in the ceiling fan category as well as in non-ceiling fan variants such as table fans, wall mount fans, pedestal fans, exhaust fans, and controllers designed for air coolers.

- Standard ceiling fan features speed controls, timers and remote-controlled operations with RF remote
- Premium ceiling fan is equipped with IoT connectivity, enabling seamless integration with Alexa and Google controls using voice commands
- Super premium ceiling fan features IoT, multi-tone under-light and surround lights, breeze and sleep functions
- Igarashi developed IoT solution with various service providers like Tuya, Espressif and IOTify to cater to multiple customer needs
- Offline voice recognition system is a new milestone achieved to control a BLDC fan with voice without internet connectivity
- Smartsense is a technology added to a premium range of products in which the Fan detects the temperature of the room and adjusts the speed on its own, representing a new innovation and the first-of-its-kind in the industry
- Our R&D team developed a high-voltage solution for BLDC ceiling fans and 0.75 HP water pump motors

BLDC TPW and Exhaust Fan Application

Aligned with the ongoing emphasis of the Indian government on the ‘Make in India’ initiative, your Company is actively involved in the creation of competitive PCB controllers for Domestic Exhaust fans and Table/Pedestal/Wall (TPW) fans. Currently, these BLDC fans are primarily sourced from China due to perceived technical limitations and cost advantages. However, we anticipate significant progress in the development of these fans upon sample submission, negotiations, and the initiation of production (SOP).

Additionally, your Company focusses on developing PCB controllers for Water Pumps and Desert Coolers, catering to distinct niche markets. The uptake of these endeavours relies on regulatory impetus.



Manufacturing Strategy

Your Company has consistently achieved notable progress in strengthening its in-house machine building capabilities to enhance cluster automation, improve quality, optimise processes, and reduce machine maintenance costs.

In line with the goal of boosting productivity per person per day, your Company has strategically identified key assembly lines and implemented partial cluster automation, resulting in maximum productivity gains with prudent investments. In the fiscal year 2024, the Company successfully completed four retrofitting projects for cluster automation.

Due to the diligent efforts to bolster manufacturing capabilities over the past year, your Company has successfully drawn in new customers and broadened its product portfolio with the introduction of three additional ranges. These expansions are poised to make a substantial contribution to overall revenue growth.

In preparation for the launch of these new products, your Company has devised a dual-pronged strategy for industrialisation. Expert teams in product development and process engineering are working collaboratively to assess the feasibility of integrating new products into existing assembly lines, thereby improving capacity utilisation and minimising capital expenditure. In instances where a completely new assembly line is necessary, the objective is to substantially enhance automation levels.

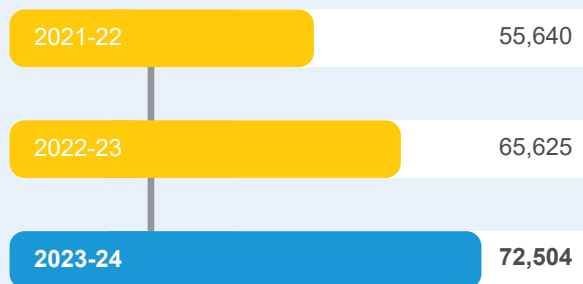
Your Company has made notable progress on both fronts. For instance, the in-house machine building team successfully constructed a brand-new assembly line for a BLDC range product, achieving over 90% automation. Concurrently, the modification of existing assembly lines to accommodate the requirements of new products with minimal capital investment represents a challenge that our machine building and manufacturing teams have embraced. One such instance is the successful retrofitting and modification of a product line with new technology automated stations for one of the new products, specifically the motor for EPB application.



Financial Performance



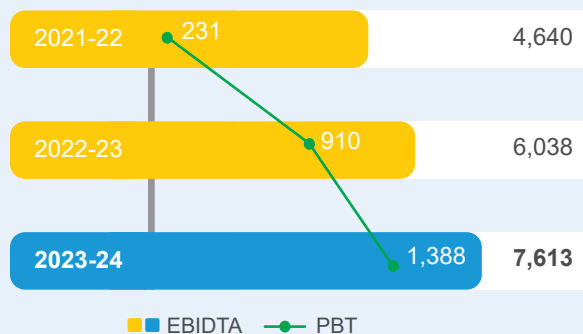
Sales Revenue (₹ in Lakhs)



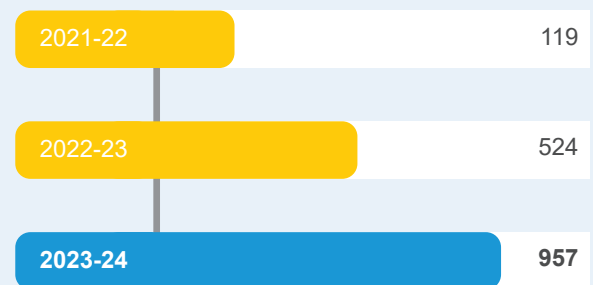
Networth (₹ in Lakhs)



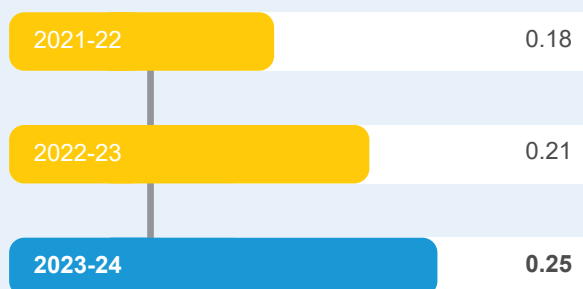
EBIDTA & PBT (₹ in Lakhs)



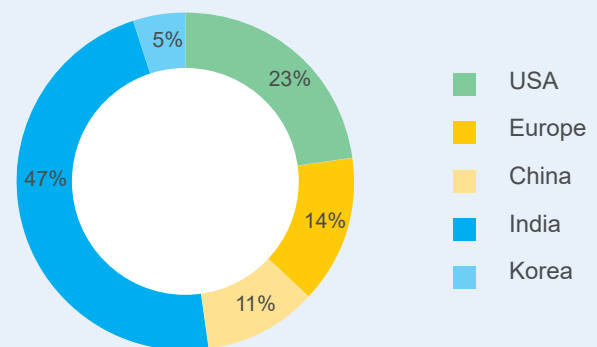
PAT (₹ in Lakhs)



Debt/Equity Ratio



Geographywise Sales FY2024






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

Key Ratios	FY 2023-24	FY 2022-23
Debtors Turnover	3.79	4.23
Inventory Turnover	4.37	4.68
Interest Coverage Ratio	2.09	1.75
Current Ratio	1.37	1.41
Debt Equity Ratio	0.25	0.21
Operating Profit Margin (%)	10.2	3.24
Net Profit Margin (%)	1.00	1.00
Return on Net Worth (%)	2.00	1.00

Risk and Concerns

Your Company has a strong risk management and ESG policy, providing guidance to both the Risk and ESG Management Committee and the internal risk management team for efficiently managing business risks. The Risk Management Committee comprises Mr. Hemant M Nerurkar (Chairman), Mr. L Ramkumar, Mrs. SM Vinodhini and Mr. R Chandrasekaran.

Your Company's key risks and their corresponding mitigation measures are depicted below:

Risk	Mitigation Strategy
 Macro risk <ul style="list-style-type: none"> Global trade disruption due to political/trade tensions and realignment Major economies slowdown The escalating tensions and security challenges in the Red Sea region 	<ul style="list-style-type: none"> Diversifying products and markets to create a de-risked and resilient business portfolio Strengthening customer relationships to align resources with market dynamics for mutual benefits, and exploring opportunities for non-organic growth and strategic alliances
 Technology risk <ul style="list-style-type: none"> Shift towards electrification and semi-autonomous vehicles Evolving consumer preferences in Passenger Car and Electrical Consumer Durable Industry Advancements in product technologies 	<ul style="list-style-type: none"> Expanding the product portfolio for electric vehicles and optimising the performance of existing products for autonomous vehicles Consistently upgrading the technology of existing products to enable broader and varied applications (e.g. Safety systems & Body Systems, apart from Air Management), including expanding the energy-efficient BLDC motors portfolio for consumer electrical applications
 Market risk <ul style="list-style-type: none"> Existing and new players pose competition in the market, along with pricing pressure from customers and shifts in energy ratings for BLDC fans Concerns arise regarding geographical localisation of facilities and customer concentration 	<ul style="list-style-type: none"> Establishing a strong customer base through multiple value propositions on products and services. Real-time monitoring of logistics pipeline and global warehouses Consistently implementing cost-competitive strategies, focussing on star-rated BLDC fan motors, and diversifying into new geographies and customer segments to maintain competitiveness and expand the business mix

Risk	Mitigation Strategy
 <p>Operational risk</p> <ul style="list-style-type: none"> Adhering to strict quality standards with new performance specs Tackling supply chain obstacles Automating manufacturing, managing capital, and securing skilled labour 	<ul style="list-style-type: none"> Upgrading design, validation, FMEA, and testing capabilities to meet new standards, including collaboration for system-level validation Strengthening relationships with key supply chain partners and establishing alternative sources Implementing cluster automation and robotics in manufacturing, integrating flexible higher capacities, and conducting regular training programmes to enhance employee skills and well-being
 <p>Financial risk</p> <ul style="list-style-type: none"> Maintaining financial stability to navigate economic fluctuations Ensuring liquidity and access to capital for operational needs and growth initiatives Managing risks related to foreign exchange volatility, commodity price movements, and product liability to safeguard financial health and reputation 	<ul style="list-style-type: none"> Maintaining leverage at low levels and regular dialogues with financial institutions Engaging in forward contracts aligning with the hedging policy, regularly monitored by the Audit Committee to mitigate forex risk Implementing mechanisms for passing through commodity price changes with a time lag to expedite responses to commodity movements Maintaining liability insurance coverage at optimal levels in line with industry standards and customer requirements
 <p>Cyber security risk</p> <ul style="list-style-type: none"> Cyber security breaches- Protection of IT systems and data 	<ul style="list-style-type: none"> Enforcing internal control measures to safeguard networks, computers, programs, and data, including ESG Engaging external experts for regular cyber security threat audits and continuously reinforcing stringent security policies, employee training and procedures, including implementing advanced firewalls and anti-virus software
 <p>Health, Environment and Safety risk</p> <ul style="list-style-type: none"> Increasing environmental concerns and regulatory compliance Health and safety of the workforce 	<ul style="list-style-type: none"> Striving to achieve the greenest and safest operations, including adherence to environmental regulations and meeting customer requirements in alignment with global sustainability policies Conducting periodic audits to ensure the implementation of best safety measures across various stages of operations, along with planned wellness programs for all employees
 <p>Natural calamities risk</p> <p>Disruption of business operations due to natural calamities, epidemics or pandemics</p>	<ul style="list-style-type: none"> Adopting procedures to manage situations during natural calamities and establishing a robust business continuity plan Establishment of a management task force for addressing potential eventualities

Human Resources

Your Company considers its employees as the most valuable asset, recognising the crucial role they play in its day-to-day operations. Your Company consistently organises leadership, technical, and behavioural training to enhance the skills and capabilities of its employees. The robust HR policy fosters equality and transparency across the organisation, creating a safe, synergetic and conducive work environment for employees to deliver optimal results, ensuring that employees' goals align with the organisation's growth vision. Your Company actively engages and inspires its workforce, supporting them in achieving personal goals while fostering overall company growth. As on March 31, 2024, your Company's total employee base stood at 675.

Internal Control Systems and Their Adequacy

Your Company has established a strong internal control system. The adequacy of the system is validated by its role

in ensuring proper authorisation, recording and reporting of transactions, along with safeguarding company assets. Moreover, your Company has well-documented policies and procedures, reinforced by extensive reviews conducted by internal auditors. These review reports are periodically evaluated by the management and the Audit Committee of the Board, contributing to a business environment with minimised risks.

Cautionary Statement

The Management Discussion and Analysis contains forward-looking statements describing the Company's objectives, projections, estimates, and expectations. All such statements are subject to risks and uncertainties. Actual results might differ substantially or materially from those either expressed or implied in the Statement depending on the factors that could affect the Company's operations.

Notice

NOTICE IS HEREBY GIVEN THAT The Thirty Second Annual General Meeting ('AGM') of Igarashi Motors India Limited will be held on Friday, August 09, 2024 at 10.00 a.m (IST) through Video Conference (VC)/ Other Audio Visual Means (OAVM) facility to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements for the financial year ended March 31, 2024, and the Reports of the Board of Directors' and Auditor's Report thereon.

2. To consider and, if thought fit, to pass the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT a Dividend of ₹ 1/- (Rupees One) per Equity Share of the face value of ₹ 10 each fully paid-up, for the financial year ended March 31, 2024 as recommended by the Board of Directors be declared and that the said Dividend be distributed out of the profits for the year ended March 31, 2024."

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

"RESOLVED THAT pursuant to Section 152 and other applicable provisions of the Companies Act 2013, the Rules thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Thomas Francis McKeough, [DIN 09510485], Director, who retires by rotation at this ensuing Annual General Meeting of the Company, and being eligible, seeks re-appointment, be and is hereby re-appointed as a Non-Executive Director of the Company, liable to retire by rotation."

SPECIAL BUSINESS

4. **Approval for Material Related Party Transactions with Igarashi Electric Works Limited, Japan – operational transaction**

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

"RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 ("the Act") read

with the rules framed thereunder (including any statutory amendment(s) or re-enactment(s) thereof, for the time being in force, if any), and in terms of Regulation 23, 2(1) (zc) and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as amended from time to time, the Members of the Company do hereby accord approval to the Board of Directors of the Company (hereinafter referred to as "Board", which term shall be deemed to include any duly authorized Committee constituted /empowered by the Board, from time to time, to exercise its powers conferred by this resolution), for entering into and / or carrying out and / or continuing with existing contracts / arrangements/ transactions (whether individual transaction or transaction(s) taken together or series of transaction(s) or otherwise), with Igarashi Electric Works Limited, Japan [Ultimate Holding Company & Promoter] (IEWL) being a related party of the Company, whether by way of continuation(s) or renewal(s) or extension(s) or modification(s) of earlier/ arrangements/transactions or as fresh and independent transaction(s) or otherwise from 32nd Annual General Meeting [the date of passing of this resolution] till the date of 33rd Annual General Meeting for a period not exceeding fifteen months, as per the details set out in the explanatory statement annexed to this notice, notwithstanding the fact that the aggregate value of all these transaction(s), shall not exceed ₹ 950 Crores for purchase, sale of goods, rendering, receiving of services and other transactions for the purpose of business, provided however, that the said contract(s)/ arrangement(s)/ transaction(s) shall be carried out at an arm's length basis and in the ordinary course of business of the Company and IEWL.

RESOLVED FURTHER THAT the Board, be and is hereby authorised, to do and perform all such acts, deeds, matters and things, as may be necessary, including finalising the terms and conditions, methods and modes in respect thereof and finalising and executing necessary documents, including contract(s), scheme(s), agreement(s) and such other documents, file applications and make representations in respect thereof, with power to alter and vary the terms and conditions of such contracts/arrangements/transactions and seek approval from relevant authorities, including Governmental/regulatory authorities, as applicable, in

this regard and deal with any matters, take necessary steps as the Board may, in its absolute discretion deem necessary, desirable or expedient, to give effect to this resolution and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the Members or otherwise to the end and intent that the Members shall be deemed to have given their approval thereto expressly by the authority of this resolution.

RESOLVED FURTHER THAT the Board, be and is hereby authorised to delegate all or any of the powers herein conferred to any Director(s) or Company Secretary or any other Officer(s) / Authorised Representative(s) of the Company, to do all such acts and take such steps, as may be considered necessary or expedient, to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT all actions taken by the Board, or any person so authorized by the Board, in connection with any matter referred to or contemplated in any of the foregoing resolutions, be and are hereby approved, ratified and confirmed in all respects.”

5. **Ratification of remuneration payable to M/s. B Y & Associates, Cost Auditors of the Company for the Financial Year 2024-25**

Place: Chennai
Date: May 23, 2024

Registered Office:

Igarashi Motors India Limited
Plot No. B-12 to B-15, Phase II,
MEPZ-SEZ, Tambaram,
CHENNAI- 600 045, India
Phone: +91-44-42298199/ 22628199,
E-mail: investorservices@igarashimotors.co.in
CIN: L29142TN1992PLC021997
Website: www.igarashimotors.com

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

“RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or amendment(s) thereto or re-enactment(s) thereof, for the time being in force) and pursuant to the recommendation of the Audit Committee, the remuneration payable to M/s. B Y & Associates, Cost Accountants, having Firm Registration Number 003498, appointed by the Board of Directors of the Company as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2025 amounting to ₹ 1.50 Lakhs (Rupees One Lakh Fifty thousand only) (excluding all taxes and reimbursement of out of pocket expenses) be and is hereby ratified and confirmed.

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

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

P. Dinakara Babu
Company Secretary
Membership No. A14812

Notes:

- a) The statement pursuant to Section 102(1) of the Companies Act, 2013 with respect to the Special business set out under Item Nos. 4 and 5 in the Notice is annexed hereto and forms part of this Notice.
- b) Pursuant to the General Circular No. 09/2023 dated September 25, 2023, issued by the Ministry of Corporate Affairs (MCA) and Circular SEBI/HO/CFD/CFD-PoD-2/P/CIR/2023/167 dated October 7, 2023 issued by SEBI (hereinafter collectively referred to as “the Circulars”), companies are allowed to hold AGM through VC, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the 32nd AGM of the Company is being held through VC. The deemed venue for the 32nd AGM shall be the Registered Office of the Company.
- c) Pursuant to the MCA Circulars, physical attendance of Members has been dispensed with and there is no requirement of appointment of proxies. Accordingly, the facility for appointment of proxies by the Members will not be available for the Annual General Meeting and hence the Proxy Form and Attendance Slip are not annexed to this Notice. As per the MCA Circulars, Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act. Since the AGM will be held through VC / OAVM, the Route Map does not form part of the Notice.
- d) Corporate members intending to authorize their representatives to participate and vote at the meeting are requested to send a certified copy of the Board resolution / authorization letter to the Scrutinizer by email to investorservices@igarashimotors.co.in with a copy marked to investor@cameoindia.com.
- e) In compliance with the Circulars, the Notice of 32nd AGM along with Annual Report has been sent through electronic mode to only those Members whose email IDs are registered with the Company/ Depository participant. We urge members to support our commitment to environmental protection by choosing to receive the Company’s communication through email.
- f) Those Shareholders whose email IDs are not registered, are requested to register their email ID with Registrar & Share Transfer Agent (RTA) by submitting form ISR-1 to the Company’s Registrars and Transfer Agents, M/s. Cameo Corporate Services Limited “Subramanian Building” No. 1, Club House Road, Chennai – 600002, Phone: + 91-44-28460390. E-mail: investor@cameoindia.com, Website: <https://investors.cameoindia.com>
- g) The Members can join the 32nd AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available for 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholder’s Relationship Committee, Auditors, who are allowed to attend the AGM without restriction on account of first come first served basis.
- h) **TDS on Dividend:**
According to the Finance Act, 2020, dividend income will be taxable in the hands of the Shareholders w.e.f. April 1, 2020, and the Company is required to deduct tax at source (TDS) from the dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 (‘the IT Act’). In general, to enable compliance with TDS requirements, Members are requested to complete and/ or update their Residential Status, PAN, and Category as per the IT Act with their Depository Participants (‘DPs’) or in case shares are held in physical form, with the Company by sending documents by **July, 31, 2024 (upto 5:00 pm)** to enable the Company to determine the appropriate TDS/withholding tax rate applicable, verify the documents and provide exemption.

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

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

- i. As per the Finance Act, 2021, Section 206AB has been inserted effective July 1, 2021, wherein higher rate of tax (twice the specified rate) would be applicable on payment made to a shareholder who is classified as ‘Specified Person’ as defined under Section 206AB of the Finance Act, 2021.
- ii. As per Section 139AA of the IT Act, every person who has been allotted a PAN and who is eligible to obtain Aadhaar, shall be required to link the PAN with Aadhaar. In case of failure to comply with this, the PAN allotted shall be deemed to be invalid / inoperative and he shall be liable to all consequences under the IT Act and tax shall

be deducted at the higher rates as prescribed under the IT Act.

However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them during Financial Year 2024-25 does not exceed ₹ 5,000 and also in cases where members provide Form 15G / Form 15H (applicable to individuals aged 60 years or more) subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower / Nil withholding tax. Registered members may also submit any other document as prescribed under the IT Act to claim a lower / Nil withholding tax. PAN is mandatory for members providing Form 15G / 15H or any other document as mentioned above. Form 15G/15H can be downloaded from the weblink: <https://investors.cameoindia.com> to avail the benefit and e-mail to investor@cameoindia.com & investorservices@igarashimotors.co.in **by 5.00 p.m (IST) on July 31, 2024**. There is also a provision to upload Form 15G/15H in the weblink viz., <https://investors.cameoindia.com> provided by Company's RTA. No communication would be accepted from members after July 31, 2024 regarding the tax withholding matters.

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

- Copy of the PAN card allotted by the Indian Income Tax authorities duly attested by the member
- Copy of Tax Residency Certificate (TRC) for the FY 2024-25 obtained from the revenue authorities of the country of tax residence, duly attested by member

- Self-declaration in Form 10F
- Self-declaration by the shareholder of having no permanent establishment in India in accordance with the applicable tax treaty
- Self-declaration of beneficial ownership by the non-resident shareholder
- Lower withholding Tax certificate, if any, obtained from the Indian Tax Authorities
- Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by member

** As per the Finance Act, 2021, Section 206AB has been inserted effective July 1, 2021, wherein the higher rate of tax (twice the specified rate) would be applicable on payment made to a shareholder who is classified as 'Specified Person' as defined under the provisions of the aforesaid Section. However, in case of a non-resident shareholder or a non-resident FPI / FII, the higher rate of tax as mentioned in Section 206AB shall not apply if such non-resident does not have a permanent establishment in India

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

The aforementioned documents are required to be submitted by e-mail to investor@cameoindia.com & investorservices@igarashimotors.co.in **by 5.00 p.m (IST) on July 31, 2024**. No communication would be accepted from members **after July 31, 2024** regarding the tax withholding matters.

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

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

The aforesaid documents are subject to verification by the Company and in case of ambiguity, the Company reserves its right to deduct the TDS as per the provisions of the Income Tax Act, 1961.

No claim shall lie against the Company for such taxes deducted. In case of Foreign Institutional Investors / Foreign Portfolio Investors tax will be deducted under Section 196D of the Income Tax Act @20% plus applicable Surcharge and Cess.

Shareholders can also check their tax credit in Form 26AS from the e-filing account at <https://www.incometax.gov.in/iec/foportal> or "View Your Tax Credit" on <https://www.tdscpc.gov.in>.

iii. Further, to receive the dividend on time, Members holding shares in physical form who have not updated their mandate for receiving the dividends directly in their bank accounts through Electronic Clearing Service or any other means are requested to send the following documents to our RTA – Cameo Corporate Services Limited, latest by Friday, July 31, 2024:

I. Form No. ISR-1 duly filled and signed by the holders stating their name, folio number, complete address with pincode, and the following details relating to the bank account in which the dividend is to be received:

- ✓ Name of the bank and branch
- ✓ Bank Account number and Type allotted by your Bank after implementation of Core Banking Solutions;
- ✓ 11 digit IFSC Code and
- ✓ 9 digit MICR code

II. Original copy of cheque bearing the name of the Member or first holder, in case shares, are held jointly

III. Self-attested copy of the PAN Card; and

IV. Self-attested copy of any document (such as AADHAR Card, Driving License, Election Identity Card, Passport) in support of the address of the Member as registered with the Company

Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to the Company will be considered for remittance of dividends as per the applicable regulations of the Depositories and

the Company will not entertain any direct request from such Members for change/addition/deletion in such bank details. Accordingly, the Members holding shares in Demat form are requested to update their Electronic Bank Mandate with their respective DPs

Further, please note that instructions, if any, already given by Members in respect of shares held in physical form, will not be automatically applied to the dividend paid on shares held in electronic form.

i) Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the 32nd AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the 32nd AGM will be provided by CDSL

j) In line with the Ministry of Corporate Affairs (MCA) Circulars, the Notice calling the 32nd AGM has been uploaded on the website of the Company at www.igarashimotors.com. The Notice can also be accessed from the websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively and the AGM Notice is also available on the website of CDSL (agency for providing the Remote Voting facility) i.e. www.evotingindia.com

k) 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**. The instructions for e-voting on the date of 32nd AGM are given in **Annexure AA**.

Members are eligible to cast vote electronically only if they are holding shares as on that date. Members who have acquired shares after the dispatch of the Annual Report and before the **cut-off date July 31, 2024** may approach the RTA by e-mail investor@cameoindia.com for issuance of the User ID and Password for exercising their right to vote by electronic means.

- l) 32nd AGM has been convened through VC/ OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circulars and SEBI Circulars. Instructions for members for attending the 32nd AGM through VC/OAVM are given as **Annexure B**.
- m) Register of Members of the Company will remain closed from **August 01, 2024 to August 09, 2024** (both days inclusive) for the purpose of the final dividend for the financial year ended March 31, 2024 and AGM.
- n) 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 09, 2024 to those members whose names appear on the register of members as on **July 31, 2024** ('Record date').

- o) Members are requested to notify Change in address, if any, in case of shares held in Electronic form to the concerned Depository Participant quoting their ID No. and in case of physical shares to the Registrar and Transfer Agents.
- p) Shareholders desiring any information as regards the accounts are requested to write e-mail to investorservices@igarashimotors.co.in on or before **July 21, 2024**, so as to enable the Company to keep the information ready.
- q) Members who have not so far encashed dividend warrant(s) for the Financial Year 2016-17, 2017-18, 2018-19, 2019-20, 2020-21, and 2022-23 are requested to seek to transfer 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'.

Year	Type of dividend	Dividend per share (In ₹)	Date of declaration	Due Date for transfer to IEPF	Unpaid / Unclaimed amount (in ₹) as on 31.03.2024
2016-17	Final	6.61	02.08.2017	07.09.2024	10,42,469.88
2017-18	Final	6.00	14.09.2018	20.10.2025	8,91,210.29
2018-19	Final	4.90	27.09.2019	07.11.2026	8,34,905.95
2019-20	Final	1.20	17.09.2020	22.10.2027	2,27,254.12
2020-21	Final	1.50	09.08.2021	16.09.2028	1,77,016.62
2022-23	Final	1.00	09.08.2023	16.09.2029	95,410.37

- r) Unclaimed Fractional Bonus Shares Proceeds: The Company had, on November 08, 2018, distributed the sale proceeds of fractional shares arising out of issuance of Bonus Shares, to the eligible Public Shareholders as per their respective fractional entitlements. Fractional entitlements in respect of few shareholders are lying unclaimed with the company. Accordingly, fractional proceeds remaining unclaimed for a period of 7 years will be transferred by the company to the IEPF. The details are available in the website of the Company., www.igarashimotors.com
- s) The remote e-voting period **starts on August 06, 2024 at 9.00 am (IST) and ends on August 08, 2024 at 5.00 pm (IST)**. During this period, Members of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of **July 31, 2024** may cast their votes electronically.
- t) The Company's website is www.igarashimotors.com. Annual Reports of the Company, un-claimed dividend list, and other shareholder communications are made available on the Company's website.
- u) All the members are requested to intimate their e-mail address to the Company's Registrar and Transfer Agents whose e-mail id is investor@cameoindia.com mentioning the Company's name i.e., Igarashi Motors India Limited so as to enable the Company to send the Annual Report and Accounts, Notices and other documents through Electronic Mode to their e-mail address.
- v) Our Company's shares are tradable compulsorily in electronic form and through Cameo Corporate Services Limited, Registrars and Share Transfer Agents; we

have established connectivity with both the depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL). The International Securities Identification Number (ISIN) allotted to your Company's shares under the Depository system is INE188B01013. As on March 31, 2024, 99.68% of our Company's Shares were held in dematerialized form and the rest are in physical form.

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

- w) We draw your attention to SEBI Circular dated 16th March, 2023 bearing reference no. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37, issued in supersession of earlier circulars, whereby SEBI has mandated the following:
- Furnishing of PAN, email address, mobile number, bank account details, specimen signature and nomination by holders of physical securities;
 - Any service request and complaint shall be entertained only upon registration of the PAN, Bank details and the nomination; and

Nomination:

- After 31st December, 2025, the frozen folios shall be referred by RTA/Company to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and/or Prevention of Money Laundering Act, 2002. You are requested to forward the duly filled in Form ISR-1, Form ISR-2 and Form SH-13/Form ISR-3 along with the related proofs as mentioned in the respective forms as the earliest.
- x) **Re-appointment of Director**
Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and Secretarial Standard 2 on General Meetings, following information is furnished in respect of Director proposed to be reappointed as **Annexure 1A**.
- y) The Board of Directors appointed M/s. BP & Associates, Company Secretaries, Chennai (prabhakar@bpcorpadvisors.com) as the scrutinizer for conducting e-voting process in fair and transparent manner. The Scrutinizer will submit his report to the Chairman of the Company ('the Chairman') or to any other person authorized by the Chairman after the completion of

the scrutiny of the e-voting (votes casted during the AGM and votes casted through remote e-voting), not later than two working days from the date of the AGM. The result declared along with the Scrutinizer's report shall be communicated to the stock exchanges, CDSL and RTA and will also be displayed on the Company's website www.igarashimotors.com.

- z) SEBI Circular No. SEBI/HO/MIRSD/POD-1/P/CIR/2023/181 dated 17.11.2023 has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their depository participant(s). On May 14, 2024, the Company has sent a PAN and KYC update intimation to physical shareholders. Members holding shares in physical form are required to submit their PAN details to the RTA by e-mail to investor@cameoindia.com. In case of Members are holding shares in physical form, you are advised to convert shareholding into demat form by approaching depository participant.
- aa) The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, and the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. **August 09, 2024**. Members seeking to inspect such documents can send an email to investorservices@igarashimotors.co.in
- ab) Members holding shares in physical form and desirous of making/updating Nomination in respect of their shareholdings in the Company, as permitted under Section 72 of the Companies Act, 2013 and Rules made thereunder, are requested to submit the prescribed Form No. SH-13 and SH-14, as applicable for this purpose to the Company's Registrar & Transfer Agents, Cameo Corporate Services Ltd. These forms are also available on the Company's website www.igarashimotors.com under Investor Relations section. Members holding shares in dematerialised form should make/update their nomination with their Depository Participants.
- ac) Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from the IEPF Authority. The concerned Members/investors are advised to read the procedure

for claiming unpaid amounts and shares from IEPF Authority, which is available in the Company's E-mail: investor@cameoindia.com, Website: <https://investors.cameoindia.com> website www.igarashimotors.com under Investor Relations section or visit the weblink of the IEPF Authority <http://iepf.gov.in/IEPF/refund.html> for detailed procedure to lodge the claim with IEPF Authority.

ANNEXURE A

CDSL e-Voting System – For Remote e-voting and e-voting during 32nd AGM

THE INSTRUCTIONS FOR SHAREHOLDERS VOTING ELECTRONICALLY ARE AS UNDER:

- (i) The voting period begins on **Monday, August 06, 2024 at 9.00 am (IST) and ends on Wednesday, August 08, 2024 at 5.00 pm (IST)**. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of **July 31, 2024** 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 e-vote at during the meeting.
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions.
- (iv) In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

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

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

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

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 1800225533
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

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

- 1) The shareholders should log on to the e-voting website www.evotingindia.com.
- 2) Click on “Shareholders” module.
- 3) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

For Physical shareholders and other than individual shareholders holding shares in Demat.

PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in ORDateofBirth(DOB) your demat account or in the company records in order to login. <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

- (vi) After entering these details appropriately, click on “SUBMIT” tab.
- (vii) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are
- eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (viii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (ix) Click on the EVSN for the relevant <Igarashi Motors India Limited> on which you choose to vote.

- (x) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xi) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xii) After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xiv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (xv) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvi) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; prabhakar@bpcorpadvisors.com and investorservices@igarashimotors.co.in, if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

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

1. For **Physical shareholders**- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investor@cameoindia.com with a copy to investorservices@igarashimotors.co.in
2. For **Demat shareholders** -, Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 1800225533.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 1800225533.

ANNEXURE AA

THE INSTRUCTIONS FOR MEMBERS FOR E-VOTING ON THE DAY OF THE 32nd AGM

1. Members will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-voting system on **Friday, August 09, 2024**. Shareholders may access the same at www.evotingindia.com.
2. The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.

3. Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the 32nd AGM.
4. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
5. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
6. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
7. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance on or before July 21, 2024 mentioning their name, demat account number/folio number, email id, mobile number at investorservices@igarashimotors.co.in. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance by July 21, 2024 mentioning their name, demat account number/folio number, email id, mobile number at investorservices@igarashimotors.co.in. These queries will be replied to by the company suitably by email.
8. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

ANNEXURE B

THE INSTRUCTIONS FOR SHAREHOLDERS FOR ATTENDING THE 32nd AGM THROUGH VC/OAVM

1. The procedure for attending meeting & e-Voting on the day of the 32nd AGM is same as the instructions mentioned above for e-voting.
2. Only those shareholders, who are present in the 32nd AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting

through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

ANNEXURE TO THE NOTICE

Explanatory Statement setting out material facts pursuant to Section 102 of the Companies Act, 2013

Item No. 4 Approval for Material Related Party Transactions ('RPT') with Igarashi Electric Works Limited, Japan – operational transactions

As per the provisions of Section 188 of the Companies Act, 2013 ("Act"), transactions with related parties which are on an arm's length basis and in the ordinary course of business, are exempted from the obligation of obtaining prior approval of shareholders. However, Regulation 23 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('SEBI Listing Regulations'), as amended, any transactions with a related party shall be considered material, if the transaction(s) entered into/to be entered into individually or taken together with the previous transactions during a financial year exceeds ₹1,000 Crores or 10% of annual consolidated turnover of the Company as per the last audited financial statements of the Company, whichever is lower, and shall require prior approval of shareholders by means of an ordinary resolution. The said limits are applicable, even if the transactions are in the ordinary course of business of the concerned company and at an arm's length basis. Further, Regulation 2(1)(zc) of the SEBI Listing Regulations defines a Related Party Transaction ('RPT') to include a transaction involving a transfer of resources, services or obligations between listed entity and a related party, regardless of whether a price is charged or not.

Additionally, SEBI vide its circular dated 08th April, 2022 also clarified that "In order to facilitate listed entities to align their processes to conduct AGMs and obtain omnibus shareholders' approval for material RPTs it has been decided to specify that the members approval of omnibus RPTs approved in an AGM shall be valid upto the date of the next AGM for a period not exceeding fifteen months and in case of omnibus approvals for material RPTs, obtained from members in General Meetings other than AGMs, the validity of such omnibus approvals shall not exceed one year".

Given the nature of the industry, the Company works closely with its related parties (including Holding, fellow subsidiaries & Associates Companies) to achieve its business objectives and enters into various operational transactions with its related parties, from time to time, in the ordinary course of business and on arm's length basis.

It is in the above context that, Resolution No(s). 4 is placed for the approval of the Members of the Company.

Your Company seeks approval of the Members of the Company in terms of Regulation 23 of the Listing Regulations, by way of passing of an Ordinary Resolution to the aforesaid Material Related Party Transactions to be entered from 32nd Annual General Meeting [the date of passing of this resolution] till the date of 33rd Annual General Meeting.

Your Company had obtained approval of the shareholders at the 31st Annual General Meeting held on August 09, 2023 which is valid until 32nd Annual General Meeting. The relevant information pertaining to transactions with Promoter and Promoter Group as required under Rule 15 of Companies (Meetings of Board and its Powers) Rules, 2014, as amended and SEBI circular vide. SEBI/HO/CFD/CMD1/ CIR/P/2021/662 dated November 22, 2021 is given below

1. **Name of the Related Party** : Igarashi Electric Works Limited, Japan [IEWL]
2. **Nature of relationship** : Ultimate holding company & Promoter
3. **Nature, duration, tenure, material terms, monetary value and particulars of the contract or arrangement**

IEWL has been approved as Supply Chain partner by the Customers. Your Company has been dependent on Export of Sales to IEWL and supply of raw material/components/ parts/ Capital Goods/ Supply of Services by IEWL.

Subject to the approval of the members, the Audit Committee at its meeting held on May 23, 2024 has granted its omnibus approval to the related party transaction with IEWL, to be entered into operational transactions from 32nd Annual General Meeting [the date of passing of this resolution] till the date of 33rd Annual General Meeting as per below details based on business requirements :-

Particulars	Estimated value of Transactions (₹ in Crores)
Sale of Goods	700
Purchase of Goods / fixed assets/ raw materials/ components/parts	200
Purchase of Services	50
Total	950

Pricing & payment terms :- Consideration At arm's length for each transaction shall be mutually determined by the Parties by way of Annual Purchase Orders prevailing market price and commercial terms. The transactions will be evaluated by the Audit Committee on an Annual Basis.

Value of Proposed transaction: The aggregate value of the proposed RPTs of operational transaction of ₹ 950 Crores (Rupees Nine Hundred and Fifty Crores)

4. **Where the transaction relates to any loans, inter-corporate deposits, advances or investments made or given by the listed entity or its subsidiary:** not applicable, since your Company has been selling/ purchasing goods or services from IEWL during ordinary course of business. In case advance is payable then Audit Committee and Board of Directors, as the case may be, prior approval would be obtained. The Independent Directors who are members of the Audit Committee have approved the said material related party transactions at its meeting held on May 23, 2024. The Committee has noted that the said transactions will be on an arms' length basis and in the ordinary course of business of the Company and IEWL.
5. **Nature of Relationship with the Company including nature of its concern or interest (financial or otherwise):** Mr. Haruo Igarashi, Director of the Company and also on the Board of IEWL. IEWL is holding 12.59% in the Company. IEWL is holding 89.72% in Agile Electric Sub Assembly Pvt Ltd [AESPL] (Holding Company). AESPL is holding 54.46% in the Company. IEWL is holding 100% of Igarashi Electric Works (H.K) Ltd. [IGHK]. IGHK is holding 7.94% in the Company.
6. **Tenure of the proposed transaction** : From 32nd Annual General Meeting [the date of passing of this resolution] till the date of 33rd Annual General Meeting for a period not exceeding fifteen months.
7. **Value of RPT as percentage of Company's audited consolidated annual turnover for the immediately preceding financial year** :

In excess of 10% of the annual turnover of the Company FY 2023-24 as per the last audited financial statements.

8. Details of transaction relating to any loans, inter-corporate deposits, advances or investments made or given by the listed entity

i) details of the source of funds in connection with the proposed transaction;	Not Applicable
ii) where any financial indebtedness is incurred to make or give loans, inter-corporate deposits, advances or investments, <ul style="list-style-type: none"> • nature of indebtedness; • cost of funds; and • tenure; 	Not Applicable
iii) applicable terms, including covenants, tenure, interest rate and repayment schedule, whether secured or unsecured; if secured, the nature of security; and	Not Applicable
iv) the purpose for which the funds will be utilised by the ultimate beneficiary of such funds pursuant to the RPT	Not Applicable

9. **Justification as to why the RPT is in the interest of the Company :**

During the past three decades, Igarashi group is one of the leading DC Motor suppliers Auto / non-auto applications to Global Tier-1 Customers to their plants spread across worldwide. Your Company gets benefit of Igarashi Group support with trademarks, technological know-how, support services in sales, customer relationship, procurement and other strategic management. Hence IEWL supports the Company in sales, procurement, customer services for a bundled fee making your Company is a reliable, competent supplier of DC Motors to Global Customers. This arrangement is commercially mutually beneficial in meeting competitiveness and customer requirements from time to time. Your company has been obtaining the approvals for material related-party transactions from shareholders periodically, as mandated by the SEBI Listing Regulations.

IEWL is promoter of the Company and your Company to use "IGARASHI" trade mark / brand. ONE IGARASHI PROGRAM ("OIP") was implemented by IEWL in all its global subsidiary companies for standardization of process, policies, documentation and approval process. As part of this program, IEWL charging bundled

branding/ fee from all group companies. Your company allocates bundled royalties equivalent to 1.25% of net sales to IEWL on export sales managed by IEWL.

Besides, the role mentioned in above, IEWL renders centralized support services of business development, customer relationship management, centralized procurement, sales & distribution, warehouse & logistics, receivables management, technical, engineering and R&D support.

IEWL and your Company are customer approved suppliers/service providers. Further, the above transactions are carried on business requirement of Company on arm's length basis and subjected to review under transfer pricing regulations by various regulators under the applicable laws of India.

10. **A statement that the valuation or other external report, if any, relied upon**

Not applicable, since your Company has been dealing with IEWL during the ordinary course of business.

11. **Any other information relevant or important for the shareholders to take an informed Decision :**

All relevant/ important information forms a part of this Explanatory statement setting out material facts pursuant to Section 102(1) of the Companies Act, 2013.

The transaction shall also be reviewed/ monitored on an annual basis by the Audit Committee of the Company and shall remain within the proposed amount being placed before the shareholders. Any subsequent material modification in the proposed transaction, as may be defined by the Audit Committee as a part of Company's Policy on Related Party Transactions, shall be placed before the shareholders for approval, in terms of Regulation 23(4) of the Listing Regulations.

The operations of your Company stand to benefit greatly from the continuation of transactions outlined above. These transactions significantly enhance our business growth, competitiveness, and efficiency. Therefore, it is in the Company's best interest to continue transactions with IEWL for serving Global Tier 1 Automotive Customers.

The Audit Committee and Board of Directors of your Company have approved this item in their meetings held on May 23, 2024 and recommends the resolution No. 4 as set out accompanying notice for the approval of members of the Company as an Ordinary Resolution.

Copies of Agreements / Purchase Orders entered into by the Company with the said related parties which are currently in force are available for inspection by Members on all working days except Saturdays and Public Holidays (between 11.00 a.m and 1.00 p.m.) at the registered Office of the Company upto August 09, 2024 being the date of 32nd Annual General meeting.

The Directors, Key Managerial Personnel or their relatives holding shares of the Company may be deemed to be concerned or otherwise interested in the said Ordinary Resolution only to the extent of their shareholding.

All related parties of the Company, irrespective of whether he/she/ entity is a party interested in the above transactions or not, will not vote on this resolution. Hence, the Promoter(s) and promoter group companies shall abstain from voting for this resolution.

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

Item No. 5 To consider and ratify remuneration of Cost Auditor payable for the Financial Year 2024-25

Pursuant to the provisions of Section 148 of Companies Act, 2013 and Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Company is required to appoint a cost auditor to audit the cost records of the applicable products of the Company for its domestic unit in FY 2024-25. The Board of Directors of the Company, on the recommendation of

the Audit Committee, had approved the appointment of M/s. B Y & Associates, Cost Accountants (Firm Registration No: 003498) as the Cost Auditors to conduct the audit of the cost records maintained by the Company for the financial year(s) ending March 31, 2025 at a remuneration of ₹ 1.50 Lakhs and reimbursement of out of pocket expenses and taxes as may be applicable to the Cost Auditors as considered and approved by the Board of Directors in their meeting held on May 23, 2024.

In accordance with the provisions of section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors has to be ratified by the Members of the Company. Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at item no. 5 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year 2024-25.

The Board recommends the resolution as set out in the Notice for the approval of the Members of the Company as an Ordinary Resolution.

None of the Directors or Key Managerial Personnel or their relatives, are in any way concerned or interested financially or otherwise in the proposed resolution as set out in the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 5 of the Notice for approval/ratification by the members.

Annexure 1A

Name of the Director	Mr. Thomas Francis Mckeough
DIN	09510485
Age	55 Years
Nationality	United State of America
Qualification	Bachelor Degree in Business Administration from Illinois State University, USA
Expertise in specific functional area	Throughout his extensive and varied tenure spanning over thirty years at Igarashi, Mr. Thomas Francis Mckeough has amassed invaluable experience in driving global business development, business planning, marketing and sales strategies, commercial operations, fostering relationships with Global OEMs and Tier-1 customers, application engineering, finance, general management, and organizational development.
Terms and Conditions of appointment / Re-appointment	Mr. Thomas Francis Mckeough is liable to retire by rotation. He offer himself for re-appoint as Non- Executive, Non Independent Director.
Remuneration last drawn (FY 2023-24) (₹ Lakhs)	Nil
Remuneration proposed to be paid	N.A#
Date of first appointment on the Board	May 24, 2022
Disclosure of relationships between directors /KMP inter-se	Mr. Thomas Francis Mckeough is President at Igarashi Motor Sales USA, LLC, USA. He has no relationship with other Directors on the Board.
Number of Board Meetings attended during the Financial Year 2023-24	4
Membership/ Chairmanship of committees of other Boards(excluding foreign, private and Section 8 Companies)	Nil
Shareholding in the Company (No. of shares)	Nil
Names of listed entities in which the person also holds the directorship and the membership of Committees of the board as on March 31, 2024	Nil

Not eligible for sitting fee for attending each meeting of the Board and Committees

Directors' Report

To
The Shareholders,

Your Directors have pleasure in presenting their Thirty Second Annual Report of your Company, together with the Audited Financial Statements for the year ended 31st March 2024.

FINANCIAL RESULTS

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

Particulars	(₹ in Lakhs)	
	2023-24	2022-23
Manufacturing Sales	72,504	65,625
Add: Other Income	162	801
Total Income	72,667	66,426
Less:		
(i) Materials & Manufacturing Expenses	48,294	43,618
(ii) Value Addition Cost	18,077	17,182
Profit before Depreciation, Amortization	6,296	5,626
Less: Depreciation & Amortization Expenses	4,908	4,716
Profit before Tax	1,388	910

OPERATIONS

Your Company's Revenues for the year stood at ₹ 72,504 Lakhs as against ₹ 65,625 Lakhs for previous year despite of ongoing Global Geo-political tension, slower penetration of BLDC Ceiling Fans and increased marine transit time due to red-sea shipping crisis. Operating Profit before Depreciation & Amortization amounted to ₹ 6,296 Lakhs as against ₹ 5,626 Lakhs for previous year. Profit before Tax amounted to ₹ 1,388 Lakhs as against ₹ 910 Lakhs for previous year.

DIVIDEND

The Board, after considering holistically the relevant circumstances and keeping in view of the Company's Dividend distribution policy, has decided to recommend ₹ 1/- per fully paid share (10%) on Face Value ₹ 10/- dividend for the year under review.

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

TRANSFER OF UNPAID & UNCLAIMED DIVIDEND AND UNCLAIMED SHARES TO IEPF

As per the provisions of the Companies Act, 2013 read with Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 ('IEPF Rules') all unclaimed dividends are required to be transferred by the Company to the IEPF after completion of 7 years. Further according to IEPF Rules, the shares on which dividend has not been claimed by the Shareholders for seven consecutive years or more shall be transferred to the demat account of IEPF Authority. The details relating to amount of dividend FY 2015-16 (Final) transferred to IEPF and such shares on which dividends were un-claimed for seven years consecutive years are available on the website of the Company at <http://www.igarashimotors.com/investor-list.php?invescatid=22>

RESERVES

The Reserves at the end of the year March 31, 2024 is at ₹ 41,551/- Lakhs as against the Total Reserves of ₹ 40,806 Lakhs as at March 31, 2023.

Your Company does not propose to transfer any amount to the general reserve.

MATERIAL CHANGES

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

DETAILS OF SUBSIDIARY/ JOINT VENTURES/ ASSOCIATE COMPANIES

Your Company has no Subsidiary/ Associate / Joint Venture Companies as on March 31, 2024. Report under Form AOC-1 is annexed to this report.

DEPOSITS

During the year under review, your Company has not invited or accepted any deposit within the meaning of provisions of Chapter V of the Act, read with the Companies (Acceptance of Deposits) Rules, 2014 for the year ended March 31, 2024.

PAID-UP SHARE CAPITAL

Your Company's Paid-up equity share capital is ₹ 3,147.50 Lakhs as on March 31, 2024.

DIRECTORS

During the year under report, the members of your Company in 31st Annual General Meeting confirmed the re-appointment of Mr. Haruo Igarashi (DIN 08587832), as Director who was liable for retire by rotation.

INDEPENDENT DIRECTORS

The Independent Directors viz. Mr. L Ramkumar (DIN 00090089) Mrs. S M Vinodhini (DIN 08719578) 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') and there has been no change in the circumstances which may affect their status as Independent Director during the year.

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

RETIREMENT BY ROTATION

Mr. Thomas Francis Mckeough (DIN 09510485) Director retires by rotation at forthcoming 32nd 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 32nd Annual General Meeting of the Company.

EVALUATION OF THE BOARD'S PERFORMANCE

Your Company has established a comprehensive Policy for evaluating the performance of Independent Directors, the Board, Committees and individual Directors. This policy encompasses criteria for assessing both non-executive and executive directors. In accordance with the Companies Act, 2013, and Regulation 25 of the Listing Regulations, the Board conducted an annual performance evaluation for the fiscal year 2023-24. This evaluation covered the Board's performance as a whole, individual directors, and the functioning of its Audit, Nomination & Remuneration, Stakeholder Committee, and Risk Management & ESG Committee.

Each Board member completed a questionnaire, providing feedback on various aspects such as composition, execution of duties, quality and timeliness of information flow, and meeting deliberations. Additionally, individual directors participated in one-on-one meetings with the Board Chairman for self-assessment and peer evaluation. Furthermore, directors were invited to share their valuable feedback and suggestions on the overall functioning of the Board and its committees.

NUMBER OF MEETINGS OF THE BOARD

During the year four Board Meetings were held on May 25, 2023, August 09, 2023, November 10, 2023, and February 09, 2024. The particulars of Directors, their attendance during the financial year 2023-24 has been disclosed in the Corporate Governance Report forming part of this Annual Report.

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

AUDIT COMMITTEE

Your Company has an Audit Committee pursuant to the requirements of the Act read with Rules framed thereunder and SEBI (LODR) Regulations, 2015. The details are relating to the same are given in the report on Corporate Governance forming part of this Report. During FY 2023-24, the recommendations of Audit Committee were duly accepted by the Board.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- a) In the preparation of the annual accounts for the financial year ended March 31, 2024, 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, 2024 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.

DEMATERIALIZATION OF SHARES

As of March 31, 2024, 99.68% of the Company's paid-up Equity Share Capital exists in dematerialized form, with the remaining 0.32% in physical form. Your Company has issued three reminders to all relevant shareholders, urging them to convert their physical shares into dematerialized form.

The Company's Registrars are Cameo Corporate Services Limited, No.1, Subramanian Building, Club House Road, Chennai 600002.

CREDIT RATING

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

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION

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

FOREIGN EXCHANGE EARNINGS AND OUTGO

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

PARTICULARS OF LOANS & INVESTMENTS BY COMPANY

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

RELATED PARTY TRANSACTIONS

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

Your Company had taken shareholders approval for material related party transactions with Igarashi Electric Works Limited, Japan [IEWL] ('Promoter & Ultimate Holding Company') at the 31st AGM held on August 09, 2023.

In view of above, the Audit Committee and Board recommend continuing material related party transactions with IEWL during the period from 32nd AGM to 33rd AGM for approval of shareholders as set out in the Notice of 32nd AGM.

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

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

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

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

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

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

During the year ended March 31, 2024, the ICC has received no complaints pertaining to sexual harassment / discrimination at work place.

KEY MANAGERIAL PERSONNEL

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

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

AUDITORS

M/s. B S R & Co LL.P, Chartered Accountants (Firm Registration No. 101248W/W-100022), were appointed by the Shareholders at the 30th Annual General Meeting held on August 10, 2022 as Statutory Auditors for a term of five consecutive years (FY 2022-23 to FY 2026-27) to hold office until conclusion of 35th Annual General Meeting. The appointment is however, subject to ratification by members at every Annual General Meeting in accordance with Section 139 of the Companies Act, 2013 read with applicable rules made thereunder.

Pursuant to the amendment to Section 139 of the Companies Act, 2013 effective from May 07, 2018, ratification by shareholders every year for the appointment of Statutory Auditors is no longer required and accordingly, the Notice of ensuing 32nd Annual General Meeting does not include the proposal for seeking shareholders' approval for ratification of Statutory Auditors appointment.

M/s. B S R & Co LL.P, Chartered Accountants, has furnished a certificate of their eligibility and consent under section 139 and 141 of the Companies Act 2013 and the Companies (Audit and Auditors) Rules 2014 for their continuance as the Auditors of the company for the financial year 2024-25. In terms of the Listing Regulations, the Auditors have confirmed that they hold a valid certificate issued by the Peer Review Board of the ICAI.

AUDITOR'S REPORT

No qualification, adverse remarks or disclaimer made by the Statutory Auditors with regard to the financial statements for the financial year 2023-24.

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

There have been no instances of fraud reported by above mentioned Auditors under Section 143(12) of the Act and Rules framed thereunder either to the Company or to the Central Government during FY 2023-24.

SECRETARIAL AUDITOR, SECRETARIAL AUDIT REPORT & OTHER CERTIFICATES

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. C Prabhakar, Partner, BP & Associates, Company Secretaries (ICSI Membership No.: F11722; C.P No. 11033) to undertake the secretarial audit of the Company for the year ended March 31, 2024. Your Company has complied with the Secretarial Standards issued by the Institute of Company Secretaries of India on Board Meetings and Annual General Meetings.

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

Pursuant to Regulation 24(A) of SEBI Listing Regulations, the Company has obtained annual secretarial compliance report from Mr. C Prabhakar, Partner, BP & Associates, Company Secretaries (ICSI Membership No.: F11722; C.P No. 11033) and the same will be submitted to the stock exchanges within the prescribed time. The Secretarial Compliance Report also does not contain any qualification, reservation, adverse remark or any disclaimer.

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

COST AUDIT & COST RECORDS

Pursuant to the provisions of Section 148(3) of the Act, the Board of Directors had appointed M/s. B Y & Associates, Cost Accountants (Firm Registration No: 003498) as Cost Auditors of the Company, for conducting the audit of cost records of domestic unit for the financial year ended March 31, 2024.

The audit is in progress and the report will be filed with the Ministry of Corporate Affairs within the prescribed period.

The cost records as specified by the Central Government under subsection (1) of Section 148 of the Companies Act, 2013 as required are maintained by the Company.

The Board of Directors based on the recommendation of the Audit Committee, approved the re-appointment of M/s. B Y & Associates, Cost Accountants (Firm Registration No: 003498) as the Cost Auditors of the Company to conduct audit of the cost records of the domestic operations of the Company for the financial year 2024-25. Accordingly, the matter relating to the ratification of the remuneration payable to the Cost Auditors for the financial year 2024-25 is placed at the 32nd AGM of the Company.

ANNUAL RETURN

Pursuant to the provisions of Section 92(3) read with section 134(3) of the Act, the Annual Return as on March 31, 2024 is available on the Company's website at <http://www.igarashimotors.com/investor-list.php?invescatid=17>.

INTERNAL CONTROL SYSTEMS

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

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

CORPORATE SOCIAL RESPONSIBILITY (CSR)

In terms of Section 135 and Schedule VII of the Companies Act, 2013, the Board of Directors of your Company has constituted a CSR Committee. The CSR Committee comprises of four members and the Chairman of Board is heading the Committee. CSR Committee of the Board has developed a CSR Policy. The CSR Committee met one time during the year on May 25, 2023. The details of role and functioning of the Committee are given in Annexure to this Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY

Your Company has adopted a Risk Management & ESG Policy and constituted a Risk Management & ESG Committee for monitoring the same. The Company has been addressing various risks impacting the Company which is provided

elsewhere in this Annual Report in Management Discussion and Analysis Report.

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT (BRSR)

As required under Regulation 34 (2) (f) of Listing Regulations, the Business Responsibility & Sustainability Report describing the initiatives taken by your Company from an environmental, social and governance perspective, in the prescribed format is available as a separate section of the Annual Report. Company has taken initiative to publish BRSR report for FY 2023-24 on Mandatory Basis in view of Circular no. SEBI/HO/CFD/CMD-2/P/CIR/2021/562 dated May 10, 2021 issued by the Securities and Exchange Board of India (SEBI). The said report is also available on the Company's website at <http://www.igarashimotors.com/investor-list.php?invescatid=17>.

REMUNERATION OF KEY MANAGERIAL PERSONNEL

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

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

STATEMENT ON EMPLOYEE REMUNERATION

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

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

HUMAN RESOURCES

Your Company has 675 number of permanent employees on the rolls of the Company as on March 31, 2024. 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 revised Whistle Blower policy on its website: <http://www.igarashimotors.com/investor-list.php?invescatid=18>

PREVENTION OF INSIDER TRADING

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

CODE OF CONDUCT

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

OTHER CONFIRMATIONS

There is no application/proceeding pending under the Insolvency and Bankruptcy Code, 2016 during the year under review.

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 2024-25.

32nd ANNUAL GENERAL MEETING THROUGH VIDEO CONFERENCE

Pursuant to the General Circular No. 09/2023 dated September 25, 2023, issued by the Ministry of Corporate Affairs (MCA) and Circular SEBI/HO/CFD/CFD-PoD- 2/P/ CIR/2023/167 dated October 7, 2023 issued by SEBI, your Company made arrangement to conduct 32nd AGM through Video Conference / Other Audio Visual Means for which necessary information has been given separately in Notice of 32nd AGM.

Also your Company will be complying with said Circulars by sending 32nd Annual Report along with Annexures by way of e-mail to the shareholders as such no physical copies shall be distributed. Those Shareholders whose email IDs are not registered, have to register their email ID with Registrar & Share Transfer Agent (RTA) of the Company.

ACKNOWLEDGEMENT

The Board would like to express its appreciation for the dedicated efforts of your Company's employees, who have achieved commendable results despite challenging circumstances. Additionally, we extend our heartfelt thanks to the relevant Government Authorities, Promoters, Shareholders, Suppliers, Customers, and other valued business associates for their unwavering support.

For and on behalf of the Board of Directors

Hemant M Nerurkar
Chairman
DIN: 00265887

Place: Chennai
Date : May 23, 2024

ANNEXURE TO THE DIRECTORS' REPORT

A. CONSERVATION OF ENERGY

- 1) Energy Conservation Measures Taken
 - a) Procurement of 64% renewable electricity from private renewable energy (wind power) supplier in FY 2023-24;
 - b) Implemented an in-house Solar Power Generation system at SEZ Plant -1, projected to produce 400 kWh per day starting in March 2024.
- 2) Steps taken by the Company for utilizing alternate sources of energy are
 - a) The Company uses green energy (Wind power) at a tariff less than Tamil Nadu Electricity Board
 - b) Developed a roadmap to enhance renewable energy use through captive sources (solar and wind energy) and are continuously exploring opportunities to expand renewable energy consumption based on business requirements from time to time
- 3) The capital investment on energy conservation equipment's : N.A

B. TECHNOLOGY ABSORPTION

- 1) the efforts made towards technology absorption : continuous process
- 2) the benefits derived(like product improvement, cost reduction, product development or import substitution) : continuous process
- 3) Information regarding imported technology (last three years): Not applicable
- 4) Expenditure on Research and Development:
 - a) Capital : ₹ 530 (₹ 3,470 Lakhs previous year)
 - b) Recurring : ₹ 393 Lakhs (₹ 298 Lakhs previous year)
 - c) Total : ₹ 923 (₹ 3,768 Lakhs previous year)

C. Foreign Exchange earnings and outgo

Total Foreign exchange earnings used during year was ₹ 32,138 Lakhs [previous year ₹ 41,906 Lakhs] and the total foreign exchange earned during the year was ₹ 38,295 Lakhs [Previous year ₹ 35,397 Lakhs]

For and on behalf of the Board of Directors

Hemant M Nerurkar
Chairman
DIN: 00265887

Place: Chennai
Date : May 23, 2024

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 of Director for 2023-24 (₹ Lakhs)	Ratio/Times per Median of employee remuneration
1	Mr. Hemant M Nerurkar	Chairman [^]	18.50	1.24
2	Mr. Haruo Igarashi	Director	Nil	NA
3	Mr. L Ramkumar	Independent Director [^]	15.00	1.00
4	Mrs. S M Vinodhini	Independent Woman Director [^]	15.00	1.00
5	Mr. Thomas Francis Mckeough	Director	Nil	NA
6	Mr. R. Chandrasekaran	Managing Director [#]	231.68	13.24

[^] The remuneration of Directors consists of sitting fees and commission. Commission is for 2023-24 paid in FY 2024-25

[#] Including Commission paid ₹ 33.92 Lakhs

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

Name	Designation	% increase in remuneration FY 2023-24
Mr. Hemant M Nerurkar	Chairman ^{^^}	Nil
Mr. Haruo Igarashi	Director	N.A
Mr. L Ramkumar	Independent Director ^{^^}	Nil
Mrs. S M Vinodhini	Independent Woman Director ^{^^}	Nil
Mr. Thomas Francis Mckeough	Director	N.A
Mr. R. Chandrasekaran	Managing Director [#]	6%
Mr. P Dinakara Babu	Company Secretary	8%
Mr. S Vivekchandranath	Chief Financial Officer	8%

^{^^} includes commission but excluding sitting fee

[#] Remuneration of fixed pay excluding Commission

- iii) The percentage increase in the median remuneration of employees in the financial year

In the financial year, there was an increase of 8.00% in the median remuneration of employees.

- iv) The number of permanent employees on the rolls of Company : 675 as on March 31, 2024

- v) 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:

As per Company's increment guidelines Compensation revisions generally take into account performance metrics on sales, operating profits and working capital apart from specific elements attributable to various functions within the organization.

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

Not Applicable

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

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

For and on behalf of the Board of Directors

Place: Chennai
Date : May 23, 2024

R Chandrasekaran
Managing Director
DIN: 00012643

Hemant M Nerurkar
Chairman
DIN: 00265887

Form AOC-1
(PURSUANT TO FIRST PROVISIO 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	
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	NIL
8	Investments	
9	Turnover	
10	Profit before taxation	
11	Provision for taxation	
12	Profit after taxation	
13	Proposed Dividend	
14	% of shareholding	

Part “B”: Associates and Joint Ventures

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

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

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

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

For and on behalf of the Board of Directors

Hemant M Nerurkar
Chairman
DIN: 00265887

Place: Chennai
Date : May 23, 2024

Particulars of Loans , Guarantees, or investments Pursuant to Section 134(g) of the Companies Act, 2013

A. Amount Outstanding as on March 31, 2024

Particulars	Amount (₹ Lakhs)	Purpose
Loans given	Nil	Nil
Guarantees Given	Nil	Nil
Investments made	1,585.57	Business

Refer Notes to Accounts given along with Financial Statements for the year ended March 31,2024

B. Loans , Guarantees, Investments made during financial year 2023-24

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

Refer Notes to Accounts given along with Financial Statements for the year ended March 31,2024

For and on behalf of the Board of Directors

Place: Chennai
Date : May 23, 2024

R Chandrasekaran
Managing Director
DIN: 00012643

Hemant M Nerurkar
Chairman
DIN: 00265887

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 :-

There were no contracts or arrangements or transactions entered into during the financial year ended March 31, 2024 which were not at arm's length basis.

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

The details of material contracts or arrangements or transactions at arm's length basis entered into during the financial year ended March 31, 2024 are as follows,

S. No	Name(s) of the related party and nature of relation ship	Nature of contracts/ arrangements/ transactions	Value of contracts/ arrangements/ transactions (₹ in Lakhs)	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions	Date(s) of approval by the Board and subsequent approvals by way of Postal Ballot/General Meetings	Amount paid as advances, if any:
1	Agile Electric Sub Assembly Private Limited – [Holding Company]	Sale of goods and services Purchase of goods and services	831.73 492.61	year on year basis	The related party transactions entered into during the year were in the ordinary course and at arm's length basis	For sale and purchase: Necessary approvals were granted by the Audit Committee and subsequently at the Board Meeting held on 09/02/2023	Nil Nil
2	Igarashi Electric Works Limited, Japan-[Ultimate Holding Company]@	Sale of goods and services Purchase of goods	29,216.16 321.12	year on year basis	The related party transactions entered into during the year were in the ordinary course and at arm's length basis	For sale and purchase: Necessary approvals were granted by the Audit Committee and subsequently at the Board Meeting held on 09/02/2023. Moreover the Public shareholders of the Company by Ordinary Resolution passed at 31st AGM held on 09/08/2023, accorded their approval.	Nil

S. No	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Value of contracts/ arrangements/ transactions (₹ in Lakhs)	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions	Date(s) of approval by the Board and subsequent approvals by way of Postal Ballot/General Meetings	Amount paid as advances, if any:
3	Igarashi Electric Works (H.K) Limited, Hong Kong- [Fellow subsidiary]	Sale of goods and services Purchase of goods and services	0.00 0.00	year on year basis	The related party transactions entered into during the year were in the ordinary course and at arm's length basis	For sale: Necessary approvals were granted by the Audit Committee and subsequently at the Board Meeting held on 09/02/2023	Nil
4	Igarashi Motoren GmbH, Germany- Fellow subsidiary	Sale of goods and services Purchase of goods & services	368.12 0.27	year on year basis	The related party transactions entered into during the year were in the ordinary course and at arm's length basis	For sale: Necessary approvals were granted by the Audit Committee and subsequently at the Board Meeting held on 09/02/2023	Nil
5	Igarashi Motor Sales USA LLC, USA- Fellow subsidiary	Sale of goods and services Purchase of goods & services	540.56 0.00	year on year basis	The related party transactions entered into during the year were in the ordinary course and at arm's length basis	For sale: Necessary approvals were granted by the Audit Committee and subsequently at the Board Meeting held on 09/02/2023	Nil
6	Igarashi Electric Works International Ltd, Hong Kong	Sale of goods and services Purchase of goods & services	1.10 0.87	year on year basis	The related party transactions entered into during the year were in the ordinary course and at arm's length basis	For sale: Necessary approvals were granted by the Audit Committee and subsequently at the Board Meeting held on 09/02/2023	Nil
7	Yat Yue Industrial Co.(HK) Ltd, Hong Kong	Sale of goods and services Purchase of goods and services	0.00 574.33	year on year basis	The related party transactions entered into during the year were in the ordinary course and at arm's length basis	For sale: Necessary approvals were granted by the Audit Committee and subsequently at the Board Meeting held on 09/02/2023	Nil
8	Igarashi Electric Works (Zhuhai) Limited, China (IEWZL)	Sale of goods and services Purchase of goods and services	0.00 0.00	year on year basis	The related party transactions entered into during the year were in the ordinary course and at arm's length basis	For sale: Necessary approvals were granted by the Audit Committee and subsequently at the Board Meeting held on 09/02/2023	Nil

S. No	Name(s) of the related party and nature of relation ship	Nature of contracts/ arrangements/ transactions	Value of contracts/ arrangements/ transactions (₹ in Lakhs)	Duration of the contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions	Date(s) of approval by the Board and subsequent approvals by way of Postal Ballot/General Meetings	Amount paid as advances, if any:
9	Igarashi Electric Works (Shenzhen) Ltd, China	Sale of goods and services Purchase of goods and services	26.03 0.00	year on year basis	The related party transactions entered into during the year were in the ordinary course and at arm's length basis	Necessary approvals were granted by the Audit Committee and subsequently at the Board Meeting held on 09/02/2023	Nil
10.	Baesung Igarashi Co., Ltd, South Korea	Sale of goods and services Purchase of goods and services	7.26 0.00	year on year basis	The related party transactions entered into during the year were in the ordinary course and at arm's length basis	Necessary approvals were granted by the Audit Committee and subsequently at the Board Meeting held on 09/02/2023	Nil

Also refer Note 37 of Related Party Schedule to the Financial Statements

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

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

For and on behalf of the Board of Directors

Hemant M Nerurkar
Chairman
DIN: 00265887

Place: Chennai
Date : May 23, 2024

Business Responsibility & Sustainability Report

SECTION A: GENERAL DISCLOSURE

I. Details of the Listed Entity

1	Corporate Identity Number (CIN) of the Listed Entity	L29142TN1992PLC021997
2	Name of the Listed Entity	IGARASHI MOTORS INDIA LIMITED ('IMIL')
3	Year of incorporation	1992
4	Registered office address	Plot No. B12 to B15, Phase-II, MEPZ-SEZ, Tambaram, Chennai – 600 045
5	Corporate address	Plot No. B12 to B15, Phase-II, MEPZ-SEZ, Tambaram, Chennai – 600 045
6	E-mail	investorservices@igarashimotors.co.in
7	Telephone	+91-44-42298100
8	Website	www.igarashimotors.com
9	Financial year for which reporting is being done	2023-24
10	Name of the Stock Exchange(s) where shares are listed	BSE Limited & National Stock Exchange of India Limited
11	Paid-up Capital	₹ 3147.5 Lakhs
12	Contact Person	
	Name of the Person	Mr. R Chandrasekaran, Managing Director
	Telephone	+91 44 42298199
	Email address	investorservices@igarashimotors.co.in
13	Reporting Boundary	
	Type of Reporting (Standalone / Consolidated)	Disclosures made in this report are on Standalone basis
14	Name of assurance provider	Not Applicable
15	Type of assurance obtained	Not Applicable

II. Product/Services

16	Details of business activities	S. No.	Description of Main Activity	Description of Business Activity	% Turnover of the Entity
		1	Manufacturing	Electrical Equipment, general purpose and special purpose machinery & equipment	100

17	Products/Services sold by the entity contributing 90% of total turnover	S. No.	Product/Service	NIC Code	% of Total Turnover contributed
		1	Electric Micro Motors & Motor Components	8501	80.10
		2	Ceiling Fans (BLDC) & Printed Circuit Board (PCB)	8414	19.90

III. Operations

18	Number of locations where plants and/or operations/offices of the entity are situated:	Location	Number of plants	No. of Offices	Total
		National	10	1	11
		International	-	-	-
19	Market served by the entity	Locations	Numbers		
a.	No. of Locations	National (No. of States)	All over India		
		International (No. of Countries)	7		
b.	What is the contribution of exports as a percentage of the total turnover of the entity?	Contribution of export is 47% of total turnover for FY 2023-24			
c.	A brief on types of customers	Revenues of the group are largely derived from Business-to-Business sales to Global Tier-1 customers in the automotive and Business to Business Sales to Electric Consumer Durable Customers for BLDC Motors in FMEG business.			

IV. Employees

20. Details as at the end of Financial Year 23-24

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
a.	Employees (including differently abled)					
	Employees					
1	Permanent (A)	245	179	73%	66	27%
2	Other than Permanent (B)	0	0	0	0	0
3	Total (A+B)	245	179	73%	66	27%
	Workers (including differently abled)					
	Workers					
1	Permanent (E)	430	216	50%	214	50%
2	Other than Permanent (F)	1,504	195	13%	1309	87%
3	Total (E+F)	1,934	411	21%	1,523	79%
b.	Differently abled Employees					
	Employees					
1	Permanent	0	0	0	0	0
2	Other than Permanent	0	0	0	0	0
3	Total	0	0	0	0	0
	Differently abled Workers					
	Workers					
1	Permanent	0	0	0	0	0
2	Other than Permanent	0	0	0	0	0
3	Total	0	0	0	0	0

21. Participation/Inclusion/Representation of women

S. No.	Category	Total (A)	No. and % of females	
			No. (B)	% (B/A)
1	Board of Directors	6	1	17%
2	Key Management Personnel *	3	0	0%
3	Senior Management	18	2	11%

* Includes Managing Director, Chief Financial Officer and Company Secretary

22. Turnover rate for permanent employees and workers

Category	FY 2023-24 (Turnover rate in current FY)			FY 2022-23 (Turnover rate in previous FY)			FY 2021-22 (Turnover rate in previous FY)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	11%	1%	12%	17.3%	3.1%	12.5%	2.3%	0.0%	1.7%
Permanent Workers	8%	9%	17%	22.5%	10.7%	16.4%	24.1%	16.9%	20.5%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

23	Names of holding / subsidiary / associate companies / joint ventures	S. No	Name of the holding / subsidiary / associate companies / joint ventures	Indicate whether it is a holding / Subsidiary / Associate / or Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
		1.	Agile Electric Sub Assembly Private Limited	Holding Company	54.46	Yes
		2.	Igarashi Electric Works Limited, Japan	Ultimate Holding Company	12.59	Yes
		3.	Igarashi Electric Works (H.K) Limited, Hong Kong	Fellow Subsidiary Company	7.94	Yes

VI. CSR Details

24	a. Whether CSR is applicable as per section 135 of Companies Act, 2013:	Yes
	Turnover (in ₹ Lakhs)	72,504
	Net worth (in ₹ Lakhs)	44,698

VII. Transparency and Disclosures Compliances

25	Complaints/ Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct	Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) If Yes, then provide web-link for grievance redress policy	FY 2023-24 Current Financial Year			FY 2022-23 Previous Financial Year		
				Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
		Communities	Yes. Direct interaction during CSR activities and other social & awareness programs	0	0	-	0	0	-
		Investors (other than shareholders)	Yes. Investors will submit their grievance either directly with the Company Secretary or Registered Transfer Agent for assisting in handling the grievances as given in the Email ID. (investorservices@igarashimotors.co.in)	0	0	-	0	0	-
		Shareholders	Yes. Stakeholder Relationship Committee is set up to examine and redress the shareholders grievances on timely basis. The status of complaints is reported to the entire Board on quarterly basis. The Committee meets quarterly to review & resolve shareholders grievances.	3	0	-	1	0	-
		Employees and workers	Yes. For safeguarding the interests of the employees and workers, grievance mechanism is detailed in the POSH Policy and Whistle blower Policy (SHP Policy)	0	0	-	0	0	-
		Customers	Yes. A cross functional team is in place who reviews Supplier Portals and responds to various requirements and feedbacks of our consumer for a seamless experience.	0	0	-	0	0	-
		Value Chain Partners	Yes. Value Chain Partners may register their complaints directly with the Business Supply Chain Head.	0	0	-	0	0	-
		Other (please specify)	Yes. Audit committee in place to maintain ethical business standards through Anti-corruption policy. (Anticorruption_Policy.pdf)	0	0	-	0	0	-

26. Overview of the entity's material responsible business conduct issues.

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

Sr. No.	Material Issue Identified (High priority material issues are listed below)	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Scarcity of electrical power	Opportunity	Commercial gain from process in-place for optimized energy consumption and commitment to enhance the energy efficiency	<ol style="list-style-type: none"> Increase in the efficiency of equipment which has caused reduction in the overall energy intensity. Installation of Solar panels, Solar Water heaters and LEDs at various locations for efficient energy management. Use of BLDC fan motor capable of reducing ~50% of energy consumption per motor. 	Positive- Increasing sustainable and green energy can reduce Company costs in future and attract investment opportunities
		Risk	Increasing energy costs associated with adoption of new and efficient technologies.	<ol style="list-style-type: none"> Record maintenance of spends associated with energy improvement initiatives. Installation of energy meter in facility to monitor the energy consumption. Energy Audit has been conducted and actions to be taken based on priority/feasibility and allocated budget. 	Negative- New business processes may require massive financial investments including technical skill training at regular intervals
2	Scarcity of water	Risk	Resource depletion and unavailability of water during specific time period can adversely hamper operations.	<ol style="list-style-type: none"> Though, production process does not require water, the water meters were installed at various location for analyzing the consumption pattern for non-production needs Water conservation practices like auto cut-off valves, use of Rain water etc are being undertaken in our facilities. The water is discharged to common sewage treatment plant which is owned and operated by MEPZ. The treated water is reused for gardening purpose by MEPZ. 	Negative- Shortage of water can slow down plant productivity and attract financial investments in the longer run.
3	Noncompliance to local laws and regulations	Opportunity	Changes in local laws and regulations considering future aspects.	Monthly review / discussions are conducted along with regular monitoring of legal compliance with the support of Compliance Dash Board software tool.	Positive- Improvement in Company's reputation and relationships with stakeholders

Sr. No.	Material Issue Identified (High priority material issues are listed below)	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4	Occupational Safety and Health	Risk	Occupational health and safety is a critical aspect for ensuring employee welfare. Non-compliance with appropriate safety standards can attract high frequency of health and safety incidents	<ol style="list-style-type: none"> 1. Frequent safety audit, awareness sessions and tool box talk are conducted to maintain safe and healthy working conditions. 2. Implementing training of all employees and associates on safe working practices. 3. Implementation of a Company-wide robust Occupational Health and Safety SOP 	Negative- Incidents of occupational health & safety management system may cause loss in man-days and further minor impact on productivity of operations.
5	Natural calamity	Risk	Extreme weather events due to climate change pose a physical risk of disruption to the company's operations, and the safety and wellbeing of its employees.	<ol style="list-style-type: none"> 1. Contingency plan in place in-case of occurrence of Natural calamity. 2. Dedicated ERT members who are trained to handle such type of calamities 	Negative- Property damage could lead to loss of company operations for a limited time and may have massive financial implications
6	Fire	Risk	Human errors during operation can pose a threat to the office operations and even cause disruptions like office fires	<ol style="list-style-type: none"> 1. Firefighting system, Smoke detector and fire alarm system in place to detect and alert for risk associated with fire. 2. Extending training to all employees and associates on safe working practices 	Negative- Property damage could lead to loss of company operations for a limited time and have massive financial implications
7	Emission Management	Risk	Insufficient control on all sources of emission (value chain partners)	<ol style="list-style-type: none"> 1. Focusing on various initiatives for reduction of emissions as a result of our direct operation. 2. Positive Engagement with supply chain partners for analyzing Scope-3 emissions. 3. More than 50% of electricity is being consumed from Wind Energy (green electricity) causing reduction in GHG emissions 	Negative – Adoption of new and efficient technologies in business processes may require financial investments and technical skill training at regular intervals.

Sr. No.	Material Issue Identified (High priority material issues are listed below)	Indicate whether risk or opportunity	Rationale for identifying the risk/opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
8	Disposal of hazardous waste chemicals	Risk	Increase in the amount of waste generation as a result of expansion in production capability	<ol style="list-style-type: none"> 1. Various innovation practices are being undertaken to eliminate the use of hazardous chemicals in our products with the support of stakeholders (Customers/Suppliers) 2. Hazardous waste such as oil-soaked waste, epoxy powder waste, gel & varnish are co-processed in cement kilns through authorized TN State Pollution Control Board approved vendor. 3. Other hazardous waste like bio-medical waste, e-waste, waste oil, spent solvent and empty chemical container are disposed through TN State Pollution Control Board approved dismantler. 	Negative- Increased waste generation plays a critical aspect in increasing raw material cost and thus the Company has undertaken goal to reduce generation of hazardous waste year on year basis as a proportion on sales.
9	Emerging technology	Opportunity	Global rise in competition and market demand leading to increased focus on innovative and latest emerging technology.	<ol style="list-style-type: none"> 1. Latest technology support and updates from key suppliers to develop the motors and components in competitive market field. 2. The R&D team working on design innovation for overall reduction in energy consumption and packaging material of our products 	Positive- The improved and innovative design will reduce the energy consumption and overall packaging weight.

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9	
Policy and Management Processes										
1 a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	
c. Web Link of the Policies, if available	1) https://www.igarashimotors.com/uploads/investor/pd-f166716003319IML-Anticorruption_Policy.pdf 2) https://www.igarashimotors.com/uploads/investor/pd-f14908591842Code_of_conduct.pdf	1) https://www.igarashimotors.com/uploads/investor/pd-f16002340315Conflict_minerals_policy_(1).pdf 2) Supplier code of conduct policy is placed on the intranet of the Company and open to access for the relevant stakeholders.	1) https://www.igarashimotors.com/uploads/investor/pd-f16673690584IML_Whistle_Blower_Policy_010419-v4_Website.pdf 2) https://www.igarashimotors.com/uploads/investor/pd-f14908591842Code_of_conduct.pdf	Stakeholder relationship policy is placed on the intranet of the Company and open to access for the relevant stakeholders.	1) https://www.igarashimotors.com/uploads/investor/pd-f15998154746IML-Sexual_Harassment_Policy-v3.pdf 2) https://www.igarashimotors.com/uploads/investor/pd-f15998153585IML-diversity_policy.pdf 3) https://www.igarashimotors.com/uploads/investor/pd-f15998154220IML-nomination_and_remuneration_policy.pdf	https://www.igarashimotors.com/uploads/investor/pd-f16673691495CSR_Policy-V2-25052021.pdf	https://www.igarashimotors.com/uploads/investor/pd-f16673690584IML_Whistle_Blower_Policy_010419-v4_Website.pdf	Igarashi Business Affiliations with trade & industry chambers policy is placed on the intranet of the Company and open to access for the relevant stakeholders.	1) https://www.igarashimotors.com/uploads/investor/pd-f16673691495CSR_Policy-V2-25052021.pdf 2) https://www.igarashimotors.com/uploads/investor/pd-f16673690584IML_Whistle_Blower_Policy_010419-v4_Website.pdf	Cyber Security policy is placed on the intranet of the Company and open to access for the relevant stakeholders.
2. Whether the entity has translated the policy into procedures. (Yes / No)	Yes									
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes									
4. Name of the national and international codes/certifications/labels/standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustee) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.			Accreditation of ISO 14001-2015 Certificate for IMIL- four units. TS16949 for all MEPZ-SEZ plants. ISO 9001 & BIS certification for DTA plant.							

Disclosure Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
5	Specific commitments, goals and targets set by the entity with defined timelines, if any.								
	Environmental Goals undertaken in FY 2023-24:								
	1) 15% reduction in non-renewable energy consumption in total energy mix by FY2025. 2) Installation of in-house Solar PV system capable of generating 400 kWh/day of energy by FY2030. 3) 30% (Scope 1 + Scope 2) emission reduction by FY2030. 4) 15% (Scope 3) emission reduction by FY2030. 5) Net Zero target by CY 2070 as per India's commitment. 6) Reduction in generation of hazardous and non-hazardous waste year on year basis as a proportion on sales. 7) Obtain ISO 45001 (Occupational Health and Safety) certification for selected / all facilities by CY 2025. 8) Obtain ISO 14001-2015 (Environmental Management System) certification for all 8 facilities by CY 2025 (4 facilities are being covered now).								
	Social Goals undertaken in FY 23-24:								
	1) Increase in the number of women in managerial position to 25% by 2030 (vs 17% in 2022). 2) Cover 50% of value chain partners under ESG Indicators by FY2025. 3) Strive to maintain status of Zero Fatality. 4) Increase in the total training hours per annum. 5) 100% coverage of reskill / upskill employee with future fit skills (e.g. ESG related topics).								
6	Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	The Company constantly monitors the performance towards ESG Goals and take adequate actions wherever required. We have a robust governance mechanism to monitor the progress of these goals. Various initiatives undertaken by the company to achieve sustainability goals include: 1) Procurement of 64.00 % renewable electricity from private renewable energy (wind power) supplier in FY 23-24. 2) Installed in-house 400 KW capacity solar power system - completed in March 2024 3) Increased power factor from 0.95 to 0.99 in 4 SEZ units for a savings of 191 MW/hr from April 2023 4) Replacement of company-owned car from diesel to hybrid from January 2024 5) Replaced of 6 no's harmonics filter in IMIL-1 unit for a savings of 323 MW/hr from June 2023 6) Replaced 40 Ton ODS gas Air Conditioner in production area in April 2023 7) 84% (1830 out of 2,179) of employees (Including Associates) are covered by skill upgrade training 8) 2000 tree sapling will be distribute to Employees 9) 34 % of value chain partners are Assessment on ESG parameters. 10) Increase employee training hours per annum from 8 hours to 12 Hours 11) Annually 1.4 Ton of poly film waste was reduced in Ware house operation - 3 % plastic scrap reduction in August 2023 12) Savings on steel coil cutting scrap in Deep Drawn operation 5.88% / part - 2% waste reduced in steel scrap in October 2023 13) Zero hazardous waste in Landfills							
	Governance, Leadership and Oversight								
7	Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements	We are committed to make the business truly sustainable and socially responsible. Igarashi has created an ESG roadmap with quick wins, medium term and long term wins along with a governance framework to ensure that we embed sustainability in our ways of doing business. We have devised our ESG goals and targets along with timelines and purpose.							
8	Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Name: Mr. R Chandrasekaran DIN Number: 00012643 Designation: Managing Director							
9	Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes. The Risk Management & ESG Committee is responsible for monitoring the implementation and decisions to be taken on sustainability programs. The members of the committee include: - Mr. Hemant Nerurkar Madhusudan: Non-Executive Non-Independent Director, Chairperson - Mr. L Ramkumar: Non-Executive Independent Director, Member - Mrs. SM Vinodhini : Non-Executive Independent Director, Member - Mr. R Chandrasekaran: Executive Director, Member							

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P1	P2	P3	P4	P5	P6	P7	P8	P9	P1	P2	P3	P4	P5	P6	P7	P8	P9
Performance against above policies and follow up action	Policies, wherever stated, have been approved by the Board / functional heads. Policies are reviewed at periodic intervals depending on the statutory requirements or on need basis.																	
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company is in compliance with all the statutory laws and regulations as applicable. In consultation with a professional agency of international repute, the Company has set up an electronic compliance tool for monitoring and strengthening compliance with the applicable laws. The tool is updated regularly for amendments / modifications in applicable laws from time to time. This has contributed in strengthening the compliances at all levels under supervision of the Compliance Officer.																	
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency										P1	P2	P3	P4	P5	P6	P7	P8	P9
	No, however, the processes and compliances are subject to scrutiny by internal auditors, statutory auditors and regulatory authorities, as applicable.																	

12. If all Principles are not covered by a policy, reasons to be stated.

Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
The entity does not consider the Principles material to its business (Yes/No)									
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)	Not applicable since the policies and procedures of the Company cover all principles of NGRBCs								
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

PRINCIPLE 1: Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

ESSENTIAL INDICATORS

1. Percentage coverage b/y training and awareness programs on any of the Principles during the financial year:

Segment	Total number of training and awareness programs held	Topics/principles covered under the training and its impact	%age of persons in respective category covered by the awareness programs
Board of Directors	8	Executive workshop on strategic leadership, BLDC and technology-agnostic DC motors for automotive applications, cybersecurity, global automotive trends, HR trends, product broad banding & innovation, ESG, insider trading and market regulations	100%
Key Management Personnel	8	Executive workshop on strategic leadership, BLDC and technology-agnostic DC motors for automotive applications, cybersecurity, global automotive trends, HR trends, product broad banding & innovation, ESG, insider trading and market regulations	100%
Employees other than BODs and KMPs	36	Team work, thinking tools, self development, self awareness, interpersonal competence, lean manufacturing, value engineering, project management, kaizen, problem solving, APQP & PPAP, 8D & 5WHY, 5S, SMED, ESG and compliance of insider	83%
Workers / Associates	39	DOJO, personal hygiene, sedendary life style, first aid, ESI, yoga, BST, orientation for apprentice, safety, environmental & fire fighting, SHP, quality of life, digitalization, behavioural, interpersonal competence, team integration, self development, self awareness, compliance and ESG	79%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format.

a. Monetary

Type	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In INR)	Brief of the case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine					
Settlement			Nil		
Compounding fee					

b. Non-Monetary

Type	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the case	Has an appeal been preferred? (Yes/No)
Imprisonment				
Punishment			Nil	

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
	Not applicable

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

Yes. The Company is committed to maintaining the highest standards of ethics and is backed by informed independent Board and Senior Management. The company has policies on Anti- Corruption and Anti- Bribery which reiterates Company's stance of zero tolerance towards bribery and corrupt practices. The same is available at https://www.igarashimotors.com/uploads/investor/pdf/16616003319IMIL-_Anticorruption_Policy.pdf

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

Category	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Directors	Nil	Nil
KMPs		
Employees		
Workers		

6. Details of complaints with regard to conflict of interest:

Topic	FY 2023-24 (Current Financial Year)		FY 2022-23 (Previous Financial Year)	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil	-	Nil	-
Number of complaints received in relation to issues of Conflict of Interest of KMPs				

7. Provide details of any corrective action taken or underway on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.
- Not Applicable as there were no issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest during the Financial year.

8. Number of days of accounts payables ((Accounts payable *365) / Cost of goods/services procured) in the following format:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Number of days of accounts payables	95	86

9. Open-ness of business

Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format:

(₹ in Lakhs)

Parameters	Metrics	Current Financial Year	Previous Financial Year
Concentration of Purchases	a. Purchases from trading houses as % of total purchases	Not Applicable	Not Applicable
	b. Number of trading houses where purchases are made from		
	c. Purchases from top 10 trading houses as % of total purchases from trading houses.		
Concentration of Sales	a. Sales to dealers / distributors as % of total sales.	Not Applicable	Not Applicable
	b. Number of dealers / distributors to whom sales are made		
	c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors		
Share of RPTs in	a. Purchases (Purchases with related parties / Total Purchases)	1,389.20	1,206.98
	b. Sales (Sales to related parties / Total Sales)	30,990.96	33,386.68
	c. Loans & advances (Loans & advances given to related parties / Total loans & advances)	Not Applicable	Not Applicable
	d. Investments (Investments in related parties / Total Investments made)	Not Applicable	Not Applicable

* Purchase and sales from trading houses are not applicable to IMIL

LEADERSHIP INDICATORS

1. Awareness programs conducted for value chain partners on any of the Principles during the financial year:

The Company's value chain partners have access to the Company's documented Supplier Code of Conduct which addresses many of the ESG aspects. The Supplier Code of Conduct is necessarily circulated to all the suppliers and the company expects its vendors to comply with the given requirement. IMIL intends to conduct awareness sessions on the pertinent principles with respective vendors in the near future.

2. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? (Yes/ No) If Yes, provide details of the same.

Yes, a Code of Conduct policy has been defined for directors and senior management so that the responsibilities are performed with due care, diligence, dignity, honesty and integrity. There is also Related Party Transaction Policy is in place which is framed to ensure the proper approval and reporting of transactions between the Company and its Related Parties. The links for both the policies are given below:

Code of Conduct Policy: [14908591842Code__of_conduct.pdf \(igarashimotors.com\)](#)

Related Party Transaction Policy: [16444053277IMIL-Related_Party_Transaction_Policy_v4.pdf \(igarashimotors.com\)](#)

PRINCIPLE 2: Businesses should provide goods and services in a manner that is sustainable and safe

ESSENTIAL INDICATORS

- Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

Type (₹ Lakhs)	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)	Details of improvement in social and environmental aspects
Research & Development (R&D) [§]	393	298	All the R&D expense were incurred in improving the social and environmental impacts in the form of BLDC motors.
Capital Expenditure (CAPEX) [§]	530	3,470	All the CAPEX were incurred in improving the social and environmental impacts in the form of BLDC motors.

[§]100% of the R&D expenditure is directed towards sustainable technologies, specifically the energy efficient motors

- Does the entity have procedures in place for sustainable sourcing? (Yes/No)
Yes. Compliance with Sustainable sourcing includes restriction on the use of Hazardous Material and assessment of vendors based on their ROHS certificate.
 - If yes, what percentage of inputs were sourced sustainably?
All the input raw materials are 100% sustainable sourcing i.e. complying with ROHS standard.
- Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

IMIL has a standard waste management program that incorporates multiple initiatives. We have standard quality check procedure in place for reclaiming our Armature Assembly- Inteva product packaging material. In the reporting year, a total of 14.77% of product packaging material is reclaimed from customers for reuse. At our manufacturing sites, there are systems in place to safely dispose off plastic and hazardous waste which are being generated during manufacturing activity.

- Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

Not Applicable

LEADERSHIP INDICATORS

- Has the entity conducted Life Cycle Perspective / Assessments (LCA) for any of its products (for manufacturing industry) or for its services (for service industry)? If yes, provide details in the following format?

Presently, life cycle assessment (LCA) of products is conducted only as per internal guidelines and database across each life cycle stage right from the sourcing of raw materials to disposal is maintained. But we are aware that conducting LCA through globally accepted software is one of the most important techniques to understand the impact of products and hence we are assessing the possibility of conducting LCA for important products in the future.

- If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same.

Since Life cycle assessment is not conducted through globally acceptable software, no social and environmental concerns are derived out of the same. However, we are conducting material analysis to restrict the use of banned substance in the production material through IMDS (International Material Data Sheet) Report to limit the risks associated with it.

3. Percentage of recycled or reused material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).

Indicate Input Material	Recycled or re-used input material to total material	
	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Plastic Granules	3.50%	3.48%

Note:

- Inhouse system is in place to recycle the above-mentioned Plastic Granules
 - Complete plastic waste is being sent for recycling through approved 3rd party agencies.
4. Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format:

	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Reused	Recycled	Safely Disposed	Reused	Recycled	Safely Disposed
Plastics (including packaging)	80.15	7.29	-	46.29	7.19	-
E-waste	-	-	-	-	-	-
Hazardous waste	-	-	-	-	-	-
Other waste	-	-	-	-	-	-

Note:

Plastic waste and Hazardous waste are safely disposed off through TNPCB approved 3rd party agencies.

5. Reclaimed products and their packaging materials (as percentage of products sold) for each product category.

Indicate product category	Reclaimed products and their packaging materials as % of total products sold in respective category
Armature Assembly	13.46
Coated Rotor	1.30

PRINCIPLE 3: Businesses should respect and promote the well-being of all employees, including those in their value chains

ESSENTIAL INDICATORS

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B/A)	No. (C)	% (C/A)	No. (D)	% (D/A)	No. (E)	% (E/A)	No. (F)	% (F/A)
Permanent Employees											
Male	179	179	100%	179	100%	-	-	-	-	-	-
Female	66	66	100%	66	100%	66	100%	-	-	66	100%
Total	245	245	100%	245	100%	66	100%	-	-	66	100%
Other than Permanent Employees											
Male											
Female											
Total											

b. Details of measures for the well-being of workers:

Category	% of Workers covered by										
	Total (A)	Health Insurance		Accident Insurance		Maternity Benefits		Paternity Benefits		Day Care Facilities	
		No. (B)	% (B/A)	No. (C)	%(C/A)	No.(D)	%(D/A)	No. (E)	%(E/A)	No. (F)	%(F/A)
Permanent Employees											
Male	216	216	100%	216	100%	-	-	-	-	-	-
Female	214	214	100%	214	100%	214	100%	-	-	214	100%
Total	430	430	100%	430	100%	214	100%	-	-	214	100%
Other than Permanent Workers ⁽¹⁾											
Male	195	195	100%	195	100%	-	-	-	-	-	-
Female	1,309	1,309	100%	1,309	100%	-	-	-	-	-	-
Total	1,504	1,504	100%	1,504	100%	-	-	-	-	-	-

Note:

- 1) Associates, NAPS Apprentice and ACT Apprentice part of contractual group can avail Maternity benefit facility on the basis of company policy and eligibility criteria.
- 2) The company utilizes centralized Creche facility in MEPZ taken care by MEPZ Manufacture's Association (MEPZMA). Annual subscription fees are paid by the Company which will be utilized by the employees at free of cost and standard communication protocols are established to inform people about the use as required. Additionally, we have separate room for Creche facility inside the premises for domestic unit as well.

c. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format –

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Cost incurred on well-being measures as a % of total revenue of the company	1.53%	1.37%

2. Details of retirement benefits, for Current FY and Previous Financial Year:

Sr. No.	Benefits	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
		No. of employees covered as a % of total employees	No. of workers covered as a % of total worker	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total worker	Deducted and deposited with the authority (Y/N/N.A.)
1	PF	100%	100%	Yes	100%	100%	Yes
2	Gratuity	100%	100%	NA	100%	100%	NA
3	ESI (as per eligibility)	100%	100%	Yes	100%	100%	Yes
4	Others – please specify	-	-	-	-	-	-

3. Accessibility of workplaces: Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

Currently, there are no differently abled employees and workers working at our premises/plant/ offices. However, considering the future prospect, the Company has already modified its premises to ensure accessible infrastructure including lift facility, furniture and other installations. The Company infrastructure is so enabled that employees / workers with disabilities have a barrier-free access to common facilities.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

Yes, IMIL is an Equal Opportunities employer. The Code of Conduct Policy is in accordance with the provisions of Rights of Persons with Disabilities Act, 2016 which highlights equal opportunities to all without any discrimination. Currently, the policy is not available on our company website but it is readily available for all the employees on internal portal

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

Permanent Employees:

Gender	Permanent Employees		Permanent Workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male			-	-
Female	Not Applicable	Not Applicable	100%	90%
Total			100%	90 %

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief.

Yes. A Standard Operating Procedure is available which includes detailed flowchart for handling the grievances. The company has Whistle Blower policy for its directors and permanent employees to report and freely communicate their genuine concerns.

The company also has Policy on Prevention, Prohibition and Redressal of Sexual Harassment and Non-discrimination at Workplace for all its employees to brief on complaint mechanism related to sexual harassment.

Category	Yes/No
Permanent Workers	Yes
Other than Permanent Workers	Yes
Permanent Employees	Yes
Other than Permanent Employees	Yes

7. Membership of employees and worker in association(s) or Unions recognized by the listed entity:

Our Company believes that all employees are important stakeholders in the Company, and it is imperative to build a culture of mutual trust & respect, interdependence, and meaningful engagement. The Company has taken multiple welfare measure, wellness programs, Medical Centre, People Engagement Programs and People Development Programs for its employees & workers/associates as per eligibility, which includes to and fro transportation facility from residence to workplace (~800 employees/ Associates), subsidized canteen & free hostel (~ 450 females employees/ Associates) facility and Corporate uniform for employees & Associates. We believe such initiatives tends to create safe & comfortable environment for everyone. In addition to this, the Company encourages employees to spread positivity by co-creating celebrations and provides birthday and marriage gifts to employees & Associates to show enjoy the joyful occasions as a team

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who are part of association(s) or Union (D)	%(D/C)
Permanent Employees						
Male	Nil			Nil		
Female						
Others						
Total						
Permanent Workers						
Male	Nil			Nil		
Female						
Others						
Total						

8. Details of training given to employees and workers

Category	FY 2023-24 (Current Financial Year)					FY 2022-23 (Previous Financial Year)				
	Total (A)	On Health & Safety measures ⁽¹⁾		On Skill Upgradation		Total (D)	On Health & Safety measures		On Skill Upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Male	179	38	21%	154	86%	174	10	6%	93	53%
Female	66	26	39%	55	83%	66	2	3%	45	68%
Total	245	64	26%	209	85%	240	12	5%	138	58%
Workers										
Male	411	177	43%	316	77%	357	37	10%	232	65%
Female	1,523	464	30%	1,305	86%	1,265	502	40%	1,080	85%
Total	1,934	641	33%	1,621	84%	1,622	539	33%	1,312	81%

9. Details of performance and career development reviews of employees and worker:

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who had a career review (B)	% (B/A)	Total employees / workers in respective category (C)	No. of employees / workers in respective category, who had a career review (D)	%(D/C)
Employees						
Male	179	179	100%	174	174	100%
Female	66	66	100%	66	66	100%
Total	245	245	100%	240	240	100%
Workers						
Male	216	216	100%	208	208	100%
Female	214	214	100%	221	221	100%
Total	430	430	100%	429	429	100%

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/No)	A)	Yes. We have our Employee Environment, Health and Safety rules and Manual which provides an overview of IMIL policies, procedures and programs; information about our benefits and employee programs; as well as an overview of our safety program. We are accredited with ISO 14001-2015 across 4 major units which forms part of integrated management system and also has some cross over to our health and safety outcomes.
a.1 What is the coverage of such system?	B)	We proactively engage in hazard and risk identification and assessment. This is achieved through varied approach of periodical safety audit like machine safety audit, walk through audit, lifting machine audit, forklift audit, vehicle safety audit, new machine installation audit etc.
b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?	C)	Yes. We have necessary systems in place to ensure that the employees' safety is not compromised. Monthly, one safety committee meeting is conducted for addressing the hazard and each department safety committee member for all the location is invited to attend the meeting.
c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Yes/No)	D)	Yes. The Company has medical centre (with Resident Doctor & Nurse along with Ambulance) in its premises and first aid facility which can be availed by employees and workers / associates. We also provide additional medical benefits such as preventive master health check-up for company leaders, regular eye & audiometry test for employees & associates involved in operations, health check-ups for service provider's employees as well. The Company also conducts wellness programs such as yoga, healthy diet advisory to support companies' occupational health & wellness service practises.
d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)		

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	FY 2023-24 (Current FY)	FY 2022-23 (Previous FY)
Lost Time Injury Frequency Rate (LTIFR) (per one Million-person hours worked)	Employees	0	0
	Workers	0	0
Total recordable work-related injuries	Employees	0	0
	Workers	0	0
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	0	0
	Workers	0	0

12. Describe the measures taken by the entity to ensure a safe and healthy workplace.

Mandatory safety-related training is required for all eligible employees, ensuring adherence to the Company's Safety Standards, which align with legislative norms.

- A comprehensive work permit system is established to regulate activities involving hot work, work at heights, cold environments, and excavation.
- Monthly safety committee meetings are convened to address challenges encountered by employees and workers in maintaining a safe work environment.
- An Emergency Response Team (ERT) is operational and equipped to manage a spectrum of emergencies within the workplace.
- The observance of Safety Week is institutionalized, featuring a variety of competitions designed to engage employees and enhance their understanding of safety protocols.

13. Number of Complaints on the following made by employees and workers:

Topic	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	0	0	-	0	0	-
Health & Safety	0	0	-	0	0	-

14. Assessments for the year:

Topic	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100%
Working Conditions	100%

Note:

100% self-assessment is conducted by the entity in the form of audits.

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.

There have been no safety related incidents in the company for the reporting year. There are no significant risk and concern indented but we have taken various measures like installation of safety sensor and machine safety guard in all the machine to eliminate the risk from the operations of machines.

LEADERSHIP INDICATORS

- Does the entity extend any life insurance or any compensatory package in the event of death of (A) Employees (Y/N) (B) Workers (Y/N).

Yes. The Company extends the life insurance or similar compensatory package through Statutory & Non statutory social security measures through Employee State Insurance Act, Employee Deposit Linked Insurance under EPF and non-statutory measure like Group Personal Accident Policy for employees and their spouse. Medclaim insurance is provided to all on roll employees who are balance under ESI along with their family members. The Company additionally provides term insurance for management leaders and critical illness insurance cover along with yearly preventive health check-ups under wellness program to management staff & their spouse. The Company has taken Workman's Compensation Insurance for Associates coverage Indemnity against legal liability for accidents to employees. The Company also voluntarily provides Group Personal Accident (Un-named) Insurance Policy covering accident /disability claim support of Workers/Associates/ Service Providers while working at the Company's premises and on the way to their work locations.

- Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners

Purchase order terms and conditions requires value chain partners to comply with all the statutory laws and regulations including statutory deductions and remittances. Also conducts suppliers compliance check at regular intervals.

- Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment:

Category	Total no. of affected employees/ workers		No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment	
	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Employees	0	0	0	0
Workers	0	0	0	0

- Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment? (Yes/ No).

Yes. In order to facilitate retired employees, we provide an opportunity to work as a consultant after retirement for the better transition based on the skill & health condition and continue to earn even after retirement. This would not only facilitate retired employee but also the succession plan. To make use of the competency of the employee, service may be extended if required to the max. period of two years. The current retirement age is 58 years which can be extended by 2 years by working as a consultant. The Company's HR team provides career counselling for required employees and also provides skill development, Personality Development, Technical Development training programs for all the employees which will facilitate the employee as well as the Company in hone skills from time to time.

- Details on assessment of value chain partners:

Topic	% of value chain partners (by value of business done with such partners) that were assessed
Health and safety practices	34 %
Working Conditions	34%

Note:

- Third party key raw material suppliers are assessed through a comprehensive checklist focusing on EHS parameters. Evaluation derived from an Environmental, Health, and Safety (EHS) self-evaluation questionnaire and Assessment.

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.

No significant risks/concerns were noted during assessments of health & safety practices and working conditions of value chain partners.

PRINCIPLE 4: Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity:

The Company has mapped and identified its internal and external stakeholders through strategized internal processes including discussions with the top management and key functions to understand individuals, entities and groups that impact the Company or get impacted by its business operations. The Company further prioritizes key stakeholders based on relevance, role, and influence. Internal Stakeholders of the Company include employees, senior leaders, managers and board of directors whereas external stakeholder group includes customers, investors / shareholders, suppliers / vendors, local communities and industry associations.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group:

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees/ Workers	No	Emails, Departmental meetings, Intranet, Corporate social events, Employee survey, Capacity building sessions etc.	As and when required	<ul style="list-style-type: none"> • Career and professional growth. • Employee assistant program. • Training programs and learning nuggets • Employee engagement (fun at work / motivation / happiness / passion / wellbeing). • Feedback & grievance redressal.
Customers	No	Meetings, In-house grievance mechanism, etc.	As and when required	<ul style="list-style-type: none"> • Project delivery timeline. • Challenges faced during execution • Current and future business management • Customer feedback on product and services
Investors / Shareholders	No	In-person meetings, shareholder's queries, investor interactions, annual report & press release etc.	Quarterly	<ul style="list-style-type: none"> • Communication of financial performance • Market developments trends • Business growth prospects & interest • Understanding shareholder expectations and queries
Suppliers / Vendors	No	Emails, Meetings etc.	As and when required	<ul style="list-style-type: none"> • Need and expectation, schedule • Discussion on business volume, customer expectations & sustainability

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/ No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Local communities	Not tracked	Public events and CSR operations	Program Based	<ul style="list-style-type: none"> Promote activities to raise awareness on health of the people. Their expectation and feedback on impact/success of CSR project
Industry Associations	No	Joint research, conferences, focus group discussion	As and when required	<ul style="list-style-type: none"> Technology & emerging best practices Participation and External communication
Regulatory Bodies	No	Online Filings, One-to-one meetings, Survey, Emails	As and when required	<ul style="list-style-type: none"> Compliance with relevant laws applicable to the Company Compliance with environmental laws Tax Payment & Planning

Leadership Indicators

1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The consultation with the shareholders is dealt by the Stakeholders Relationship Committee (SRC) and the Corporate Social Responsibility (CSR) whereas ESG programs of the Company are viewed by Risk Management & ESG Committee. The Board is kept abreast on various developments and feedback on the same is sought from various stakeholders.

For CSR activities and initiatives, basis the program objective and inputs received during reviews and stakeholder interactions, any major change required are informed to the senior management Corporate Social Responsibility Committee and Board meetings.

2. Whether stakeholder consultation is used to support the identification and management of environmental, and social topics (Yes / No). If so, provide details of instances as to how the inputs received from stakeholders on these topics were incorporated into policies and activities of the entity.

Yes. The stakeholder consultations are one of the key inputs to determine our environmental and social focus areas. Multiple responsible representatives of the group interact with stakeholders on a continuous basis to understand the trend of environmental and social goals which are taken forward to put forward companies' sustainability goals.

3. Provide details of instances of engagement with, and actions taken to, address the concerns of vulnerable/ marginalized stakeholder groups.

The Company undertakes several initiatives for engaging with the disadvantaged, vulnerable and marginalized sections of society. These sections of the society are generally dealt with as a part of our CSR projects. Company through various CSR initiatives, provide necessary support to the local communities. Various initiatives undertaken to promote awareness includes:

1. Cancer awareness Project
2. Multiple Sclerosis Patient Care Project
3. Viswajayam Foundation: Patient Health and Hygiene Services
4. MEPZMA Health Centre Project

PRINCIPLE 5: Businesses should respect and promote human rights**Essential Indicators**

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Total (A)	No. of employees / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D/C)
Employees						
Permanent	245	20	8%	240	60	25%
Other than permanent	-					
Total Employees	245	20	8%	240	60	25%
Workers						
Permanent	430	108	25%	429	131	31%
Other than permanent	1,504	520	35%	1,193	603	51%
Total Workers	1,934	628	32%	1,622	734	45%

2. Details of minimum wages paid to employees and workers, in the following format:

Category	FY 2023-24 (Current Financial Year)					FY 2022-23 (Previous Financial Year)				
	Total Count in Current FY	Number of Employees Paid Minimum wage	% age of Employees Paid Minimum wage	Number of Employees Paid more than Minimum wage	% age of Employees Paid more than Minimum wage	Total Count in Previous FY	Number of Employees Paid Minimum wage	% age of Employees Paid Minimum wage	Number of Employees Paid more than Minimum wage	% age of Employees Paid Minimum wage
Employees										
Permanent										
Male	179	-	-	179	100%	174	-	-	174	100%
Female	66	-	-	66	100%	66	-	-	66	100%
Other than permanent										
Male	-	-	-	-	-	-	-	-	-	-
Female	-	-	-	-	-	-	-	-	-	-
Workers										
Permanent										
Male	216	-	-	216	100%	208	-	-	208	100%
Female	214	-	-	214	100%	221	-	-	221	100%
Other than permanent										
Male	195	195	100%	-	-	149	149	100%	-	-
Female	1,309	1,309	100%	-	-	1,044	1,044	100%	-	-

3. Details of remuneration/salary/wages, in the following:

	Male		Female	
	Number	Median remuneration/salary/wages of respective category	Number	Median remuneration/salary/wages of respective category
Board of Directors@ (BoD)	4	**	1	**
Key Managerial Personnel	3^	7.43	0	N.A
Employees other than BoD and KMP (Permanent Employees)	176	0.92	66	0.54
Workers	216	0.41	214	0.41

@ Excludes M.D

** Non-Executive & Independent directors are paid by way of sitting fees and profit related commission equal to male and female categories. No remuneration is paid to Promoter Nominee Directors.

^ Including M.D, CFO and Company Secretary. Further, for the purpose of calculation of median remuneration of M.D, profit related one time incentive paid to M.D has not been considered.

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, Sexual Harassment Prevention Committee (Management Committee) is in place which also addresses the issues related to Human Rights

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

Sexual Harassment Prevention Committee (Management Committee) is in place which also addresses the issues related to Human Rights and grievance mechanism similar to discrimination and harassment to be applied for Human Rights.

6. Number of Complaints on the following made by employees and workers:

	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0	-	0	0	-
Discrimination at workplace	0	0	-	0	0	-
Child Labour	0	0	-	0	0	-
Forced Labour/Involuntary Labour	0	0	-	0	0	-
Wages	0	0	-	0	0	-
Other human rights related issues	0	0	-	0	0	-

7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the format provided.

Parameters	Current FY	Previous FY
Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH).	0	0
Complaints on POSH as a % of female employees / workers	0	0
Complaints on POSH upheld	0	0

8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

IMIL has Sexual Harassment Prevention Policy in-place for providing a work environment that is free from discrimination and unlawful harassment. Mechanism is in place so that a complainant can promptly report the incident of sexual harassment to the immediate senior or any other senior designated for hearing such complaints, human resource representative or any member of the committee.

9. Do human rights requirements form part of your business agreements and contracts? (Yes/No)

Yes, human rights requirements form an integral part of our business agreements and contracts, wherever applicable. IMIL encourages suppliers to provide an inclusive and supportive working environment and to exercise diversity when it comes to their employees as well as in their decisions to select subcontractors, and the same is extended in the form of our Supplier's/Vendor's Code of Conduct.

10. Assessments for the year: (CE)

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labor	The Company recognizes that the success of Company's business, quality of work and brand perception depends on the ability and commitment of its employees. Human rights practices like prevention of Child labour, Forced/involuntary labour, are taken care during hiring process.
Forced/involuntary labor	
Sexual harassment	
Discrimination at workplace	The Company has policies relating to Human Resources and Prevention of Sexual Harassment (POSH), which promote a free, fair and discrimination free working environment for employees and provide a mechanism for raising concerns and resolution of disputes.
Wages	
Others – please specify	
	100% of Plants and offices are assessed during the internal audit ensuring compliance with all the Statutory laws/Regulatory requirement, Labour laws and rules made thereunder.

11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.

No significant risks/concerns were noted during assessments of human rights conditions of the plants and offices.

Leadership Indicators

- Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints. No complaints were received during the reporting financial year related to human rights. The Company regularly sensitizes its employees on Human Rights through various training programs as well.
- Details of the scope and coverage of any Human rights due-diligence conducted.

Internal Audit was conducted by 3rd party agencies which covers over-time compliances, minimum wages act and factory act. For further details, please refer response to Question number 9 of Principle 5. The report will be placed before the Audit Committee of Board of Directors for review and necessary directions.

3. Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?

Currently, there are no differently abled employees and workers working at our premises / offices. However, considering the future prospect, the company has already modified its premises with disabled-accessible infrastructure including lift facility, furniture and other installations. The Company infrastructure is so enabled that associates with disabilities have a barrier-free access to common facilities.

4. Details on assessment of value chain partners:

	% of value chain partners (by value of business done with such partners) that were assessed
Child labour	34%
Forced/involuntary labour	34%
Sexual harassment	34%
Discrimination at workplace	34%
Wages	34%
Others – please specify	-

Note:

- 1) Third party key raw material suppliers are assessed through a comprehensive checklist focusing on Human Rights parameters.
5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.

No significant risks/concerns were noted during assessments of human rights conditions of value chain partners.

PRINCIPLE 6: Businesses should respect and make efforts to protect and restore the environment

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	Units	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
From renewable sources			
Total electricity consumption (A)	GJ	37,011	35,247
Total fuel consumption (B)		-	-
Energy consumption through other sources [C]		-	-
Total energy consumption from renewable sources (A+B+C)	GJ	37,011	35,247
From non-renewable sources			
Total electricity consumption (D)	GJ	20,873	19,673
Total fuel consumption (E)	GJ	6930	6,715
Energy consumption through other sources [F]		-	-
Total energy consumption from non-renewable sources (D+E+F)	GJ	27,803	26,388
Total energy consumption (A+B+C+D+E+F)	GJ	64,814	61,635
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	(GJ per Crores INR)	89.39	93.9
Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total energy consumed / Revenue from operations adjusted for PPP)		-	-
Energy intensity in terms of physical output		-	-
Energy intensity (optional) – the relevant metric may be selected by the entity		-	-
Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?		No	No

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

2. Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

The Company does not have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Water withdrawal by source (in kilolitres)		
(i) Surface water		
(ii) Groundwater	41778	34116.2
(iii) Third party water	5518	3082.8
(iv) Seawater / desalinated water	-	-
(v) Others	200	200
Total volume of water withdrawal (in kilolitres) (i+ii+iii+iv+v)	47496	37399
Total volume of water consumption (in kilolitres)		
Water intensity per rupee of turnover (Total water consumed / revenue from operations)	65.51	57.01
Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP)	-	-
Water intensity in terms of physical output	-	-
Water intensity (optional) – the relevant metric may be selected by the entity	-	-
Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency?	No	No

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

4. Provide the following details related to water discharged:

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	-	-
No treatment	-	-
With treatment – please specify level of treatment	-	-
(ii) To Groundwater	-	-
No treatment	-	-
With treatment – please specify level of treatment	41,778 [§]	34,116 [§]
(iii) To Seawater	-	-
No treatment	-	-
With treatment – please specify level of treatment	-	-
(iv) Sent to Third parties	-	-
No treatment	-	-
With treatment – please specify level of treatment	-	-

[§] Dispose to common sewage treatment plant-Sand & carbon filter

Parameter	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
(v) Others	-	-
No treatment	-	-
With treatment – please specify level of treatment	-	-
Total water discharged (in kilolitres)	41,778	34,116
Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency?	No	No

Note:

1) The discharged water is not being measured presently. However, the Company recognizes the importance of water discharge measurement and initiatives will be undertaken to monitor the discharged water quantity.

5. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

The water is discharged to common sewage treatment plant which is owned and operated by MEPZ-SEZ. The treated water is reused for gardening purpose by MEPZ. Hence, no separate Zero liquid discharge unit is required at IMIL facility. There is no trade-off or loss of effluent water generated from our process.

6. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
NOx	kg	301	222
SOx	kg	Below Detectable Limit	Below Detectable Limit
Particulate matter (PM)	kg	7,953	6,898
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others – Carbon Mono-oxide (CO)	kg	105	22

Note: The air emissions are calculated based on average value of the emission testing conducted in DG sets & process stacks and monitoring of these air emission is conducted on sample basis as required by local laws and regulations.

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

The average air emission concentration is considered based on sample test conducted by NABL Certified Lab.

7. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	Current Financial Year 2023-24	Previous Financial Year 2022-23
Total Scope 1 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	947.13	1,053.30
Total Scope 2 emissions (Break-up of the GHG into CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ , NF ₃ , if available)	Metric tonnes of CO ₂ equivalent	4,151.46	3,879.90

Parameter	Unit	Current Financial Year 2023-24	Previous Financial Year 2022-23
Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)	tCO2e / Crores INR	7.03	7.52
Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)		-	-
Total Scope 1 and Scope 2 emission intensity in terms of physical output		-	-
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity		No	No
Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?		No	No

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

8. Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide detail

Yes. Company has started multiple initiatives to reduce the Green-house gas emissions such as:

- 1) Procurement of 64% renewable electricity from private renewable energy (wind power) supplier in FY 2023-24.
- 2) Installed in-house 400 KW capacity solar power system - completed in March 2024
- 3) Increased power factor from 0.95 to 0.99 in 4 SEZ units for a savings of 191 MWhr during April 2023
- 4) Replaced of 6 no's harmonics filter in SEZ unit I unit for a savings of 323 MWhr during June 2023

9. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2023-24	FY 2022-23
Total Waste generated (in metric tonnes)		
Plastic waste	184.30	181.65
E-waste	10.31	3.37
Bio-medical waste	0.02	0.05
Construction and demolition waste	-	0.00
Battery waste	2.84	2.54
Radioactive waste	-	0.00
Other Hazardous waste. Please specify, if any.		
Waste Oil (5.1)	17.41	37.60
Oil Soaked Waste (5.2)	39.08	30.01
Waste Spent Solvent (20.2)	23.52	19.52
Waste Epoxy Powder (21.1)	26.26	17.63
Waste Gel & Varnish (23.1)	0.29	0.24
Empty Container (33.1)	1.55	0.83

Other Non-hazardous waste generated. Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)

Parameter	(in metric tonnes)	
	FY 2023-24	FY 2022-23
Armature scrap	25.37	21.41
Case Scrap	22.42	22.48
Coated Rotor Scrap	27.3	20.00
Brass Scrap	89.5	74.00
Copper Scrap	11.26	12.71
Steel Scrap	3,767.72	4,117.85
Magnet Scrap	23.77	34.00
Wood Scrap	146.41	150.62
Carton Scrap	125.97	67.19
Damaged Crucible	0	0.81
Aluminium Boring Scrap	3.92	4.58
Aluminium Flash Waste	0	1.49
Aluminium Waste	7.41	10.71
Aluminium Scrap	11.46	34.64
Bearing Scrap	0	0.32
Iron Bur	55.51	48.33
Steel Ring Scrap	1.81	1.40
Fan Blade Scrap	9.49	0.00
Stator Assembly Scrap	5.74	0.00
Wire Scrap	0.52	0.00
Total	4,641.16	4,915.97
Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)	6.40	7.49
Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)		
Waste intensity in terms of physical output	-	-
Waste intensity (optional) – the relevant metric may be selected by the entity.	-	-
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	7.29	7.19
(ii) Re-used	80.15	46.29
(iii) Other recovery operations	-	-
Total	87.44	53.48
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	78.79 [^]	43.28 [^]
(ii) Landfilling	-	-
(iii) Other disposal operations	4,580.77 [§]	4,868.17 [§]
Total	4,659.56	4,911.44
Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency?	No	No

[^] co-processed in cement kilns

[§]safe disposal through authorized dealer

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

Our Company is committed to regularly improve its waste management initiatives at its facilities. The company has guidelines and SOP for comprehensive waste management (including hazardous and non-hazardous waste) for the identification, segregation, collection, handling, storage and final disposal of waste. The waste is generated from both production process and general operational activity including maintenance and catering. Company engages with TNPCB authorized handlers & waste recyclers after due validation for safe disposal of waste. Hazardous waste such as oil-soaked waste, epoxy powder waste, gel & varnish are co-processed in cement kilns through authorized TNPCB vendor. Other hazardous waste like bio-medical waste, e-waste, waste oil, spent solvent and empty chemical container along with non-hazardous waste like plastic waste are disposed through TNPCB authorized dismantler. Other waste like kitchen waste is used for piggery project and cartoon box & wooden waste are disposed for reuse to vendors.

11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required, please specify details in the following format:

The Company does not have any operations/offices in ecologically sensitive areas.

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
1.	NA	NA	NA

12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year.

No new construction/expansion projects were taken up in the year 2023-24.

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
NA	NA	NA	NA	NA	NA

13. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format.

The company is compliant with the applicable environmental law, regulations, guidelines in India. There were no instances of non-compliances observed.

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non-compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken if any
1	NA	NA	NA	NA

Leadership Indicators

- Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):

NotApplicable. None of our operations are in water stress area. Water stress areas were considered as per BRSR Block-wise ground water resource assessment 2022. Also, our manufacturing operations does not require water consumption.

- Please provide details of total Scope 3 emissions & its intensity, in the following format:

Parameter	Please specify unit	Current Financial Year 2023-24	Previous Financial Year 2022-23
Total Scope 3 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 equivalent	28,992	25,383
Total Scope 3 emissions per rupee of turnover	Metric tonnes of CO2 equivalent per of turnover	39.99	39.69
Total Scope 3 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-
Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?	-	-	-

Note:

IMIL is actively working on collecting data across material Scope 3 categories as defined under GHG protocol which includes Purchased Goods and Services, Capital Goods, Upstream & Downstream transportation and distribution, Employee commuting and Business Travel.

Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

No

- With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.

None of our operations are in Ecologically sensitive areas.

- If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
1	Design innovation in BLDC Motor	The design innovation by the in-house R&D team in Brushless DC motor fan has led to an overall reduction in the material usage by 562 grams (34%). Major material weight reduction in BLDC fan assembly includes reduced material usage for steel, magnet, copper ,ring and Insulation mask.	Reduced material consumption for different material 1) Steel: 39% (700 gm to 424 gm) 2) Magnet: 9 % (224 gm to 203 gm) 3) Copper: 14 % (190 gm to 163 gm) 4) Ring : 53 % (261 gm to 123 gm) 5) Magnet Holder : 12% (2.15 gm to 1.9 gm)

Sr. No	Initiative undertaken	Details of the initiative (Web-link, if any, may be provided along-with summary)	Outcome of the initiative
2	Elimination of hazardous material Gel	Tentatively 205 ± 10% mg of gel is consumed in single unit of EPB motor. Based on the Product validation & verification for the EPB application motor, Gel has been eliminated without compromising on product quality and functional requirement.	Eliminated total of 187.75 kg of gel in the reporting financial year.
3	Elimination of packing thermocol	Based on the product validation and verification for the Fan application, The non-recyclable Thermocol has been replaced with recyclable Expanded Polyethylene sheet (Foam) in some of the Fan project	Elimination of 23 grams of thermocol per fan

5. Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.

Yes, the Company recognizes the importance of Business Continuity Plan (BCP) for the smooth running of business particularly during unfavorable times, including pandemic. Every operating unit within the entity has established an emergency plan which defines the actions to be taken in case of any major accident / disaster occurring inside the factory. The plan covers perceived potential risks including major accidents that could affect the facility for the particular geography. Mock drills and training related to emergency preparedness are carried out at regular intervals to be prepared to tackle any situation that can potentially affect the business operations. In the event of any occurrence of an emergency, the same shall be investigated and appropriate measures would be initiated to contain the incident and avoid recurrence in future, if possible.

6. Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have been taken by the entity in this regard.

As per information available from environmental assessment, there has been no significant impact to the environment, arising from the value chain of the Company.

7. Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impact

34% of the third-party raw material suppliers are assessed through a comprehensive checklist focusing on environmental impacts.

PRINCIPLE 7: Businesses when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

ESSENTIAL INDICATORS

1. a) Number of affiliations with trade and industry chambers/ associations.

The Company is affiliated with 4 trade and industry chambers/ associations

b) List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. no	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Export Promotion Council for EOUs & SEZs	National
2	Federation of Indian Export Organizations	National
3	Indian Fan Manufacturers Association	National
4	Indo Japan Chamber of Commerce & Industry	National

- Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities

No adverse order received from any regulatory authority.

Name of Authority	Brief of the case	Corrective action taken
NA	NA	NA

LEADERSHIP INDICATORS

- Details of public policy positions advocated by the entity

S. no	Public policy advocated	Method resort for such advocacy	Whether the information is available in public domain? (Yes/No)	Frequency of review by board (Annually/ Half yearly/ Quarterly/ Other-please specify)	Web Link, if available
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The Company has aligned itself with relevant organizations which work in the larger business / social / environmental and community interests. However, the company has not taken any specific public policy advocacy during the reporting year.

PRINCIPLE 8: Businesses should promote inclusive growth and equitable development.

ESSENTIAL INDICATORS

- Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Not applicable

- Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity:

Not Applicable

S.no	Name of project for which R&R is ongoing	State	District	No of Project Affected Families	% of PAF covered by RAR	Amount Paid to PAFs in the FY (in INR)
NA	NA	NA	NA	NA	NA	NA

- Describe the mechanisms to receive and redress grievances of the community

At IMIL, there are teams which works closely with the communities and connects with the program participants on a regular basis throughout the project cycle. This makes it relatively easier to establish strong communication lines and swiftly address any grievances through a dedicated SPOC. In addition, regular monitoring visits are conducted by various stakeholders which are linked to these programs to ensure no bias and complete fairness. Details of CSR programs are mentioned elsewhere in the report.

- Percentage of input material (inputs to total inputs by value) sourced from local or small-scale suppliers:

	FY 2023-24 (Current Financial Year)	FY 2022-23 (Previous Financial Year)
Directly sourced from MSMEs/ Small producers	11.90%	10.60%
Sourced directly from within the district and neighboring districts	45.69%	15.14%

5. Job creation in smaller towns – Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

Location	Current FY 2023-24	Previous FY 2022-23
Rural	-	-
Semi-urban	-	-
Urban	-	-
Metropolitan	100%	100%

LEADERSHIP INDICATORS

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Not Applicable

Details of negative social impact identified	Corrective action taken
NA	NA

2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies:

CSR activities are not done in the aspirational districts identified by Government.

3. (a) Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups? (Yes/No) -

While the main criteria for selection of goods and services is quality, reliability, delivery and cost, the Company recognizes its responsibility and believes in equal and fair opportunity to all vendors including marginalized / vulnerable vendors. The Company does not differentiate / discriminate while selecting its vendors. The Company has developed trusted relationship with local vendors and works with them to develop quality product that meets its as well as industry needs, thereby enabling local vendors to grow their business.

- (b) From which marginalized /vulnerable groups do you procure?

Not Applicable

- (c) What percentage of total procurement (by value) does it constitute?

Not Applicable

4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge

Not Applicable

S.no	Intellectual Property based on traditional knowledge	Owned/ Acquired (Yes/No)	Benefit shared (Yes/No)	Basis of calculating of benefits shared
NA	NA	NA	NA	NA

5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.

Name of authority	Brief of case	Corrective action taken
NA	NA	NA

6. Details of beneficiaries of CSR Projects.

S. no	CSR Project	No of persons benefited from CSR Projects	% of beneficiaries from vulnerable and marginalized group
1	Cancer awareness Project	34,000	Through its diverse programs, the Company plans to reach larger number of beneficiaries belonging from vulnerable and marginalized groups. However, the % of beneficiaries who are from the under privileged, marginalized, vulnerable and backward community of the society are not being tracked currently.
2	MEPZMA Health Center	877	
3	Patient Health and Hygiene Services at hospitals	48,000	
4	Multiple Sclerosis Patient Care	20	

PRINCIPLE 9: Businesses should engage with and provide value to their consumers in responsible manner

ESSENTIAL INDICATORS

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

We have a cross functional team who receives and responds to various requirements and feedbacks of our customers for a seamless experience. There is an inhouse system in-place to record the grievances into the system which has loop closing mechanism and transparency till satisfaction of the customer. In addition to this, we encourage and trained the employees to put their best endeavors to address the queries of the consumers promptly and adequately.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information.

	As a percentage to total turnover	Remarks
Environment and Social parameters relevant to product	19.90%	Turnover of Ceiling Fans (BLDC) is considered since it consumes approx. 50% less power as compared to traditional induction ceiling fan
Safe and responsible usage	-	-
Recycling and/or safe disposal	-	-

3. Number of consumer complaints:

	FY 2023-24 (Current Financial Year)			FY 2022-23 (Previous Financial Year)		
	Received during the year	Pending resolution at the end of year	Remarks	Received during the year	Pending resolution at the end of year	Remarks
Data privacy	0	0	-	0	0	-
Advertising	0	0	-	0	0	-
Cyber-security	0	0	-	0	0	-
Delivery of essential services	0	0	-	0	0	-
Restrictive Trade Practices	0	0	-	0	0	-
Unfair Trade Practices	0	0	-	0	0	-
Others	0	0	-	0	0	-

4. Details of instances of product recalls on account of safety issues

	Number	Reason for recall
Voluntary recalls	Nil	Not Applicable
Forced recalls	Nil	Not Applicable

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes. The company has framed its cyber security & data privacy policy which considers customer information safety as a critical aspect. The cyber security & data privacy policy is established to set a clear corporate direction and demonstrate support for, and commitment to information security throughout its operations. This policy is available is uploaded at intranet portal and communicated on a need-to-know basis.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Since there are no complaints, there was no need for any corrective action.

7 Provide the following information relating to data breaches:

- a. Number of instances of data breaches - NIL
- b. Percentage of data breaches involving personally identifiable information of customers – NIL
- c. Impact, if any, of the data breaches – Not Applicable

LEADERSHIP INDICATORS

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Information regarding all products is available on our website <https://www.igarashimotors.com/>

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

IMIL provides products and services to customers as a B2B supplier in accordance with customer specifications and compliance to the relevant regulations. We are updating our sales invoice terms to include relevant details regarding safe and responsible usage our products. Regular interactions are conducted with the client/customers during the execution phase of a project. The Company extends an opportunity to explain about its products, innovations, new technology and techniques that are implemented to enhance product quality and work methodology to the clients.

3. Mechanisms in place to inform consumers of any risk of disruption/discontinuation of essential services.

In case of any disruption/discontinuation of operation for one or more units due to natural calamity, it is disclosed to the stock exchanges as soon as it is possible when the necessary information is ready to be published.

The Company shall update all disclosures made under the regulations to the stock exchanges in its website and shall be continued to be hosted in the website for a minimum period of five years and thereafter archived as per the document retention policy of the Company.

4. Does the entity display product information on the product over and above what is mandated as per local laws? (Yes/No/Not Applicable)? If yes, provide details in brief. Did your entity carry out any survey with regard to consumer satisfaction relating to the major products / services of the entity, significant locations of operation of the entity or the entity as a whole? (Yes/No)

IMIL provides products and services to customers as a B2B supplier in accordance with customer specifications and compliance to any relevant regulations.

Corporate Governance Report

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Your Company remains steadfast in its dedication to embracing leading global standards of Corporate Governance. This commitment emphasizes the Company's pledge to uphold transparency, accountability, and fairness, aiming to enhance long-term shareholder value while considering the needs and interests of all stakeholders.

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

During the year ended March 31, 2024, your Company had complied with the provisions set out on Corporate Governance Practices required under Listing Regulations.

2. BOARD OF DIRECTORS

As on March 31, 2024 the Board of Directors comprised the Managing Director and 5 Non-Executive Directors.

The Board of Directors of the Company comprises an optimum combination of Executive and Non-Executive Directors, which is in conformity with the Listing Regulations for the year ended March 31, 2024, the Board consists of 6 Directors comprising of one Executive Director, Three Non-Executive Non-Independent Directors and Two Non-Executive Independent Directors (out of which one Director is an Independent Woman Director). The Chairman of the Board is a Non-Executive Non-Independent Director.

During the year, four Board Meetings were held on May 25, 2023, August 09, 2023, November 10, 2023, and February 09, 2024.

Mr. C Prabhakar, Partner, BP & Associates, Company Secretaries (Membership No: F11722; Certificate of Practice No; 11033) have certified that none of the Directors on the Board of the Company as stated for the Financial Year ending on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

The particulars of Directors, their attendance during the financial year 2023-24 and also other Directorships and Board Committee representations of Public Limited Companies are as under:

Name of Director & Designation	Category	Attendance		Other Board Representations	
		Board Meetings	Last AGM	Directorship in Indian Public Companies	Committees [§]
Mr. Hemant M Nerurkar (Chairman)	Non-Executive Non-Independent	4	Yes	6	7 (Member) 2 (Chairperson)
Mr. R. Chandrasekaran (Managing Director)	Executive	4	Yes	Nil	Nil
Mr. Haruo Igarashi	Non-Executive Non-Independent	4	Yes	Nil	Nil
Mr. Thomas Francis Mckeough	Non-Executive Non-Independent	4	Yes	Nil	Nil
Mr. L Ramkumar	Non-Executive Independent	4	Yes	1	3 (Member) 2 (Chairperson)
Mrs. S M Vinodhini	Non-Executive Independent Woman	4	Yes	1	2(Member) 1 (Chairperson)

[§] Committees considered are Audit Committee & Stakeholders' Relationship Committee including of Igarashi Motors India Limited.

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

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

S. No	CIN	Name of the Company	Category of Directorship
1	L153311DL1993PLC052624	DFM Foods Limited	Non-Executive Independent Director
2	L51100GJ1993PLC019067	Adani Enterprises Limited	Non-Executive Independent Director
3	L72200TG1990PLC011146	NCC Limited	Non-Executive Independent Director
4	L27109RJ2009PLC030511	Raghav Productivity Enhancers Limited	Non-Executive Independent Director

2. Mr. L Ramkumar (DIN: 00090089)

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

3. Mrs. S M Vinodhini (DIN: 08719578)

S. No	CIN	Name of the Company	Category of Directorship
1	L65921TN1985PLC049092	Lancor Holdings Limited	Non-Executive Independent Director

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

None of the directors are holding shares in our Company and there are no inter-se relationships between the Board Member(s).

During the year, separate meeting of the Independent Directors was held on May 25, 2023 without the attendance of non-independent directors and members of the management. All Independent Directors attended the said meeting.

All Independent Directors have given declarations under section 149 (7) that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

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

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

Board Skill Matrix

Skill & Experience	Names of Directors
A) Governance & Industry Skills	
1) Executive & International Leadership Senior Executive experience, international leadership experience in Global markets, exposed to a range of political, cultural, regulatory and business environments	Mr. Hemant M Nerurkar Mr. Haruo Igarashi Mr. L Ramkumar Mr. Thomas Francis Mckeough Mr. R Chandrasekaran
2) Financial Acumen Senior Executive experience in financial accounting & reporting, Corporate Finance, Risk and Internal Controls	Mr. Hemant M Nerurkar Mr. L Ramkumar Mrs. S M Vinodhini Mr. R Chandrasekaran
3) Strategy Experience in developing, implementing, and challenging a plan of action designed to achieve the long term goals of an organization, mergers & acquisitions and implementation	Mr. Hemant M Nerurkar Mr. Haruo Igarashi Mr. L Ramkumar Mr. Thomas Francis Mckeough Mrs. S M Vinodhini Mr. R Chandrasekaran

Skill & Experience	Names of Directors
4) Automotive Industry / Automotive Commodity Industry / Motor Industry (AC/DC) Senior Executive Experience in Automotive / Commodity / Motor (AC/DC) industry with an understanding of Group Strategy, markets, competitors operational issues technology, and Regulatory concerns	Mr. Hemant M Nerurkar Mr. Haruo Igarashi Mr. L Ramkumar Mr. Thomas Francis Mckeough Mrs. S M Vinodhini Mr. R Chandrasekaran
B) Human Resource & Development Skills	
5) Remuneration & Selection of Board members Board remuneration committee membership or management experience in relation to selection , remuneration of senior management, incentive programs, legislation contractual frame work governing remuneration	Mr. Hemant M Nerurkar Mr. Haruo Igarashi Mr. L Ramkumar Mrs. S M Vinodhini Mr. R Chandrasekaran
6) Learning & Development Experience relating to education and growth of knowledge base.	Mr. Hemant M Nerurkar Mr. Haruo Igarashi Mr. L Ramkumar Mr. Thomas Francis Mckeough Mrs. S M Vinodhini Mr. R Chandrasekaran
C) Other Skills	
7) Work, Health , safety , Information Technology and sustainability Experience related to health, safety, environment, Social Responsibility, Information Technology and Sustainability	Mr. Hemant M Nerurkar Mr. L Ramkumar Mrs. S M Vinodhini Mr. R Chandrasekaran
8) Governance & Board Prior experience as a Board Member, Industry or membership of Governance bodies	Mr. Hemant M Nerurkar Mr. Haruo Igarashi Mr. L Ramkumar Mr. Thomas Francis Mckeough Mr. R Chandrasekaran
9) Regulatory and Public Policy Legal background or experience in regulatory and public policy	Mr. Hemant M Nerurkar Mr. L Ramkumar Mrs. S M Vinodhini Mr. R Chandrasekaran

3. AUDIT COMMITTEE: MANDATORY COMMITTEE

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

The role includes oversight of Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible; recommending the appointment, reappointment, remuneration and terms of appointment of auditors and approval of payment for any other services rendered by Statutory Auditors; reviewing with the management quarterly results and annual financial statements before submission to the Board for approval; approval or any subsequent modification of any transactions of the Company with related parties; internal audit reports; review and monitor the auditor's

independence and performance and effectiveness of audit process; scrutiny of inter corporate loans and investments, if any; evaluation of Internal Financial Controls and risk management system; Review of Statutory Compliances and reviewing the functioning of the whistle blower mechanism.

Mr. L Ramkumar, Non-Executive Independent Director, is the Chairman of Committee.

Mrs. S M Vinodhini, Non-Executive Independent Woman Director, Mr. Hemant M Nerurkar, Non-Executive Non-Independent Director, are members of the Committee. The Company Secretary acts as the Secretary to the Committee.

During the year, the Audit Committee met four times on May 25, 2023, August 09, 2023, November 10, 2023, and February 09, 2024.

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

Name of the Director	No of Meetings Attended
Mr. L Ramkumar (Chairman)	4
Mrs. S M Vinodhini	4
Mr. Hemant M Nerurkar	4

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 and removal.

Mr. L Ramkumar, Non-Executive Independent Director, is the Chairman of the Committee.

Mrs. S M Vinodhini, Non-Executive Independent Woman Director, Mr. Hemant M Nerurkar, Non-Executive Non-Independent Director, are the members of Committee.

C) Details of Remuneration paid to Directors

Name of the Director	Sitting Fee * (₹ Lakhs)	Salary (₹ Lakhs)	Perquisites (₹ Lakhs)	Performance Incentive/ Commission (₹ Lakhs)	Other Allowances (₹ Lakhs)	Total (₹ Lakhs)
Mr. Hemant M Nerurkar (Chairman)	8.50	-	-	10.00	-	18.50
Mr. R. Chandrasekaran (Managing Director)	-	197.76	-	33.92 ^{^^}	-	231.68
Mr. L Ramkumar (Independent Director)	9.00	-	-	6.00	-	15.00
Mrs. S M Vinodhini (Independent Women Director)	9.00	-	-	6.00	-	15.00

* Includes sitting fees paid for Board & Committee meeting & Commission FY 2023-24

^{^^} Commission paid for FY 2023-24 during FY 2024-25

During the year, the Nomination and Remuneration Committee met two times on May 25, 2023 and August 09, 2023.

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

Name of the Director	No of Meetings Attended
Mr. L Ramkumar (Chairman)	2
Mrs. S M Vinodhini	2
Mr. Hemant M Nerurkar	2

Performance Evaluation

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

5. REMUNERATION OF DIRECTORS

A) Pecuniary Relationship of Non-Executive Directors

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

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

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 was done for 5 years from October 01, 2022 to September 30, 2027 and fixed remuneration for the period of 3 years from October 01, 2022 to September 30, 2025.

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 to Non-Executive Directors.

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 dematerialization / rematerialization of shares and related matters. Also other stakeholders such as Customers, Suppliers, Employees and Communities living around the vicinity of the Company.

Mrs. S M Vinodhini, a Non-Executive Independent Woman Director, is the Chairman of Committee. Mr. L Ramkumar, Non-Executive Independent Director, Mr. Hemant M Nerurkar, Non-Executive Non-Independent Director, 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 May 25, 2023, August 09, 2023, November 10, 2023, and February 09, 2024.

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

Name of the Director	No of Meetings Attended
Mrs. S M Vinodhini (Chairman)	4
Mr. L Ramkumar	4
Mr. Hemant M Nerurkar	4

During the year 2023-24, the Company received three complaints from the investors. As on March 31, 2024, there were no investor grievances pending and no transfers were pending for approval.

7. RISK MANAGEMENT AND ESG COMMITTEE : MANDATORY COMMITTEE

The Risk Management & ESG Committee oversees, formulating Risk Management & ESG policy. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company (particularly ESG related risks), to monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems and Implementation of ESG Goals; To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken

Mr. Hemant M Nerurkar, Non-Executive Non-Independent Director, is the Chairman of Committee.

Mr. L Ramkumar, Non-Executive Independent Director, Mrs. SM Vinodhini, Non-Executive Independent Woman Director, Mr. R Chandrasekaran, Managing Director, are the members of Committee.

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

During the year, the Risk Management Committee met three times on November 10, 2023, December 01, 2023 and February 09, 2024.

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

Name of the Director	No of Meetings Attended
Mr. Hemant M Nerurkar, (Chairman)	3
Mr. L Ramkumar	3
Mrs. S M Vinodhini	3
Mr. R Chandrasekaran	3

SENIOR MANAGEMENT PERSONNEL(S) (“SMPs”)

The Company identified following under category of SMPs, pursuant to the provisions of Regulation 16(1)(d) and Schedule V of the SEBI Listing Regulations. Details of SMPs as on March 31, 2024, and the changes thereunder during the year under review are as follows:

S. No.	Name of SMP	Designation	Changes , if any (Yes/ No)	Nature of change and effective date
1	Mr. P Govindaraju	Chief Operating officer	No	N.A
2	Mr. P Dinakara Babu	Company Secretary	No	N.A
3	Mr. S Vivekchandranath	Chief Financial Officer	No	N.A
4	Mr. Vidur Duggal	Business Head-BLDC Development	No	N.A
5	Mr. K N Raghuram	Business Head- Business Chain Management	No	N.A
6	Mr. L Kalyana Sundaram	Business Head- Mfg Operations & Quality	No	N.A
7	Mr. R Ramesh	Business Head-Design, Development	No	N.A
8	Mr. S Rajkumar	Business Leader- Information Technology	No	N.A
9	Mr. V Ramakrishnan	Business Leader- BLDC & Electronics Mfg	No	N.A
10	Mr. S Kumar	Business Leader- Business Development (Automotive)	No	N.A
11	Mr. K Srinivasan	Business Leader- Taxation & Finance	No	N.A
12	Mrs. V Renuka	Business Leader- Human Resources & Admin	No	N.A
13	Mr. S Balaji	Business Leader- Process Engineering	No	N.A
14	Mrs. V Lalitha	Business Leader- Management Accounting	No	N.A
15	Mr. T Balamurugan	Business Leader- Corporate Services	No	N.A
16	Mr. K Radhakrishnan	Business Leader- Manufacturing (Sub Assy)	No	N.A
17	Mr. M Immanuel	Business Leader- Manufacturing (Parts)	No	N.A
18	Mr. S Durai Murugan	Business Leader- Manufacturing (TAM)	No	N.A
19	Mr. S. Venkatasubramanian	Business Leader- Manufacturing (Tool Room)	No	N.A
20	Mr. V Lakshminarayanan	Business Leader- Warehouse & Logistics (Auto & BLDC)	No	N.A

8. GENERAL BODY MEETINGS

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

Financial Year	Date	Venue	Time	Special Resolutions Passed
2022-23	August 09, 2023	Through Video Conference (VC) / Other Audio Visual Means (OAVM)	02.30 P.M	Nil
2021-22	August 10, 2022	Through Video Conference (VC) / Other Audio Visual Means (OAVM)	11.30 A.M	Re-appointment of Mr. R Chandrasekaran (DIN 00012643) as Managing Director for a period of Five years from October 01, 2022 to September 30, 2027 and fixing remuneration for a period of three years from October 01, 2022 to September 30, 2025
2020-21	August 09, 2021	Through Video Conference (VC) / Other Audio Visual Means (OAVM)	02.30 P.M	Nil

- A) Extra Ordinary General Meeting held during the year- No
- B) Details of Special Resolutions passed last year through Postal Ballot- No
- C) Person who conducted the Postal Ballot exercise – NA
- D) Details of Special Resolution was proposed to be conducted through postal ballot : NA
- E) Procedure for Postal Ballot : NA

9. MEANS OF COMMUNICATION

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

10. GENERAL SHAREHOLDER INFORMATION

i) Annual General Meeting (AGM)

Date : **August 09, 2024 (Friday)**
 Venue: Videoconference (VC)/ Other Audio Visual Means (OAVM)
 Time : 10.00 am (IST)

ii) Financial Calendar

April 01, 2023 to March 31, 2024

- a. First Quarter Results: August 09, 2023
- b. Second Quarter Results: November 10, 2023
- c. Third Quarter Results: February 09, 2024
- d. Last quarter Results and Annual: May 23, 2024

iii) Date of Book Closure

August 01, 2024 to August 09, 2024

iv) Dividend Payment Date

on or after August 09, 2024

v) Listing on Stock Exchange

The Company's Shares are Listed on:

1. **BSE Limited (BSE),**
Phiroze Jeejeebhoy towers
Dalal Street, Mumbai – 400023
2. **National Stock Exchange India Limited (NSE),**
Exchange Plaza, 5th Floor, G-Block, Bandra Kurla Complex, Bandra (West), Mumbai – 400051

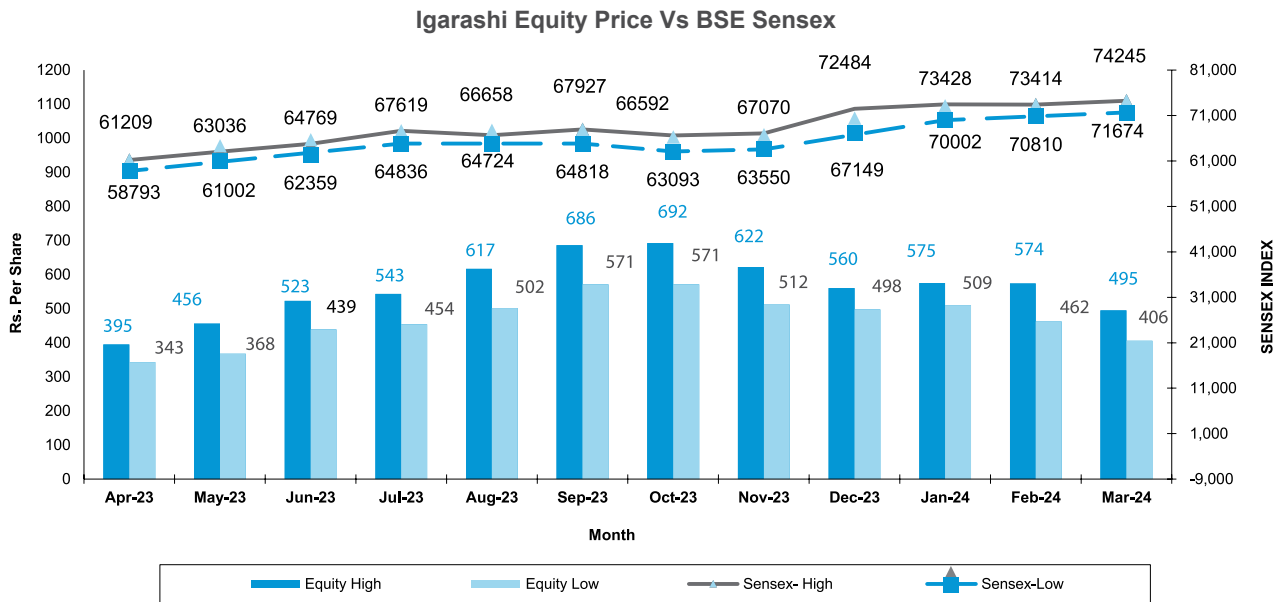
vi) **Listing Fees** The Listing fee of all the stock exchanges for the . Year 2023- 24 has already been paid.

vii) Stock Code

Exchange	Stock Code
National Stock Exchange	IGARASHI
Bombay Stock Exchange	517380

ix) Market Price Data

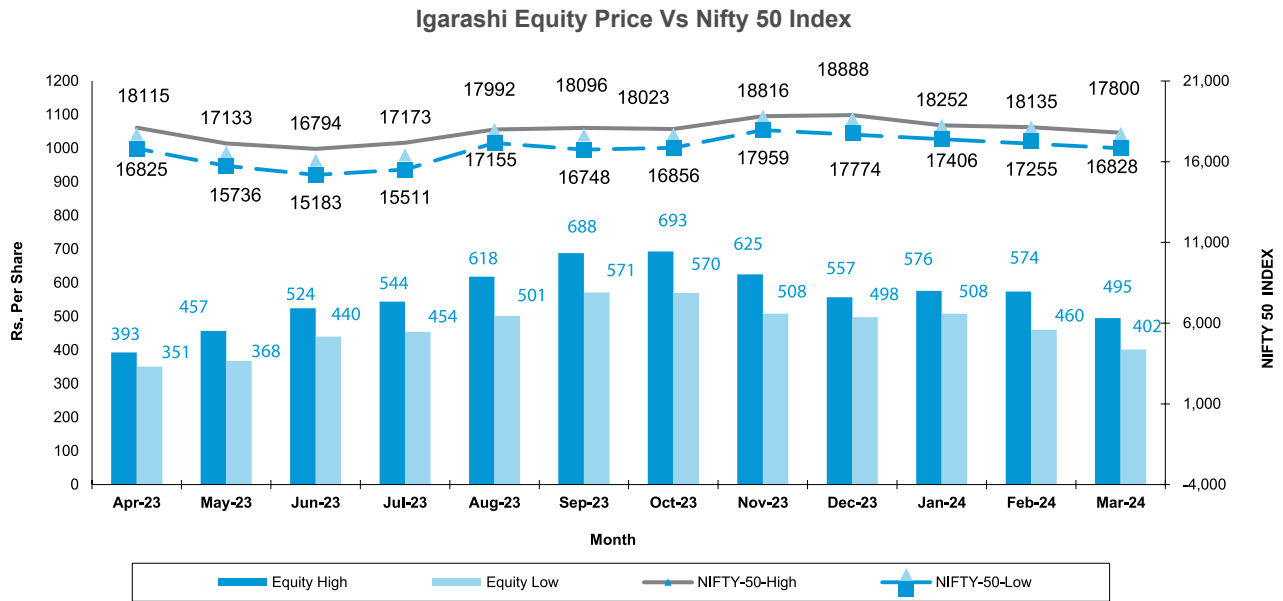
Igarashi Equity Share Price FY 2023-24			BSE SENSEX FY 2023-24	
Month	Equity- High (In ₹)	Equity- Low (In ₹)	SENSEX-High	SENSEX-Low
Apr-23	395	343	61,209	58,793
May-23	456	368	63,036	61,002
Jun-23	523	439	64,769	62,359
Jul-23	543	454	67,619	64,836
Aug-23	617	502	66,658	64,724
Sep-23	686	571	67,927	64,818
Oct-23	692	571	66,592	63,093
Nov-23	622	512	67,070	63,550
Dec-23	560	498	72,484	67,149
Jan-24	575	509	73,428	70,002
Feb-24	574	462	73,414	70,810
Mar-24	495	406	74,245	71,674



IGARASHI EQUITY SHARE PRICE VS NSE NIFTY 50

Igarashi Equity Share Price FY 2023-24			NIFTY 50 FY 2023-24	
Month	Equity High (In ₹)	Equity Low (In ₹)	NIFTY 50-High	NIFTY 50-Low
Apr-23	393	351	18,115	16,825
May-23	457	368	17,133	15,736
Jun-23	524	440	16,794	15,183
Jul-23	544	454	17,173	15,511
Aug-23	618	501	17,992	17,155
Sep-23	688	571	18,096	16,748
Oct-23	693	570	18,023	16,856
Nov-23	625	508	18,816	17,959

Igarashi Equity Share Price FY 2023-24			NIFTY 50 FY 2023-24	
Month	Equity High (In ₹)	Equity Low (In ₹)	NIFTY 50-High	NIFTY 50-Low
Dec-23	557	498	18,888	17,774
Jan-24	576	508	18,252	17,406
Feb-24	574	460	18,135	17,255
Mar-24	495	402	17,800	16,828



x) Registrar and share Transfer Agent

Cameo Corporate Services Ltd
 "Subramanian Building"
 1, Club House Road, Chennai – 600002
 Phone: + 91-44-28460390
 E-mail: investor@cameoindia.com
 Website: <https://investors.cameoindia.com>

xi) Share Transfer system

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended, securities can be transferred only in dematerialized form w.e.f. April 01, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Transfers of equity shares in electronic form are effected through the depositories with no involvement of the Company. The Directors and certain Company officials (including Company Secretary) are authorised by the Board severally to approve transmission or transposition, which are noted at subsequent Board Meetings.

xii) Distribution schedule as on March 31, 2024

Category	No of Shareholders	Percentage of Shareholders	No of shares	Percentage of Shares
10 - 5000	2,1957	91.07	17,79,910	5.66
5001 - 10000	1,080	4.48	8,02,409	2.55
10001 - 20000	592	2.46	8,58,433	2.73
20001 - 30000	169	0.70	4,28,642	1.36
30001 - 40000	77	0.32	2,68,707	0.85
40001 - 50000	64	0.27	2,92,195	0.93
50001 -100000	102	0.42	7,48,409	2.38
Above 100000	68	0.28	2,62,96,343	83.55
Total	24,109	100.00	3,14,75,048	100.00

Shareholding Pattern as on March 31, 2024

Category	No of Shareholders	No of Shares	Percentage of holding
Promoters & Promoter Group	3	2,36,06,288	75.00
Mutual Fund	2	2,37,758	0.76
Alternative Inv.Fund	3	3,49,086	1.11
FPI-Category I	10	2,79,313	0.89
IEPF	1	99,064	0.31
Resident Individuals holding nominal share capital up to ₹ 2 Lakhs	22,661	46,58,821	14.8
Resident Individuals holding nominal share capital in excess of ₹ 2 Lakhs	10	3,73,570	1.19
NRI	498	2,60,298	0.83
Body Corporate	250	13,00,178	4.13
Clearing Members	2	535	0.00
Hindu Undivided Family	667	3,03,177	0.96
Trust	1	10	0.00
Others-Unclaimed Suspense Account	1	6,950	0.02
Total	24,109	3,14,75,048	100.00

Top 10 Shareholders as on March 31, 2024 (other than Promoters)

S.No	Category	No of Shares	Percentage of Holding
1	Ginni Finance Pvt. Ltd.	4,09,335	1.30
2	Envision India Fund	2,28,300	0.73
3	Emkay Emerging Stars Fund V	2,00,000	0.64
4	Quant Mutual Fund - Quant Value Fund	1,70,591	0.54
5	Pace Setters Business Solutions Private Limited	1,24,248	0.39
6	Investor Education And Protection Fund Authority, Ministry Of Corporate Affairs	99,064	0.31
7	Emerging Business Fund	92,686	0.29
8	Govind Parikh Securities Private Ltd	69,628	0.22
9	KCP Sugar And Industries Corporation Limited	66,300	0.21
10	Taurus Mid Cap Fund	64,367	0.20

xiii) Dematerialization of Shares 99.68% of equity shares have been dematerialized Up to March 31, 2024, Trading in your Company's shares is permitted only in the dematerialized form as per Notifications issued by SEBI.

xiv) Outstanding GDRs/ADRs/Warrants Not applicable or any Convertible Instruments.

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

xvi) Commodity Price Risk / Foreign Exchange Currency Risk and Commodity Hedging activities

The Company manages foreign exchange risk as per its adopted policies. The Company uses forward contracts to manage foreign exchange risk. The details of foreign exchange exposures are disclosed in Notes to Financial Statements for the year ended March 31, 2024.

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

xvii) Utilization of funds raised through preferential allotment or qualified institutions placement

During the Financial Year, the Company did not raise any funds through preferential allotment or qualified institutions placement

xviii) Special Contingency Insurance policy

The Company had during the year under review obtained Special Contingency Insurance Policy from National Insurance Company Limited as required under SEBI circular SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/70 dated May 25, 2022

xix) Plant Location

1. Plot B-12 to B –15, Phase II
MEPZ-SEZ, Tambaram,
Chennai 600 045
2. Plot 8,9,10, Phase I
MEPZ-SEZ, Tambaram,
Chennai 600 045

3. Plot D-6/II-D & C, D6-III, Phase II, MEPZ-SEZ,
Tambaram, Chennai 60004
4. Plot B-3 & 4 , Phase I, MEPZ-SEZ,
Tambaram, Chennai 600045
5. Plot A-17 & 18, Phase II, MEPZ-SEZ,
Tambaram, Chennai 600045
6. Plot B-16, Phase II, MEPZ-SEZ,
Tambaram, Chennai 600045
7. Plot A-33 & 36, Phase I, MEPZ-SEZ,
Tambaram, Chennai 600045
8. Plot A-34, Phase I, MEPZ-SEZ,
Tambaram, Chennai 600045
9. Plot No. 7 & 8, Subramaniya Siva Salai
Industrial Estate, Maraimalai Nagar 603209

xx) Investor Correspondence

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

11. 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, 2024. Transactions with related parties are disclosed in Notes to the Annual Accounts.

- b) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange(s) or SEBI or any statutory authority on any matter related to capital markets, during the last three years – Nil
- c) The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 regarding Board of Directors, Audit Committee, Nomination & Remuneration Committee,

Stakeholders Relationship Committee etc., and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations pertaining to certain data on the Company's website.

- d) The Company has complied with Secretarial Standards viz. SS-1 and SS-2 with respect to General and Board Meetings issued by the Institute of Company Secretaries of India.
- e) The Company has no Subsidiary Company.
- f) Policy on dealing with related parties is displayed on the Company's website (Web link): <http://www.igarashimotors.com/investor-relations.php>
- g) During the year ended March 31, 2024, the Internal Complaints Committee (ICC) has received Nil complaints pertaining to sexual harassment/discrimination at work place.
- h) The Company has not given any Loans and advances in the nature of loans to firms/companies in which directors during the FY 2023-24.
- i) Details of material subsidiaries of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiaries – The Company does not have any material subsidiaries.
- j) The securities of the Company were not suspended from trading at any time during the year.
- k) The Company has complied with all the requirements of the Stock Exchange(s) and SEBI on matters relating to Capital Markets and has complied with all the mandatory requirements of the SEBI Listing Regulations relating to Corporate Governance.
- l) In accordance with provisions of Regulation 26(5) of the SEBI Listing Regulations, SMPs have affirmed that they do not have any personal interest relating to material, financial and commercial transactions which may have a potential conflict with the interest of the Company at large.
- m) In accordance with the provisions of Regulation 26(6) of the SEBI Listing Regulations, the KMPs, Director(s), Promoter(s) and SMP have affirmed that they have not entered into any agreement for themselves or on behalf of any other person, with

any Member or any other third party with regard to compensation or profit sharing in connection with dealings in the securities of the Company.

12. WHISTLE BLOWER POLICY

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

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

13. COMPLIANCE WITH MANDATORY CORPORATE GOVERNANCE REQUIREMENTS

During the financial year 2023-24, the Company has complied with Corporate Governance requirements specified in the Listing Regulations.

14. COMPLIANCE WITH NON-MANDATORY CORPORATE GOVERNANCE REQUIREMENTS

i) The Board

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

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

ii) Shareholders rights

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

iii) Audit Qualifications

The auditor's report does not contain any qualification.

iv) Separate post of Chairman and Chief Executive Officer

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

v) Reporting of Internal Auditor

The internal auditor reports to the Audit Committee

vi) Total Fee paid to the Statutory Auditors

Please refer Note 33a of financial statements.

vii) Disclosure of Non-Compliance of any Requirement of Corporate Governance Report with Reasons

The Company has complied with and disclosed all the mandatory corporate governance requirements as mentioned under sub-para (2) to (10) of part C of Schedule V of the SEBI Listing Regulations.

15. CODE OF CONDUCT & INSIDER TRADING CODE

The Company has in place a Code of Conduct applicable to the Board Members as well as the Senior Management and the same was posted on the website of the Company viz. www.igarashimotors.com. All the Board Members and the Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct as on March 31, 2024.

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

16. MAINTENANCE OF A WEBSITE

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

17. CODE OF CONDUCT & COMPLIANCE CERTIFICATE

Your Company has a Code of Conduct for Board and Senior Management Personnel that reflects its high standards of integrity and ethics. The Directors and Senior Management Personnel of the Company have affirmed their adherence to this Code of Conduct for Financial Year 2023-24. As required under Regulation 34 of the SEBI Listing Regulations, Mr. R Chandrasekaran, Managing Director has signed a declaration stating that the Board and SMPs of the Company have affirmed compliance with this Code of Conduct, which is annexed to this Report.

As on March 31, 2024, Mr. R Chandrasekaran, Managing Director and Mr. S Vivekchandranath, CFO have certified to the Board with respect to the Financial Statements, Internal Controls and other matters as required by the Regulation 17(8) read with Schedule II of the Listing Regulations and said Certificate is contained in this Annual Report.

18. AUDITORS CERTIFICATION ON CORPORATE GOVERNANCE

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

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

- a) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year – No. of Shareholders. 538 and outstanding shares. 6,974.
- b) Number of shareholders who approached listed entity for transfer of shares from suspense account during the year – 02
- c) Number of shareholders to whom shares were transferred from suspense account during the year – 02 (24 Shares)
- d) Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year - No. of Shareholders. 536 and outstanding shares. 6,950.
- e) That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares – 6,950.

20. NOTE TO THE INVESTORS / SHAREHOLDERS

- a. **Transfer of Shares in Demat Mode Only:** As per the SEBI Norms, with effect from December 05, 2018 (or such other date as may be notified) only transmission or transposition requests for transfer of securities shall be processed in physical form, all other transfers shall be processed in dematerialised form only. You may refer our Website - www.igarashimotors.com for additional details.
- b. **Updation of KYC Details:** As per the SEBI Norms, efforts are underway to update

Permanent Account Number (PAN) and Bank Account details of its concerned Shareholder(s) and Three Communications have already been sent by the Company to eligible shareholders in this regard. It is requested to update these details with our RTA/ Company at the earliest.

- c. Electronic fund transfer details for remittance:** It is in Shareholders' interest to claim any Un-encashed dividend and for future, opt for providing National Electronic Clearance System (NECS) / National Automated Clearing House (NACH) mandate to company in case of shares in physical form and ensure that correct and updated particulars of bank account are available with Depository Participant (DP) in case shares held in dematerialised Form, so that dividends paid by the company are credited to shareholder(s) account on time.
- d. Nomination:** it has been observed by the company that many of its shareholders have not opted for nomination to the shares held by them and in case of demise of the shareholders without nomination, the lengthy and costly process of Transmission of shares has to be followed. Thus, Shareholders who have not yet provided

their nomination are requested to do so at an early date by filling and submitting the nomination forms (to the Company / RTA Cameo Corporate Services Limited – for physical shares; to DP – for dematerialised shares)

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

21. DISCLOSURE OF CERTAIN TYPES OF AGREEMENTS BINDING LISTED ENTITIES

There are no agreements that require disclosure under clause 5A of paragraph A of Part A of Schedule III of the SEBI Listing Regulations.

DECLARATION

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

For Igarashi Motors India Limited

R. Chandrasekaran
Managing Director
DIN: 00012643

Place: Chennai
Date: May 23, 2024

Independent Auditors' Certificate on Compliance with the Corporate Governance Requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To the Members of Igarashi Motors India Limited

1. The Certificate is issued in accordance with the terms of our engagement letter dated May 22, 2024.
2. We have examined the compliance of conditions of Corporate Governance by **Igarashi Motors India Limited** ("the Company"), for the year ended March 31, 2024, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015, as amended from time to time ('the Listing Regulations'), pursuant to the Listing Agreement of the Company with Stock Exchanges.

Management's Responsibility

3. The compliance of conditions of Corporate Governance as stipulated under the Listing Regulations is the responsibility of the Company's Management including the preparation and maintenance of all the relevant records and documents. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the Listing Regulations.

Auditors' Responsibility

4. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
5. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended March 31, 2024.
6. We conducted our examination of the above Corporate Governance compliance by the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016) and Guidance Note

on Certification of Corporate Governance both issued by the Institute of Chartered Accountants of India ('ICAI') in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

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

Opinion

8. In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.
9. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

10. The certificate is addressed and provided to the members of the Company solely for the purpose of enabling the Company to comply with the requirement of the Listing Regulations and should not be used by any other person or any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

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

Harsh Vardhan Lakhotia
Partner

Place: Chennai
Date: May 30, 2024

Membership No. 222432
UDIN: 24222432BKGUEF2451

MANAGING DIRECTOR & CHIEF FINANCIAL OFFICER CERTIFICATION

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

To,
The Board of Directors,
Igarashi Motors India Limited

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

- A. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2024 and that to the best of our knowledge and belief:
- 1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - 2) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate of the company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the Auditors and the Audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated wherever applicable, to the Auditors and the Audit committee
- 1) significant changes in internal control over financial reporting during the year;
 - 2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - 3) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For **IGARASHI MOTORS INDIA LIMITED**

Place: Chennai
Date: May 23, 2024

R Chandrasekaran
Managing Director
DIN: 00012643

S Vivekchandranath
Chief Financial Officer

DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Board of Directors,
Igarashi Motors India Limited

In accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the Financial Year ended March 31, 2024.

For **IGARASHI MOTORS INDIA LIMITED**

Place: Chennai
Date: May 23, 2024

R Chandrasekaran
Managing Director
DIN: 00012643

REPORT ON CORPORATE SOCIAL RESPONSIBILITY ("CSR") ACTIVITIES FOR THE FINANCIAL YEAR 2023-24

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

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

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

2. The Composition of the CSR Committee

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

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

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

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

Not Applicable

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

(₹ In Lakhs)

Sl. No.	Financial Year	Amount available for set-off from preceding financial years	Amount required to be setoff for the financial year, if any
1	2023-24	-	-

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

₹ 1,462.16 Lakhs (2020-21, 2021-22 & 2022-23)

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

₹ 29.24 Lakhs

(b) Surplus arising out of the CSR projects or programs or activities of the previous financial years.

NIL

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

NIL

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

₹ 29.24 Lakhs

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

(₹ In Lakhs)

Total Amount Spent for the Financial Year	Amount Unspent				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
55.00	-	-	-	-	-

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

(₹ In Lakhs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project State District	Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹ Lakhs)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in)	Mode of Implementation- Direct (Yes/No)	Mode of Implementation – Through Implementing Agency Name CSR Registration number
Nil										

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project State District	Amount spent for the project (in ₹ Lakhs)	Mode of implementation - Direct (Yes/No)	Mode of implementation – Through implementing agency Name CSR registration number
1	Cancer awareness Project	Health	No	All over India All over India	30.00	No	Through Indian Cancer Society CSR00000792
2	MEPZMA Health Center	Health	Yes	Tamil Nadu Chennai	10.00	No	MEPZ Manufacturers Association CSR00008983
3	Patient Health and Hygiene Services at Hospitals	Health	Yes	Tamil Nadu Chennai	10.00	No	Through Viswajayam Foundation CSR00004440
4	Multiple Sclerosis Patient Care	Health	No	All over India All over India	5.00	No	Through Multiple Sclerosis Society of India CSR00004961

(d) Amount spent in Administrative Overheads – Not applicable**(e) Amount spent on Impact Assessment, if applicable – Not Applicable****(f) Total amount spent for the Financial Year (8b+8c+8d+8e) – ₹ 55.00 Lakhs**

g) Excess amount for set off, if any

		(₹ In Lakhs)
Particular		Amount
(i)	Two percent of average net profit of the company as per section 135(5)	29.24
(ii)	Total amount spent for the Financial Year	55.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	25.76
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

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

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

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed /Ongoing
Nil								

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

- Date of creation or acquisition of the capital asset(s) – NA
- Amount of CSR spent for creation or acquisition of capital asset - NA
- Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. - NA
- Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset) - NA
- Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5)- NA

On behalf of the CSR Committee of the Board

Hemant M Nerurkar
 Chairman of the CSR Committee
 DIN: 00265887

R Chandrasekaran
 Member of the CSR Committee
 DIN: 00012643

Place: Chennai
 Date : May 23, 2024

Form No. MR-3 Secretarial Audit Report

For the Financial Year Ended March 31, 2024

[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
Plot No. B-12 to B-15,
Phase-II, MEPZ-SEZ, Tambaram,
Chennai – 600 045.

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

Based on our verification of the Igarashi Motors India Limited’s books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of secretarial audit.

We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records made available to us and maintained by Igarashi Motors India Limited for the financial year ended on March 31, 2024 according to the applicable provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
 - ii. The Securities Contract (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;
 - iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
 - v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time;
 - d. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the audit period)
 - e. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - f. Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
 - vi. The Special Economic Zones Act, 2005;
 - vii. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
 - viii. Other laws applicable to the Company as per the representations made by the Management;
- With respect to Fiscal laws such as Income Tax and Goods and Service Tax we have reviewed the systems and mechanisms established by the Company for ensuring compliances under various acts and based on the information and explanation provided to us by the management and officers of the company and also on verification of compliance reports taken on record by the Board of Directors of the Company, we report that adequate systems are in place to monitor and ensure compliance of fiscal laws as mentioned above.
- We have relied on the representation made by the Company, its Officers and Reports of the Statutory

Auditor for relating to maintenance of account as required under rule 3(1) of Companies (Accounts) Rules, 2014, Statutory payments due, systems and mechanism framed by the Company for compliances under other Acts, Laws and Regulations applicable to the Company.

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

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

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

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

- i. Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
- 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 a 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/ Shorter notice has been given to all directors to schedule the Board Meetings, agenda and detailed notes on the agenda. The same were sent at least seven days in advance or at a short date, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

Payment of dividend ₹ 1/- per share for the financial year ended March 31, 2023

The Board at the Board Meeting held on May 25, 2023 Considered and recommended the Payment of ₹ 1/- Per share for the Financial year ended March 31, 2023.

The Shareholders at the 31st Annual General Meeting held on September 08, 2023 approved the Payment of Dividend ₹ 1.00/- per share for the financial year ended March 31, 2023.

For **BP & Associates**
Company Secretaries
Peer Review No: P2015TN040200

C. Prabhakar

Partner

M. NO:F11722| CP NO: 11033

UDIN: F011722F000416280

Date: May 23, 2024

Place: Chennai

ANNEXURE A

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

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Account of the company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **BP & Associates**
Company Secretaries
Peer Review No: P2015TN040200

C. Prabhakar
Partner

M. NO:F11722| CP NO: 11033
UDIN: F011722F000416280

Date: May 23, 2024
Place: Chennai

SECRETARIAL COMPLIANCE REPORT OF IGARASHI MOTORS INDIA LIMITED FOR THE YEAR ENDED 31ST MARCH 2024

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

We have conducted the review of the compliance of the applicable statutory provisions and the adherence to good corporate practices by **Igarashi Motors India Limited** (hereinafter referred as 'the listed entity'), having its Registered Office at Plot No. B-12 to B-15 to Phase-II, MEPZ-SEZ, Tambaram, Chennai – 600 045 , Secretarial Review was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and to provide our observations thereon.

Based on our verification of the listed entity's books, papers, minutes books, forms and returns filed and other records maintained by the listed entity and also the information provided by the listed entity, its officers, agents and authorized representatives during the conduct of Secretarial Review, we hereby report that the listed entity has, during the review period covering the financial year ended on March 31, 2024 complied with the statutory provisions listed hereunder in the manner and subject to the reporting made hereinafter :

We have examined:

- a) All the documents and records made available to us and explanations provided by **IGARASHI MOTORS INDIA LIMITED**.
- b) The filings/ submissions made by the listed entity to the stock exchanges,
- c) Website of the listed entity,
- d) Any other document/ filing, as may be relevant, which has been relied upon to make this certification, for the year ended March 31, 2024 ("Review Period") in respect of compliance with the provisions of:
 - i. the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, and guidelines issued thereunder;
 - ii. the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the

Regulations, circulars, and guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

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

- i. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- ii. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- iii. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- iv. Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the audit period)
- v. Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the audit period)
- vi. Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 and circulars/ guidelines issued thereunder;
- vii. Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; (Not applicable to the Company during the audit period)
- viii. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

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

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

Sr. No	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Regulation/ Circular No.	Deviations	Action Taken by	Type of Action	Details of Violation	Fine Amount	Observations/ Remarks of the Practicing Company Secretary	Management Response	Remarks
NIL										

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

Sr. No	Observations/ Remarks Of the Practicing Company Secretary in the previous reports (PCS)	Observations made in the secretarial compliance report for the year ended (the years are to be mentioned)	Compliance Requirement (Regulations/ circulars/ guidelines including specific clause)	Details of violation / deviations and actions taken / penalty imposed, if any, on the listed entity	Remedial actions, if any, taken by the listed entity	Comments of the PCS on the actions taken by the listed entity
NIL						

- II. We hereby report that, during the review period the compliance status of the listed entity is appended as below :

Sr. No.	Particulars	Compliance status (Yes/No/NA)	Observations /Remarks by PCS*
1	<p>Secretarial Standards:</p> <p>The compliances of the listed entity are in accordance with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries India (ICSI) as notified by the Central Government under section 118(10) of the Companies Act, 2013 and mandatorily applicable.</p>	Yes	None
2	<p>Adoption and timely updation of the Policies:</p> <p>All applicable policies under SEBI Regulations are adopted with the approval of board of directors of the listed entities</p> <p>All the policies are in conformity with SEBI Regulations and has been reviewed & timely updated as per the regulations/ circulars/guidelines issued by SEBI</p>	Yes	None
3	<p>Maintenance and disclosures on Website:</p> <p>The Listed entity is maintaining a functional website</p> <p>Timely dissemination of the documents/ information under a separate section on the website</p> <p>Web-links provided in annual corporate governance reports under Regulation 27(2) are accurate and specific which re-directs to the relevant document(s)/ section of the website</p>	Yes	None
4	<p>Disqualification of Director:</p> <p>None of the Director of the Company are disqualified under Section 164 of Companies Act, 2013</p>	Yes	None

Sr. No.	Particulars	Compliance status (Yes/No/NA)	Observations /Remarks by PCS*
5	To examine details related to Subsidiaries of listed entities: (a) Identification of material subsidiary companies (b) Requirements with respect to disclosure of material as well as other subsidiaries	NA	NA
6	Preservation of Documents: The listed entity is preserving and maintaining records as prescribed under SEBI Regulations and disposal of records as per Policy of Preservation of Documents and Archival policy prescribed under SEBI LODR Regulations, 2015.	Yes	None
7	Performance Evaluation: The listed entity has conducted performance evaluation of the Board, Independent Directors and the Committees at the start of every financial year as prescribed in SEBI Regulations	Yes	None
8	Related Party Transactions: a) The listed entity has obtained prior approval of Audit Committee for all Related party transactions (b) In case no prior approval obtained, the listed entity shall provide detailed reasons along with confirmation whether the transactions were subsequently approved/ratified/ rejected by the Audit committee	Yes	None
9	Disclosure of events or information: The listed entity has provided all the required disclosure(s) under Regulation 30 along with Schedule III of SEBI LODR Regulations, 2015 within the time limits prescribed thereunder	Yes	None
10	Prohibition of Insider Trading: The listed entity is in compliance with Regulation 3(5) & 3(6) SEBI (Prohibition of Insider Trading) Regulations, 2015	Yes	None
11	Actions taken by SEBI or Stock Exchange(s), if any: No Actions taken against the listed entity/ its promoters/ directors/ subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under SEBI Regulations and circulars/ guidelines issued thereunder	Yes	None
12	Resignation of statutory auditors from the listed entity or its material subsidiaries: In case of resignation of statutory auditor from the listed entity or any of its material subsidiaries during the financial year, the listed entity and / or its material subsidiary(ies) has / have complied with paragraph 6.1 and 6.2 of section V-D of chapter V of the Master Circular on compliance with the provisions of the LODR Regulations by listed entities.	NA	NA

Assumptions & Limitation of scope and Review:

1. Compliance of the applicable laws and ensuring the authenticity of documents and information furnished, are the responsibilities of the management of the listed entity.
2. Our responsibility is to report based upon our examination of relevant documents and information. This is neither an audit nor an expression of opinion.
3. We have not verified the correctness and appropriateness of financial Records and Books of Accounts of the listed entity.
4. This Report is solely for the intended purpose of compliance in terms of Regulation 24A (2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and is neither an assurance as to the future viability of the listed entity nor of the efficacy or effectiveness with which the management has conducted the affairs of the listed entity.

For **BP & Associates**
Company Secretaries
Peer Review No: P2015TN040200

C. Prabhakar
Partner

M No: F11722 | CP No: 11033
UDIN: F011722F000426818

Date: May 23, 2024
Place: Chennai

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

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

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

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers and We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2024 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company*
1.	Hemant Nerurkar Madhusudan	00265887	23/06/2014
2.	Haruo Igarashi	08587832	24/05/2022
3.	Thomas Francis Mckeough	09510485	24/05/2022
4.	Rajagopalan Chandrasekaran	00012643	01/10/2019
5.	Ramkumar Lakshminarayanan	00090089	30/07/2020
6.	Vinodhini Sendhil Manian	08719578	01/04/2020

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

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

For **BP & Associates**
 Company Secretaries
 Peer Review No: P2015TN040200

Date: May 23, 2024
 Place: Chennai

C Prabhakar
 Partner
 M No: F11722 | CP No: 11033
 UDIN: F011722F000426873



FINANCIAL STATEMENTS

Independent Auditor’s Report

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

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Igarashi Motors India Limited (the “Company”) which comprise the balance sheet as at 31 March 2024, and the statement of profit and loss (including other comprehensive income), statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (“Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2024, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Revenue recognition

See Note 26 and 37 to financial statements

The key audit matter	How the matter was addressed in our audit
<p>Revenue recognition involves identification of contracts with customers, identification of distinct performance obligations, determination of transaction price and the basis used to recognise revenue at a point in time.</p> <p>Significant portion of Company’s revenues is derived from related parties. Related party transactions are regulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as Companies Act, 2013. In addition, the relevant accounting standards require specific disclosures of related parties and transactions with them to be made in the financial statements.</p>	<p>In view of the significance of the matter, we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> - Assessed the compliance of the Company’s revenue recognition accounting policies with applicable accounting standards. - To obtain an understanding of the Company’s related party relationships and transactions, we obtained a list of related party relationships and significant related party transactions (RPT) from the management. We also made inquiries of management regarding the identity of the related parties including changes from the prior year and the nature of relationships and of the transactions with them. We also maintained alertness regarding related party information when examining records or documents regarding undisclosed related party relationships or transactions and whether the same has been conducted in ordinary course of business or not.
<p>We identified revenue as a key audit matter because the Company and its external stakeholders focus on revenue as a key performance metric.</p>	

Basis for Opinion

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

Key Audit Matters

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

The key audit matter	How the matter was addressed in our audit
	<ul style="list-style-type: none"> - We evaluated the design and implementation of key internal controls over timing of revenue recognition and identification and authorisation of significant related party transactions and tested the operating effectiveness of such controls on a sample basis. - Evaluated compliance of such related party transactions with applicable laws and regulations. Tested whether the pricing of related party transaction's is at arm's length with the help of our transfer pricing specialists. - Performed substantive testing of revenue transactions recorded during the year on a sample basis by verifying the underlying documents including shipping documents, dispatch notes, etc. - Testing, on a sample basis using specified risk based criteria, journal entries affecting revenue recognised during the year to identify unusual items. - Assessed the adequacy and appropriateness of the disclosures made in accordance with the relevant accounting standard and applicable laws and regulations.

Impairment of non-automotive business - a cash generating unit

See Note 5 to financial statements

The key audit matter	How the matter was addressed in our audit
<p>The Company has identified non-automotive business as a separate cash generating unit ('CGU'), which has carrying value of ₹ 11,851 lakhs as at March 31, 2024.</p> <p>The CGU is a relatively new business and did not meet the budgets, there is a risk that the carrying value of the CGU is higher than its recoverable values as at the year end, thereby triggering the impairment. Based on the assessment carried out by the management, no impairment loss exists as at March 31, 2024.</p> <p>The determination of the recoverable value of the CGU, which is based on the discounted cashflows, involves significant judgements and estimates, including estimates of revenue growth rate, terminal growth rate, discount rate, etc.</p> <p>We have identified the assessment of impairment of CGU as a key audit matter since it involves significant judgement / estimation in making the above estimates especially in view of uncertain market conditions and hence the actual results may differ from those estimated at the date of approval of these financial statements.</p>	<p>In view of the significance of the matter, we applied the following audit procedures in this area, among others to obtain sufficient appropriate audit evidence:</p> <ul style="list-style-type: none"> - Assessed the design and implementation of key internal financial controls with respect to impairment of CGU and tested the operating effectiveness of such controls. - Involved our valuation specialist to assist us in evaluating the appropriateness of the valuation model, the assumptions and methodologies used by the Company for assessing the recoverable values of the CGU. - Evaluated the appropriateness of the key assumptions used in estimating future cash flows such as revenue growth rate, discount rate, terminal growth rate, etc. This evaluation was based on our knowledge of the Company and the industry, observable market data, past performances, consistency with the Board approved plans. - Performed procedures in respect of sensitivity analysis of the key assumptions used in the impairment assessment. - Assessed the adequacy and appropriateness of the disclosures made in accordance with the relevant accounting standards.

Information Other than the Financial statements and Auditor's Report Thereon

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's Annual report, but does not include the financial statements and auditor's report thereon. The Company's Annual report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management's and Board of Directors' Responsibilities for the Financial Statements

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

In preparing the financial statements, the Management and Board of Directors are responsible for assessing the

Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.

- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the "Annexure A" a statement on the matters

specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. A. As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The balance sheet, the statement of profit and loss (including other comprehensive income), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on 31 March 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2024 from being appointed as a director in terms of Section 164(2) of the Act.
 - f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - a. The Company has disclosed the impact of pending litigations as at 31 March 2024 on its financial position in its financial statements - Refer Note 36 to the financial statements.
 - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

d (i) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 37 to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management has represented that, to the best of its knowledge and belief, as disclosed in the Note 37 to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e),

as provided under (i) and (ii) above, contain any material misstatement.

e. The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 18 to the financial statements, the Board of Directors of the Company has proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

f. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No.:101248W/W-100022

Harsh Vardhan Lakhotia

Partner

Membership No.: 222432

Place: Chennai

Date: 23 May 2024

ICAI UDIN:24222432BKGUUE9520

Annexure A to the Independent Auditor's Report on the Financial Statements of Igarashi Motors India Limited for the year ended 31 March 2024

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (i) (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular program of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this program, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies/discrepancy were/was noticed on such verification.
- (c) The Company does not have any immovable property (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee). Accordingly, clause 3(i)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- (ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company except as disclosed in Appendix I.
- (iii) (a) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the Company has not made investments, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year except for investments made in other parties during the year. Accordingly, clause (iii) (a), (c), (d), (e) and (f) of order is not applicable.
- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made, during the year are, prima facie, not prejudicial to the interests of the Company.
- (iv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not given any loans, or provided any guarantee or security as specified

under Section 185 and 186 of the Companies Act, 2013 ("the Act"). In respect of the investments made by the Company, in our opinion the provisions of Section 186 of the Act have been complied with.

- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective

1 July 2017, these statutory dues has been subsumed into GST.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31 March 2024 for a period of more than six months from the date they became payable, except as mentioned below:

Name of the statute	Nature of the dues	Amount (₹ in lakhs)	Period to which the amount relates	Due date	Date of payment	Remarks, if any
The Employees' Provident Fund and Miscellaneous Provision Act, 1952	Provident Fund	24.95	2018-19	April 15, 2019	NA	Not yet paid

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Income-Tax which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act, 1961	Income Tax	481.02 lakhs	2019-20	Deputy Commissioner of Income Tax	Nil

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the

balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

- (e) The Company does not hold any investment in any subsidiaries, associates or joint ventures (as defined under the Act) during the year ended 31 March 2024. Accordingly, clause 3(ix)(e) is not applicable.
- (f) The Company does not hold any investment in any subsidiary, associate or joint venture (as defined under Companies Act) during the year ended March 31, 2024. Accordingly, clause 3(ix) is not applicable.
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanation provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have more than one CIC.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities our knowledge of the Board of Directors and management plans and based

on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due. Also refer to the Other information paragraph of our main audit report which explains that the other information comprising the information included in

Company's Annual Report is expected to be made available to us after the date of this Auditor's Report.

- (xx) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Harsh Vardhan Lakhotia
Partner

Place: Chennai
Date: 23 May 2024

Membership No.: 222432
ICAI UDIN:24222432BKGUEE9520

Appendix I to the Independent Auditors' Report

Details of quarterly returns/ statements not in agreement with the books of account of the Company

Name of banks	Quarter	Particulars of information submitted	Amount as per books of account	Amount as reported in the quarterly returns/ statement	Amount of difference	Whether return/ statement subsequently rectified
(i) Axis Bank	Mar-24	Inventory	11,320.47	9,233.99	2,086.48	No
(ii) IDFC First Bank		Trade receivables	20,738.91	20,847.50	(108.59)	No
(i) Axis Bank	Dec-23	Trade receivables	17,396.92	17,401.41	(4.49)	No
(ii) IDFC First Bank						

Note: Impact considered through cumulative information provided for the financial year during the quarterly returns/ statements submission. Also refer note 41 to the financial statements.

Annexure B to the Independent Auditor's Report on the financial statements of Igarashi Motors India Limited for the year ended 31 March 2024

Report on the internal financial controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to financial statements of Igarashi Motors India Limited ("the Company") as of 31 March 2024 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2024, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls

with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely

detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to financial statements to future periods are subject to the risk

that the internal financial controls with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.:101248W/W-100022

Harsh Vardhan Lakhotia
Partner

Place: Chennai
Date: 23 May 2024

Membership No.: 222432
ICAI UDIN:24222432BKGUEE9520

Balance Sheet

as at 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

	Note	As at 31 March 2024	As at 31 March 2023
Assets			
Non-current assets			
Property, plant and equipment	5	33,805.02	34,471.06
Capital work-in-progress	5	3,460.95	1,013.57
Right-of-use assets	6	2,255.83	2,704.28
Intangible assets	7	586.79	695.41
Intangible assets under development	7	-	237.36
Financial assets			
Investments	8	37.49	35.86
Other financial assets	14	400.28	329.48
Income tax assets (net)		247.56	215.05
Other non-current assets	15	117.06	17.04
Total non-current assets		40,910.98	39,719.11
Current assets			
Inventories	9	11,320.47	10,860.21
Financial assets			
Investments	10	1,548.08	1,701.22
Trade receivables	11	20,738.91	17,554.13
Cash and cash equivalents	12	419.82	493.35
Bank balances other than cash and cash equivalents	13	36.52	44.92
Other financial assets	14	452.26	431.04
Other current assets	15	1,932.77	1,818.66
Total current assets		36,448.83	32,903.53
Total assets		77,359.81	72,622.64
Equity and liabilities			
Equity			
Equity share capital	16	3,147.50	3,147.50
Other equity			
Securities premium		13,432.35	13,432.35
Retained earnings		27,634.29	27,034.27
Others (including items of Other Comprehensive Income)		484.60	339.21
Total equity		44,698.74	43,953.33
Liabilities			
Non-current liabilities			
Financial liabilities			
Borrowings	20	1,937.78	817.59
Lease liabilities	6	2,091.77	2,481.57
Other financial liabilities	23	-	68.72
Deferred tax liabilities (net)	34	2,062.08	1,988.80
Total non-current liabilities		6,091.63	5,356.68

Balance Sheet (Contd.)

as at 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

	Note	As at 31 March 2024	As at 31 March 2023
Current liabilities			
Financial liabilities			
Borrowings	20	9,281.05	8,405.24
Lease liabilities	6	497.89	373.76
Trade payables	22		
Total outstanding dues of micro enterprises and small enterprises		995.63	1,017.71
Total outstanding dues of creditors other than micro enterprises and small enterprises		12,658.55	10,336.07
Other financial liabilities	23	1,128.06	859.14
Other current liabilities	24	1,171.18	1,278.14
Provisions	21	837.08	1,020.77
Current tax liabilities (net)		-	21.80
Total current liabilities		26,569.44	23,312.63
Total liabilities		32,661.07	28,669.31
Total equity and liabilities		77,359.81	72,622.64

Material accounting policies 3

The notes referred to above form an integral part of financial statements
As per our report of even date attached

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

Harsh Vardhan Lakhotia
Partner
Membership No. 222432

Place: Chennai
Date: 23 May 2024

for and on behalf of the board of directors of
Igarashi Motors India Limited
(CIN: L29142TN1992PLC021997)

R Chandrasekaran
Managing Director
DIN: 00012643

S Vivekchandranath
Chief Financial Officer

Place: Chennai
Date: 23 May 2024

L Ramkumar
Independent Director
DIN: 00090089

P Dinakara Babu
Company Secretary
Membership No. A14812

Statement of Profit and Loss

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

	Note	Year ended 31 March 2024	Year ended 31 March 2023
Income			
Revenue from operations	26	72,504.46	65,624.58
Other income	27	162.36	801.76
Total Income		72,666.82	66,426.34
Expenses			
Cost of materials consumed	28	48,461.63	44,582.46
Changes in inventories of finished goods and work-in-progress	29	(167.69)	(964.19)
Employee benefits expense	30	6,422.25	5,852.65
Finance costs	31	1,274.85	1,214.14
Depreciation and amortization expenses	32	4,908.07	4,715.55
Other expenses	33	10,379.80	10,115.61
Total expenses		71,278.91	65,516.22
Profit before tax		1,387.91	910.12
Tax expense			
Current tax	34	391.91	339.07
Deferred tax charge / (credit)		38.69	47.28
Total tax expense		430.60	386.35
Profit for the year		957.31	523.77
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Remeasurements of defined benefit liability	21	(56.85)	(25.92)
Income tax relating to items that will not be reclassified to profit or loss	34	14.31	6.52
Net other comprehensive income/ (loss) that will not be reclassified subsequently to profit or loss		(42.54)	(19.40)
Items that will be subsequently reclassified to profit or loss			
Effective portion of gains / (losses) on hedging instruments in cash flow hedges		194.29	(506.78)
Income tax relating to items that will be reclassified to profit or loss	34	(48.90)	127.55
Net other comprehensive income that will be reclassified subsequently to profit or loss		145.39	(379.23)
Other comprehensive income/ (loss) for the year, net of income tax		102.85	(398.63)
Total comprehensive income for the year		1,060.16	125.14
Earnings per share			
Basic and diluted earnings per share (in Indian Rupees)	18	3.04	1.66
Material accounting policies	3		

The notes referred to above form an integral part of financial statements
As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No. 101248W/W-100022

Harsh Vardhan Lakhotia

Partner

Membership No. 222432

Place: Chennai

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Igarashi Motors India Limited

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R Chandrasekaran

Managing Director

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Chief Financial Officer

Place: Chennai

Date: 23 May 2024

L Ramkumar

Independent Director

DIN: 00090089

P Dinakara Babu

Company Secretary

Membership No. A14812

Statement of Cash Flows

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

	Year ended 31 March 2024	Year ended 31 March 2023
Cash flow from operating activities		
Profit for the year	957.31	523.77
Adjustments for:		
Depreciation and amortization	4,908.07	4,715.55
Provision for loss allowance for expected credit losses	17.19	2.09
Unrealised foreign exchange (gain) / loss	25.53	117.12
Finance costs	1,245.45	1,098.58
Lease rent concessions	-	(77.90)
Interest income on others	(23.84)	(18.14)
Gain on sale of investments	(101.21)	(93.39)
Provision/ liabilities no longer required written back	(7.52)	(2.07)
Income tax expense	430.60	386.35
	7,451.58	6,651.96
Working capital adjustments:		
Increase in inventories	(460.26)	(2,664.03)
Increase in trade receivables	(3,172.24)	(4,099.32)
(Increase) / decrease in other current / non-current financial assets	(121.26)	495.75
(Increase) / decrease in other current / non-current assets	(85.43)	451.18
Increase in trade payables and other financial liabilities	2,215.63	1,963.37
(Decrease) / increase in provisions and other current liabilities	(347.50)	452.25
Cash generated from operating activities	5,480.52	3,251.15
Income tax (paid) / refund (net)	(446.22)	152.28
Net cash generated from operating activities (A)	5,034.30	3,403.43
Cash flow from investing activities		
Acquisition of property, plant and equipment, intangible assets and capital work-in-progress net of payable for capital goods and capital advances	(5,371.79)	(3,604.10)
Proceeds/(investments) in equity shares	(1.63)	27.04
Investments in mutual funds (net)	254.35	416.05
Net cash used in investing activities (B)	(5,119.07)	(3,161.01)
Cash flow from financing activities		
Repayment of borrowings	(17,358.10)	(1,444.08)
Proceeds from borrowings	19,240.80	2,175.15
Repayment of lease liability [including interest of ₹ 270.96 lakhs (March 31, 2023: ₹ 205.38 lakhs)]	(660.50)	(602.21)
Interest paid	(896.21)	(484.88)
Dividend paid	(314.75)	-
Net cash from/ (used) in financing activities (C)	11.24	(356.02)
Net decrease in cash and cash equivalents (A+B+C)	(73.53)	(113.60)
Cash and cash equivalents at the beginning of year (refer note below)	12 493.35	606.95
Cash and cash equivalents as at the year end	12 419.82	493.35

Statement of Cash Flows (Contd.)

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

Changes in liabilities arising from financing activities

	As at 31 March 2024	As at 31 March 2023
Long-term borrowings (including current maturities)		
At the beginning of the year	2,115.13	3,430.80
Proceeds from borrowings	2,000.00	-
Repayment of borrowings	(1,302.34)	(1,444.08)
Foreign exchange movement	17.24	128.41
As at the year end	2,830.03	2,115.13
Short-term borrowings - Working capital loans		
At the beginning of the year	-	-
Proceeds from borrowings	4,155.23	-
Repayment of borrowings	-	-
Foreign exchange movement	-	-
As at the year end	4,155.23	-
Short-term borrowings - Packing credit		
At the beginning of the year	7,107.70	4,547.40
Proceeds from borrowings	13,085.57	15,996.02
Repayment of borrowings	(16,055.76)	(13,820.87)
Foreign exchange movement	96.06	385.15
As at the year end	4,233.57	7,107.70
Lease liabilities		
At the beginning of the year	2,855.33	2,052.71
Additions	1,362.50	1,275.57
Deletions	(1,238.63)	-
Repayments	(660.50)	(602.21)
Non-cash adjustments	270.96	129.26
As at the year end	2,589.66	2,855.33

Material accounting policies

3

The notes referred to above form an integral part of financial statements

As per our report of even date attached

For **B S R & Co. LLP**

Chartered Accountants

Firm's Registration No. 101248W/W-100022

Harsh Vardhan Lakhotia

Partner

Membership No. 222432

for and on behalf of the board of directors of

Igarashi Motors India Limited

(CIN: L29142TN1992PLC021997)

R Chandrasekaran

Managing Director

DIN: 00012643

L Ramkumar

Independent Director

DIN: 00090089

S Vivekchandranath

Chief Financial Officer

P Dinakara Babu

Company Secretary

Membership No. A14812

Place: Chennai

Date: 23 May 2024

Place: Chennai

Date: 23 May 2024

Statement of Changes in Equity

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

(a) Equity share capital

Particulars	Note	As at 31 March 2024		As at 31 March 2023	
		No. of shares	Amount	No. of shares	Amount
Equity shares of ₹ 10 each issued, subscribed and fully paid	16				
Balance as at 1 April		31,475,048	3,147.50	31,475,048	3,147.50
Issue of share capital		-	-	-	-
Balance as at 31 March	16	31,475,048	3,147.50	31,475,048	3,147.50

(b) Other equity

	Reserves and surplus			Other comprehensive income (OCI)	Total reserves and surplus	Total
	Securities premium	Retained earnings	General reserve	Effective portion of cash flow hedges		
Balance as at 1 April 2023	13,432.35	27,034.27	464.42	(125.21)	40,805.83	40,805.83
Total comprehensive income for the period ended 31 Mar 2024						
Profit for the year	-	957.31	-	-	957.31	957.31
Other comprehensive income for the year (net of tax)	-	(42.54)	-	145.39	102.85	102.85
Total comprehensive income	-	914.77	-	145.39	1,060.16	1,060.16
Transactions with owners, recorded directly in equity						
Contributions by and distributions to owners						
Dividends	-	(314.75)	-	-	(314.75)	(314.75)
Total contributions and distributions to owners	-	(314.75)	-	-	(314.75)	(314.75)
Balance as at 31 Mar 2024	13,432.35	27,634.29	464.42	20.18	41,551.24	41,551.24

Statement of Changes in Equity (Contd.)

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

	Reserves and surplus			Other comprehensive income (OCI)	Total reserves and surplus	Total
	Securities premium	Retained earnings	General reserve	Effective portion of cash flow hedges		
Balance as at 1 April 2022	13,432.35	26,529.90	464.42	254.02	40,680.69	40,680.69
Total comprehensive income for the year ended 31 March 2023						
Profit for the year	-	523.77	-	-	523.77	523.77
Other comprehensive income for the year (net of tax)	-	(19.40)	-	(379.23)	(398.63)	(398.63)
Total comprehensive income	-	504.37	-	(379.23)	125.14	125.14
Transactions with owners, recorded directly in equity						
Contributions by and distributions to owners						
Dividends	-	-	-	-	-	-
Total contributions and distributions to owners	-	-	-	-	-	-
Balance as at 31 March 2023	13,432.35	27,034.27	464.42	(125.21)	40,805.83	40,805.83

Material accounting policies

3

The notes referred to above form an integral part of financial statements
As per our report of even date attached

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

Harsh Vardhan Lakhotia
Partner
Membership No. 222432

Place: Chennai
Date: 23 May 2024

for and on behalf of the board of directors of
Igarashi Motors India Limited
(CIN: L29142TN1992PLC021997)

R Chandrasekaran
Managing Director
DIN: 00012643

S Vivekchandranath
Chief Financial Officer

Place: Chennai
Date: 23 May 2024

L Ramkumar
Independent Director
DIN: 00090089

P Dinakara Babu
Company Secretary
Membership No. A14812

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

1 Background

Igarashi Motors India Limited ('IMIL' / 'Company') is engaged in the manufacture of micro motors and its accessories for the automotive sector and motors for BLDC fans. The Company is a public limited company incorporated and domiciled in India and has its registered office in Chennai, Tamil Nadu, India. The Company's shares are listed on the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE) in India.

These financial statements were authorised for issue by the Company's Board of Directors on 23 May 2024.

2 Basis of preparation

2.1 Statement of compliance

These financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

Details of the Company's accounting policies are included in Note 3

2.2 Functional and presentation currency

These financial statements are presented in Indian Rupees (INR), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise stated.

2.3 Basis of measurement

The financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

Items	Measurement basis
- Certain financial assets and liabilities (including derivative instruments)	Fair value
- Net defined benefit asset / (liability)	Fair value of plan assets, less present value of defined benefit obligations

2.4 Use of estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

Judgements

Information about judgements in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements is included in the following notes:

- Note 35 – fair valuation of financial assets

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending 31 March 2024 is included in the following notes:

- Note 3.3 – estimation of useful lives of property, plant and equipment and intangible assets
- Note 3.10 – measurement of lease liabilities and right of use assets
- Note 21 – measurement of defined benefit obligations: key actuarial assumptions
- Note 35 – fair valuation of financial assets
- Note 34 – recognition of deferred tax assets
- Note 36 – recognition and measurement of provisions and contingencies
- Note 35 – Impairment of financial assets

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

2.5 Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information, is used to measure fair values, then the Company assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair values of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognises transfer between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in Note 35 – financial instruments.

2.6 Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current or non-current classification of assets and liabilities.

3 Material accounting policies

3.1 Foreign currency transactions

Transactions in foreign currencies are translated into the functional currency of the Company, at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in profit or loss, except exchange differences arising from translation of qualifying cash flow hedges to the extent that the hedges are effective, which are recognised in Other Comprehensive Income.

3.2 Financial instruments

i. Recognition and initial measurement

Trade receivables (except a trade receivable with a significant financing component) are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

On initial recognition, a financial asset (unless it is a trade receivable without a significant financing component) is recognised at fair value. In case of financial assets which are recognised

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

at fair value through profit and loss (FVTPL), its transaction cost is recognised in the statement of profit and loss. In other cases, the transaction cost is attributed to the acquisition value of the financial asset.

ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset (unless it is a trade receivable without a significant financing component) is classified as measured at

- amortised cost;
- Fair value through other comprehensive income (FVOCI) - equity investment; or
- FVTPL

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes

in the investment's fair value in OCI (designated as FVOCI – equity investment). This election is made on an investment- by- investment basis.

All financial assets not classified as measured at amortised cost as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost as at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Subsequent measurement and gains and losses

Financial assets at FVTPL	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognised in profit or loss. However, refer Note 3.2 (v) for derivatives designated as hedging instruments.
Equity investments at FVOCI	These assets are subsequently measured at fair value. Dividends are recognised as income in statement of profit and loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to statement of profit and loss.
Financial assets at amortised cost	These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognised in profit or loss. Any gain or loss on derecognition is recognised in profit or loss.

Financial liabilities: Classification, subsequent measurement and gains and losses

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss.

iii. Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in profit or loss.

iv. Offsetting

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

v. Derivative financial instruments and hedge accounting

The Company holds derivative financial instruments to hedge its foreign currency exposures. Embedded derivatives are separated from the host contract and accounted for separately if the host contract is not a financial asset and certain criteria are met.

Derivatives are initially measured at fair value. Subsequent to initial recognition, derivatives are measured at fair value, and changes therein are generally recognised in statement of profit and loss.

The Company designates certain derivatives as hedging instruments to hedge the variability in cash flows associated with highly probable forecast transactions arising from changes in foreign exchange rates.

At inception of designated hedging relationships, the Company documents the risk management objective and strategy for undertaking the hedge. The Company also documents the economic relationship between the hedged item and the hedging instrument, including whether the changes in cash flows of the hedged item and hedging instrument are expected to offset each other.

Cash flow hedges

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognised in OCI and accumulated in other equity under 'effective portion of cash flow hedges'. The effective portion of changes in the fair value of the derivative that is recognised

Notes forming part of the Financial Statements for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

in OCI is limited to the cumulative change in fair value of the hedged item, determined on a present value basis, from inception of the hedge. Any ineffective portion of changes in the fair value of the derivative is recognised immediately in statement of profit and loss.

If a hedge no longer meets the criteria for hedge accounting or the hedging instrument is sold, expires, is terminated or is exercised, then hedge accounting is discontinued prospectively. When hedge accounting for cash flow hedges is discontinued, the amount that has been accumulated in other equity remains there until, for a hedge of a transaction resulting in recognition of a non-financial item, it is included in the non-financial item's cost on its initial recognition or, for other cash flow hedges, it is reclassified to profit and loss in the same period or periods as the hedged expected future cash flows affect profit and loss.

If the hedged future cash flows are no longer expected to occur, then the amounts that have been accumulated in other equity are immediately reclassified to statement of profit and loss.

vi. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

Cash dividend to equity holders

The Company recognises a liability to make cash to equity holders when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate

laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity. Interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

3.3 Property, plant and equipment

i. Recognition and measurement

Items of property, plant and equipment are measured at cost, which includes capitalised borrowing costs, less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated cost of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in profit or loss.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

iii. Depreciation

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual values over their estimated useful lives using the straight-line method, and is generally recognised in the statement of profit and loss.

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as follows:

Asset	Management estimate of useful life	Useful life as per Schedule II
Building	3 - 60 years	30 - 60 years
Plant and equipment	3 - 20 years	15 years
Office equipments	2 - 5 years	5 years
Furniture and fixtures	5 - 10 years	10 years
Vehicles	8 years	8 years

Depreciation method, useful lives and residual values are reviewed at each financial year end and adjusted if appropriate. Based on Management's evaluation, estimates of useful lives as given above best represent the period over which management expects to use these assets.

Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed off).

iv. Capital work-in-progress

Capital work-in-progress includes property, plant and equipment which are in process of being ready for its intended use and it is probable that the expected future economic benefits, that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably.

3.4 Intangible assets

i. Recognition and measurement

Intangible assets including those acquired by the Company are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortization and any accumulated impairment losses.

ii. Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits

embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

iii. Amortisation

Amortisation is calculated to write off the cost of intangible assets less their estimated residual values over their estimated useful lives using the straight-line method, and is included in depreciation and amortization in Statement of Profit and Loss.

The estimated useful lives are as follows:

Asset	Management estimate of useful life
Product design expenses	5 - 6 years
Software	6 years

Amortisation method, useful lives and residual values are reviewed at the end of each financial year and adjusted if appropriate.

(iv) Intangible assets under development

Intangible assets under development includes intangible assets which are in process of being ready for its intended use and it is probable that the expected future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably.

3.5 Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of inventories is based on the weighted average formula, and includes expenditure incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their present location and condition. In the case of manufactured inventories and work-in-progress, cost includes an appropriate share of fixed production overheads based on normal operating capacity.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products.

Notes forming part of the Financial Statements for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

Raw materials, components and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

The comparison of cost and net realisable value is made on an item-by-item basis.

3.6 Impairment

i. Impairment of financial instruments

In accordance with Ind AS 109, the Company applies expected credit loss ("ECL") model for measurement and recognition of impairment loss on financial assets measured at amortised cost.

Loss allowance for trade receivables with no significant financing component is measured at an amount equal to lifetime expected credit losses. For all other financial assets, ECL are measured at an amount equal to the 12-month ECL, unless there has been a significant increase in credit risk from initial recognition in which case those are measured at lifetime ECL.

Loss allowance for financial assets measured at amortised cost are deducted from gross carrying amount of the assets.

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

ii. Impairment of non-financial assets

The Company assess at each reporting date whether there is any indication that the carrying amount may not be recoverable. If any such indication exists, then the asset's recoverable amount is estimated and an impairment loss is recognised if the carrying amount of an asset or

CGU exceeds its estimated recoverable amount in the statement of profit and loss.

The Company's non-financial assets, inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated. For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or groups of CGUs) on a pro rata basis.

An impairment loss in respect of goodwill is not subsequently reversed. In respect of other assets for which impairment loss has been recognised in prior periods, the Company reviews at each reporting date whether there is any indication that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. Such a reversal is made only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.7 Employee benefits

i. Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid e.g., under short-term bonus, if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the amount of obligation can be estimated reliably.

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

ii. Gratuity

The Company provides for gratuity, a defined benefit plan (“the Gratuity Plan”) covering the eligible employees of the Company. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee’s salary and the tenure of the employment with the Company.

Liability with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each balance sheet date using the projected unit credit method. The defined benefit plan is administered by fund administered by Life Insurance Corporation of India for this purpose.

The Company recognises the net obligation of a defined benefit plan as a liability in its balance sheet. Gains or losses through re-measurement of the net defined benefit liability are recognised in other comprehensive income and are not reclassified to profit and loss in the subsequent periods. The actual return of the portfolio of plan assets, in excess of the yields computed by applying the discount rate used to measure the defined benefit obligation is recognised in other comprehensive income. When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service (‘past service cost’ or ‘past service gain’) or the gain or loss on curtailment is recognised immediately in profit or loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

iii. Provident fund

Eligible employees of the Company receive benefits from provident fund, which is a defined contribution plan. Both the eligible employees and the Company make monthly contributions to the Government administered provident fund scheme equal to a specified percentage of the eligible employee’s salary. Amounts collected under the provident fund plan are deposited with in a government administered provident fund. The Company has no further obligation to the plan beyond its monthly contributions.

iv. Compensated absences

The Company has a policy on compensated absences which are both accumulating and non-accumulating in nature. The expected cost of accumulating compensated absences is determined by actuarial valuation performed by an independent actuary at each balance sheet date using the projected unit credit method on the additional amount expected to be paid/availed as a result of the unused entitlement that has accumulated at the balance sheet date. Expense on non-accumulating compensated absences is recognised in the period in which the absences occur.

v. Share-based payment transactions

The grant date fair value of equity settled share-based payment awards granted to employees is recognised as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognised as expense is based on the estimate of the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognised as an expense is based on the number of awards that do meet the related service and non-market vesting conditions at the vesting date. Grant date fair value of the equity settled share-based payment awards granted to the employees of group companies is recognised as a receivable from the group Company, with a corresponding adjustment to equity.

3.8 Provisions (other than for employee benefits)

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost. Expected future operating losses are not provided for.

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

3.9 Revenue recognition

i. Sale of goods

Revenue is recognised when a promise in a customer contract (performance obligation) has been satisfied by transferring control over the promised goods to the customer. Control over a promised good refers to the ability to direct the use of, and obtain substantially all of the remaining benefits from, those goods. Control is usually transferred upon shipment, delivery to, upon receipt of goods by the customer, in accordance with the individual delivery and acceptance terms agreed with the customers. The amount of revenue to be recognized (transaction price) is based on the consideration expected to be received in exchange for goods, excluding amounts collected on behalf of third parties such as sales tax or other taxes directly linked to sales. If a contract contains more than one performance obligation, the transaction price is allocated to each performance obligation based on their relative stand-alone selling prices. Revenue from product sales are recorded net of allowances for estimated rebates, cash discounts and estimates of product returns, all of which are established at the time of sale.

ii. Government grants

The Company recognises government grants only when there is reasonable assurance that the conditions attached to them will be complied with, and the grants will be received.

3.10 Leases

The Company's lease asset classes primarily consist of leases for land. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in Balance sheet and lease payments have been classified as financing activities in the Cash Flow Statement.

3.11 Recognition of dividend income, interest income or expense

Dividend income is recognised in profit or loss on the date on which the Company's right to receive payment is established.

Interest income or expense is recognised using the effective interest method.

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortized cost of the financial liability.

In calculating interest income and expense, the effective interest rate is applied to the gross carrying amount of the asset (when the asset is not credit-impaired) or to the amortized cost of the liability. However, for financial assets that have become credit-impaired subsequent to initial recognition, interest income is calculated by applying the effective interest rate to the amortized cost of the financial asset. If the asset is no longer credit-impaired, then the calculation of interest income reverts to the gross basis.

3.12 Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to an item recognised directly in equity or in other comprehensive income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date. Interest expenses and penalties, if any, related to income tax are included in finance cost and other expenses respectively. Interest Income, if any, related to Income tax is included in Other Income.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

ii. Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- temporary differences related to investments in subsidiaries, associates and joint arrangements to the extent that the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets – unrecognised or recognised, are reviewed at each reporting date and are recognised/reduced to the extent that it is probable/no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Notes forming part of the Financial Statements for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

3.13 Borrowing cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

3.14 Earnings per share

Basic earnings per share is computed using the weighted average number of equity shares outstanding

during the period adjusted for treasury shares held. Diluted earnings per share is computed using the weighted-average number of equity and dilutive equivalent shares outstanding during the period, using the treasury stock method for options and warrants, except where the results would be anti-dilutive.

3.15 Contingent liability

Contingent liability is a possible obligation arising from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity or a present obligation that arises from past events but is not recognized because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

4 Recent accounting pronouncements

As on date of these financial statements, Ministry of Corporate Affairs has not issued any standards/ amendments to the accounting standards which are effective from 1st April 2024.

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

5 Property, plant and equipment and capital work-in-progress

A Reconciliation of the carrying amount

Particulars	Buildings	Plant and equipment	Office equipments	Furniture and fixtures	Vehicles	Total (A)	Capital work-in-progress (B)	Total (A+B)
Gross carrying amount								
Balance at 1 April 2022	8,579.63	46,171.78	154.06	406.04	41.44	55,352.95	1,041.72	56,394.67
Additions	95.51	3,156.61	31.24	107.90	-	3,391.26	3,363.11	6,754.37
Disposals / Deletions	-	(12.06)	-	-	-	(12.06)	(3,391.26)	(3,403.32)
Balance at 31 March 2023	8,675.14	49,316.33	185.30	513.94	41.44	58,732.15	1,013.57	59,745.72
Additions	55.38	3,071.80	7.59	128.83	39.22	3,302.82	5,715.71	9,018.53
Disposals / Deletions	-	(310.48)	(18.97)	(30.52)	(0.44)	(360.41)	(3,268.33)	(3,628.74)
Balance at 31 March 2024	8,730.52	52,077.65	173.92	612.25	80.22	61,674.56	3,460.95	65,135.51
Accumulated depreciation								
Balance at 1 April 2022	1,676.71	18,509.58	131.36	162.73	29.70	20,510.08	-	20,510.08
Depreciation for the year	334.44	3,356.36	22.12	42.10	4.42	3,759.44	-	3,759.44
Accumulated depreciation on disposals	-	(8.43)	-	-	-	(8.43)	-	(8.43)
Balance at 31 March 2023	2,011.15	21,857.51	153.48	204.83	34.12	24,261.09	-	24,261.09
Depreciation for the year	349.96	3,560.50	5.47	47.95	4.88	3,968.76	-	3,968.76
Accumulated depreciation on disposals	-	(310.38)	(18.97)	(30.52)	(0.44)	(360.31)	-	(360.31)
Balance at 31 March 2024	2,361.11	25,107.63	139.98	222.26	38.56	27,869.54	-	27,869.54
Carrying amount (net)								
As at 31 March 2023	6,663.99	27,458.82	31.82	309.12	7.32	34,471.06	1,013.57	35,484.63
As at 31 March 2024	6,369.41	26,970.02	33.94	389.99	41.66	33,805.02	3,460.95	37,265.97

The Company has not revalued its Property, Plant and Equipment (including Right-of-Use Assets, refer note 6), during the year.

The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

There are no immovable properties for which title deeds are not in the name of the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee).

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

B Ageing schedule for capital work-in-progress

As at 31 March 2024	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	3,460.95	-	-	-	3,460.95
Projects temporarily suspended	-	-	-	-	-

As at 31 March 2023	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	1,013.57	-	-	-	1,013.57
Projects temporarily suspended	-	-	-	-	-

The Company does not have any capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan.

C Impairment assessment

As at March 31, 2024, the actual performance of the cash generating unit (CGU) is lower than the budgets, the Company has assessed the recoverable amount of the carrying value of the non-automotive segment, which represents a single CGU. Based on such assessment, no impairment loss exists as at March 31, 2024. In order to carry out the above assessment, the Company has considered projections of future cash flows of the CGU based on the most recent long-term forecasts.

The key assumptions used in the estimation of the recoverable amount are set out below. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been based on historical data from both external and internal sources.

Particulars	As at 31 March 2024	As at 31 March 2023
Discount rate	18.2%	18.7%
Terminal value growth rate	5.0%	5.0%

	As at 31 March 2024	As at 31 March 2023
Primary value of CGU	8,070.00	6,260.00
Terminal value of CGU	9,300.00	8,260.00
Total value in use	17,370.00	14,520.00
Carrying value of CGU	11,851.82	9,551.11

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

Sensitivity analysis:

For the impairment of assets, the adjusted Value in Use for the given range of discount rates and terminal growth rates is as follows:

Particulars	Impact on carrying value	
	Increase	Decrease
March 31, 2024		
Discount rate (1% movement)	16,250.00	18,670.00
Terminal value growth rate (1% movement)	17,920.00	16,890.00
March 31, 2023		
Discount rate (1% movement)	13,490.00	15,720.00
Terminal value growth rate (1% movement)	15,030.00	14,080.00

6 Right-of-use assets - Leases

Reconciliation of the carrying amount

Particulars	Leasehold land	
Gross carrying amount		
Balance at 1 April 2022		3,565.69
Additions		1,299.56
Deletions		(1,706.39)
Balance at 31 March 2023		3,158.86
Additions		1,387.69
Deletions		(1,234.58)
Balance at 31 March 2024		3,311.97
Accumulated depreciation		
Balance at 1 April 2022		1,516.13
Depreciation for the year		644.84
Accumulated depreciation on deletions		(1,706.39)
Balance at 31 March 2023		454.58
Depreciation for the year		601.56
Accumulated depreciation on deletions		-
Balance at 31 March 2024		1,056.14
Carrying amount (net)		
As at 31 March 2023		2,704.28
As at 31 March 2024		2,255.83
Lease liabilities		
	As at	As at
	31 March 2024	31 March 2023
Current lease liabilities	497.89	373.76
Non-current lease liabilities	2,091.77	2,481.57
	2,589.66	2,855.33

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

The following is the movement in lease liabilities during the year ended 31 March;

	As at 31 March 2024	As at 31 March 2023
Balance at 1 April	2,855.33	2,052.71
Additions made during the year	1,362.50	1,275.57
Finance cost accrued during the period	270.96	205.38
Deletions	(1,238.63)	(76.12)
Payment of lease liabilities (including interest)	(660.50)	(602.21)
	2,589.66	2,855.33

Rental expense recorded for short-term leases was ₹90.80 lakhs (31 March 2023: ₹ 72 lakhs) for the year ended 31 March 2024.

Maturity analysis- contractual undiscounted cash flows

	As at 31 March 2024	As at 31 March 2023
Less than one year	726.55	632.52
One to five years	2,403.62	2,997.58
More than 5 years	-	-
Total undiscounted cash flows	3,130.17	3,630.10

7 Intangible assets

A Reconciliation of the carrying amount

Particulars	Product design expenses	Specialised software	Total (A)	Intangible assets under development (B)	Total (A+B)
Gross carrying amount					
Balance at 1 April 2022	1,576.08	340.78	1,916.86	11.31	1,928.17
Additions	13.88	64.85	78.73	302.52	381.25
Disposals	(147.50)	(177.27)	(324.77)	(76.47)	(401.24)
Balance at 31 March 2023	1,442.46	228.36	1,670.82	237.36	1,908.18
Additions	178.83	50.30	229.13	45.98	275.11
Disposals/ Written off	-	(10.15)	(10.15)	(283.34)	(293.49)
Balance at 31 March 2024	1,621.29	268.51	1,889.80	-	1,889.80
Accumulated amortisation					
Balance at 1 April 2022	688.86	300.05	988.91	-	988.91
Amortisation for the year	284.35	26.92	311.27	-	311.27
Accumulated amortisation on disposals	(147.50)	(177.27)	(324.77)	-	(324.77)
Balance at 31 March 2023	825.71	149.70	975.41	-	975.41

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

Particulars	Product design expenses	Specialised software	Total (A)	Intangible assets under development (B)	Total (A+B)
Amortisation for the year	309.20	28.55	337.75	-	337.75
Accumulated amortisation on disposals	-	(10.15)	(10.15)	-	(10.15)
Balance at 31 March 2024	1,134.91	168.10	1,303.01	-	1,303.01
Carrying amount (net)					
As at 31 March 2023	616.75	78.66	695.41	237.36	932.77
As at 31 March 2024	486.38	100.41	586.79	-	586.79

B Ageing schedule for Intangible assets under development

As at 31 March 2024	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	-	-	-	-	-
Projects temporarily suspended	-	-	-	-	-

As at 31 March 2023	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Projects in progress	226.05	11.31	-	-	237.36
Projects temporarily suspended	-	-	-	-	-

The Company does not have intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan.

8 Non-current investments

	As at 31 March 2024	As at 31 March 2023
Unquoted instruments		
Equity shares at Amortised Cost		
188,762 (31 March 2023: 188,762) equity shares of Beta Wind Farm Private Limited	35.86	35.86
1,062 (31 March 2023: Nil) equity shares of Vaneesa Infra Developers Private Limited	1.63	-
	37.49	35.86
Aggregate value of unquoted investments	37.49	35.86
Aggregate amount of impairment in value of investments	-	-

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

9 Inventories

	As at 31 March 2024	As at 31 March 2023
Raw materials and components (includes raw materials in transit amounting to ₹ 1,956.11 lakhs; 31 March 2023: ₹ 1,514.10 lakhs)	8,676.50	8,508.00
Work-in-progress	505.76	361.94
Finished goods (includes finished goods in transit amounting to ₹ 391.93 lakhs; 31 March 2023: ₹ 211.56 lakhs)	1,416.98	1,393.11
Stores and spares	186.45	243.66
Tools	534.78	353.50
	11,320.47	10,860.21

10 Current investments

	As at 31 March 2024	As at 31 March 2023
Quoted investments carried at FVTPL		
Units in mutual funds		
ICICI Prudential Ultra Short Term Fund - Direct Plan Growth Plan- 5,684,871.81 units (31 March 2023: 6,726,156.58 units)	1,548.08	1,701.22
	1,548.08	1,701.22
Aggregate value of unquoted investments	-	-
Aggregate value of quoted investments	1,548.08	1,701.22
Aggregate market value of quoted investments	1,548.08	1,701.22
Aggregate amount of impairment in value of investments	-	-

11 Trade receivables

	As at 31 March 2024	As at 31 March 2023
Trade receivables		
Trade receivables considered good - secured	-	-
Trade receivables considered good - unsecured	20,793.39	17,591.42
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
	20,793.39	17,591.42
Loss allowance for expected credit loss		
Trade receivables considered good - unsecured	(54.48)	(37.29)
Trade receivables which have significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
	(54.48)	(37.29)
Net trade receivables	20,738.91	17,554.13
Of the above, trade receivables from related parties are as below:		
Total trade receivables from related parties	7,111.54	8,382.65
Less : Loss allowance for expected credit losses	(3.07)	(4.59)
Net trade receivables	7,108.47	8,378.06

The Company's exposure to credit and currency risks, loss allowances are disclosed in Note 35.

For receivables secured against borrowings, see Note 20.

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

Trade receivables ageing schedule

As at 31 March, 2024

Particulars	Less than 6 months	6 months- 1 year	1-2 years	2- 3 years	More than 3 years	More than 3 years
Undisputed						
(i) Considered good	20,727.65	65.73	-	-	-	20,793.39
(ii) Considered credit impaired	-	-	-	-	-	-
Sub-Total (i+ii+iii)	20,727.65	65.73	-	-	-	20,793.39
Disputed						
(iii) Considered good	-	-	-	-	-	-
(iv) Considered credit impaired	-	-	-	-	-	-
Sub-Total (iv+v+vi)	-	-	-	-	-	-
Total	20,727.65	65.73	-	-	-	20,793.39

As at 31 March, 2023

Particulars	Less than 6 months	6 months- 1 year	1-2 years	2- 3 years	More than 3 years	More than 3 years
Undisputed						
(i) Considered good	17,591.42	-	-	-	-	17,591.42
(ii) Considered credit impaired	-	-	-	-	-	-
Sub-Total (i+ii+iii)	17,591.42	-	-	-	-	17,591.42
Disputed						
(iii) Considered good	-	-	-	-	-	-
(iv) Considered credit impaired	-	-	-	-	-	-
Sub-Total (iv+v+vi)	-	-	-	-	-	-
Total	17,591.42	-	-	-	-	17,591.42

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

12 Cash and cash equivalents

	As at 31 March 2024	As at 31 March 2023
Balance with banks:		
- in current accounts	419.82	493.35
Cash and cash equivalents in balance sheet	419.82	493.35
Cash and cash equivalents in the statements of cash flows	419.82	493.35

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.

13 Bank balances other than cash and cash equivalents

	As at 31 March 2024	As at 31 March 2023
Earmarked balances with banks - unpaid dividend accounts	36.52	44.92
	36.52	44.92

14 Other financial assets

	As at 31 March 2024	As at 31 March 2023
Non-current		
Security deposit	399.60	329.48
Forward exchange contracts - cash flow hedges	0.68	-
	400.28	329.48
Current		
Security deposit	138.78	142.21
Forward exchange contracts used for hedging	24.65	-
Insurance claims receivable	288.83	288.83
	452.26	431.04

15 Other assets

	As at 31 March 2024	As at 31 March 2023
Non-current		
Capital advances	104.86	-
Prepayments	12.20	17.04
	117.06	17.04
Current		
Prepayments	493.45	389.14
Balances with statutory authorities	1,330.93	1,299.19
Others	108.39	130.33
	1,932.77	1,818.66

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

16 Share Capital

	As at 31 March 2024	As at 31 March 2023
Authorised		
35,000,000 (31 March 2023: 35,000,000) equity shares of ₹ 10 each	3,500.00	3,500.00
Issued, subscribed and paid-up		
31,475,048 (31 March 2023: 31,475,048) equity shares of ₹ 10 each fully paid up	3,147.50	3,147.50

a Reconciliation of shares outstanding at the beginning and at the end of the reporting year

	31 March 2024		31 March 2023	
	No. of Shares	Amount	No. of Shares	Amount
Equity shares				
At the commencement of the year	31,475,048	3,147.50	31,475,048	3,147.50
Issued during the year	-	-	-	-
At the end of the year	31,475,048	3,147.50	31,475,048	3,147.50

b Rights, preferences and restrictions attached to equity shares

The Company has a single class of equity shares of par value of ₹10/- per share. Each holder of equity shares is entitled to one vote per share. The Company declares and pays dividends in Indian Rupees and all shares issued carry equal rights for dividend declared. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the residual assets of the Company, remaining after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

c Shares held by holding / ultimate holding company and / or their subsidiaries / associates

	31 March 2024		31 March 2023	
	No. of Shares	Amount	No. of Shares	Amount
Agile Electric Sub Assembly Private Limited, the Holding Company	17,142,121	1,714.21	17,142,121	1,714.21
Igarashi Electric Works (H.K) Limited, Hong Kong, the subsidiary of the ultimate holding company	2,499,993	250.00	2,499,993	250.00
Igarashi Electric Works Limited, Japan, the ultimate holding company	3,964,174	396.42	3,964,174	396.42

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

d Particulars of shareholders holding more than 5% shares of a class of shares

	31 March 2024		31 March 2023	
	No. of Shares	% of total shares	No. of Shares	% of total shares
Agile Electric Sub Assembly Private Limited	17,142,121	54.46%	17,142,121	54.46%
Igarashi Electric Works (H.K) Limited, Hong Kong	2,499,993	7.94%	2,499,993	7.94%
Igarashi Electric Works Limited, Japan	3,964,174	12.60%	3,964,174	12.60%

e In the period of five years immediately preceding March 31, 2024:

- The Company has allotted 866,604 fully paid up equity shares of face value ₹ 10/- each during the year ended 31 March 2019 pursuant to a bonus issue approved by the shareholders through postal ballot. Record date fixed by the Board of Directors was 28 September 2018. The bonus shares were issued by utilization of securities premium.
- The Company has not allotted any other equity shares as fully paid up without payment being received in cash.

f Shareholding of Promoters

Name of Promoter	As at March 31, 2024				
	No. of shares at the beginning of the period	Movement during the year	No. of shares at the end of the period	% of total shares	% of change during the period
Agile Electric Sub Assembly Private Limited, the Holding Company	17,142,121	-	17,142,121	54.46%	0%
Igarashi Electric Works (H.K) Limited, Hong Kong, the subsidiary of the ultimate holding company	2,499,993	-	2,499,993	7.94%	0%
Igarashi Electric Works Limited, Japan, the ultimate holding company	3,964,174	-	3,964,174	12.60%	0%
Total	23,606,288	-	23,606,288	75.00%	0%

Name of Promoter	As at March 31, 2023				
	No. of shares at the beginning of the period	Movement during the year	No. of shares at the end of the period	% of total shares	% of change during the period
Agile Electric Sub Assembly Private Limited, the Holding Company	17,142,121	-	17,142,121	54.46%	0%
Igarashi Electric Works (H.K) Limited, Hong Kong, the subsidiary of the ultimate holding company	2,499,993	-	2,499,993	7.94%	0%
Igarashi Electric Works Limited, Japan, the ultimate holding company	3,964,174	-	3,964,174	12.60%	0%
Grand Total	23,606,288	-	23,606,288	75.00%	0%

Note

- Promoter means promoter as defined in section 2(69) of the Companies Act, 2013.
- Percentage change shall be computed with respect to the number at the beginning of the year or if issued during the year for the first time then with respect to the date of issue.

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

17 Other equity

A.i Securities premium

Securities premium is used to record the premium received on issue of shares. It is utilised in accordance with the provisions of the Companies Act, 2013

A.ii General reserve

The general reserve is a free reserve which is used from time to time to transfer profits from retained earnings for appropriation purposes.

B Dividends

The following dividends were declared and paid by the Company during the year

	Year ended 31 March 2024	Year ended 31 March 2023
₹ 1/- per equity share (31 March 2023: Nil per equity share)	314.75	-
	314.75	-

After the reporting dates the following dividends were proposed by the directors subject to the approval at the annual general meeting; the dividends have not been recognised as liabilities.

	Year ended 31 March 2024	Year ended 31 March 2023
₹ 1/- per equity share (31 March 2023: ₹ 1/- per equity share)	-	314.75

C Analysis of accumulated OCI (net of tax)

(i) Disaggregation of changes in items of OCI (net of tax)

Particulars	Effective portion of cash flow hedges (a)	Remeasurement of defined benefit liability (b)	Total (a+b)
Year ended 31 March 2023			
Effective portion of gains / (losses) on hedging instruments in cash flow hedges	(379.23)	-	(379.23)
Remeasurement of defined benefit liability	-	(19.40)	(19.40)
	(379.23)	(19.40)	(398.63)
Year ended 31 March 2024			
Effective portion of gains / (losses) on hedging instruments in cash flow hedges	145.39	-	145.39
Remeasurement of defined benefit liability	-	(42.54)	(42.54)
	145.39	(42.54)	102.85

a Effective portion of cash flow hedges

This comprises the effective portion of the cumulative net change in the fair value of cash flow hedging instruments related to hedged transactions that have not yet occurred.

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

b Remeasurement of defined benefit liability

Remeasurements of defined benefit liability (asset) comprises actuarial gains and losses and return on plan assets (excluding interest income).

D Capital management

The Company's policy is to maintain a strong capital base so as to maintain investor and creditor confidence and to sustain future development of the business. Management monitors the return on capital, as well as the level of dividends to equity shareholders.

18 Earnings per share

Basic and diluted earnings per share

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic and diluted earnings per share calculation are as follows:

	As at 31 March 2024	As at 31 March 2023
(i) Profit attributable to equity shareholders (basic and diluted)		
Profit for the year, attributable to the equity holders (₹ in lakhs)	957.31	523.77
(ii) Weighted average number of equity shares (for computing basic earnings per share)		
Weighted average number of equity shares for the year	31,475,048	31,475,048
(iii) Weighted average number of equity shares (for computing diluted earnings per share)		
Opening balance (number of equity shares)	31,475,048	31,475,048
Weighted average number of equity shares for the year	31,475,048	31,475,048
(iv) Earnings per share		
Basic and diluted earnings per share (in Indian Rupees)	3.04	1.66

19 Share-based payments

There are no options outstanding at 31 March 2024 and 31 March 2023.

20 Borrowings

	As at 31 March 2024	As at 31 March 2023
Non-current borrowings		
Term Loan from banks (Secured)		
Term loan from banks	1,937.78	817.59
	1,937.78	817.59
Current borrowings		
Loan from banks (Secured)		
Current maturities of long term borrowings	892.25	1,297.54
Working capital facilities from banks	8,388.80	7,107.70
	9,281.05	8,405.24
	9,281.05	8,405.24

Information about the Company's exposure to interest rate, foreign currency and liquidity risks is included in Note 35

The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

A. Terms and repayment schedule

Terms and conditions of outstanding borrowings are as follows:

	Currency	Nominal interest rate	Year of maturity	Carrying amount at 31 March 2024	Carrying amount at 31 March 2023
Term Loan from banks - I	USD	Libor + 2.75%	2021-25	830.03	1,368.15
Term Loan from banks - II	INR	MCLR+ 1%	2020-23	-	497.00
Term Loan from banks - III	INR	MCLR+0.55%	2020-23	-	250.00
Term Loan from banks - IV	INR	Repo + 2%	2023-27	2,000.00	-
Working Capital Demand Loan - I	INR	Repo + 2%	2024-25	1,800.00	-
Working Capital Demand Loan - II	INR	8.5% to 9.95%	2024-25	900.00	-
Packing credit - I	USD	2.23% to 7.47%	2023-25	2,314.91	3,779.80
Packing credit - II	USD	2.95% to 8.2%	2023-25	1,918.66	3,327.88
Factoring arrangement	INR	7.5% to 8.02%	2024-25	1,455.23	-
				11,218.83	9,222.83

B. Secured bank loans

Term loan from banks are secured by first pari passu charge on the entire moveable fixed assets of the Company, both present and future; and pari passu second charge on the current assets of the Company, both present and future.

Working capital facilities (Working capital demand loans, Packing credit - I and packing credit - II) are secured by first pari passu charge on the entire current assets of the Company, both present and future; and pari passu second charge on the movable fixed assets of the Company, both present and future.

21 Provisions

	As at 31 March 2024	As at 31 March 2023
Provision for employee benefit		
Net defined liability for gratuity	156.81	224.38
Liability for compensated absences	140.12	187.75
Other provisions	540.15	608.64
	837.08	1,020.77
Non current	-	-
Current	837.08	1,020.77
	837.08	1,020.77

For details about the related employee benefit expenses, see Note 30

The Company operates the following post-employment defined benefit plans:

The Company has a defined benefit gratuity plan in India (the Plan), governed by the Payment of Gratuity Act, 1972. The Plan entitles an employee, who has rendered at least five years of continuous service, to gratuity at the rate of fifteen days wages for every completed year of service or part thereof in excess of six months, based on the rate of wages last drawn by the employee at the time of retirement, death or termination of employment. Liabilities for the same are determined through an actuarial valuation as at the reporting dates using the "projected unit cost method".

These defined benefit plans expose the Company to actuarial risks, such as longevity risk, interest rate risk and market (investment) risk.

The Company provides the gratuity benefit through annual contribution to Life Insurance Corporation of India (LIC)

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

A. Reconciliation of the net defined benefit (asset)/ liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset) liability and its components

Reconciliation of present value of defined benefit obligation

	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	1,446.60	1,214.15
Benefits paid	(48.98)	(61.08)
Current service cost	106.74	99.23
Past service cost	-	80.39
Interest cost	105.89	77.10
Actuarial (gains) losses recognised in other comprehensive income		
- changes in demographic assumptions	2.21	-
- changes in financial assumptions	10.63	(63.06)
- experience adjustments	56.04	99.87
Balance at the end of the year	1,679.12	1,446.60

Reconciliation of present value of plan assets

	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	1,222.21	1,073.81
Benefits paid	(48.98)	(61.08)
Contributions paid into the plan	247.58	130.39
Interest income	89.48	68.20
Return on plan assets recognised in other comprehensive income	12.03	10.88
Balance at the end of the year	1,522.32	1,222.21
Net defined benefit obligation	156.81	224.39

B. Expense recognised in the statement of profit or loss

	As at 31 March 2024	As at 31 March 2023
Current service cost	106.74	99.23
Past service cost	-	80.39
Interest cost	105.89	77.10
Interest income	(89.48)	(68.20)
	123.15	188.52

	As at 31 March 2024	As at 31 March 2023
Actuarial (gain) loss on defined benefit obligations	68.88	36.81
Return on plan assets excluding interest income	(12.03)	(10.88)
	56.85	25.93

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

C. Defined benefit obligation

i. Actuarial assumptions

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	As at 31 March 2024	As at 31 March 2023
Discount rate	7.15%	7.30%
Future salary growth	8.00%	8.00%
Attrition rate	15%	16%

ii. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

	31 March 2024		31 March 2023	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(71.83)	78.76	(61.07)	66.78
Future salary growth (1% movement)	69.79	(65.97)	60.52	(57.55)
Attrition rate (50% of attrition rates movement)	(13.85)	23.60	(10.78)	18.18

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown

Defined benefit liability and employer contributions

The weighted average duration of the defined benefit obligation is 4 years (31 March 2023: 4 years). The expected maturity analysis of undiscounted gratuity is as follows:

Expected cash flows over the next	As at 31 March 2024	As at 31 March 2023
1 year	468.19	375.76
2 to 5 years	834.64	795.89
6 to 10 years	623.34	504.37
More than 10 years	527.75	444.31

The Company expects to pay ₹ 252.53 lakhs in contributions to its defined benefit plans in 2024-25.

D. Movement in liability for compensated absences

	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	187.75	120.89
Add: Provision made during the year	93.19	134.75
Less: Amount utilized/reversed during the year	(140.82)	(67.89)
Balance at the end of the year	140.12	187.75

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

E. Movement in other provisions

Other provisions relates mainly to quality cost in respect of sale of goods. The provision has been estimated based on historical data associated with similar products. The timing of outflows will vary depending on when warranty claim will arise, being typically up to one year.

	As at 31 March 2024	As at 31 March 2023
Balance at the beginning of the year	608.64	879.65
Add: Provision made during the year	18.07	78.91
Less: Amount utilized/reversed during the year	(86.56)	(349.92)
Balance at the end of the year	540.15	608.64

22 Trade payables

	As at 31 March 2024	As at 31 March 2023
Total outstanding dues of micro enterprises and small enterprises (refer Note 39)	995.63	1,017.71
Total outstanding dues of creditors other than micro enterprises and small enterprises		
Dues to related parties (refer Note 37)	597.28	598.05
Dues to others	12,061.27	9,738.02
	12,658.55	10,336.07
	13,654.18	11,353.78

All trades payables are 'current'

The Company has no transactions with struck off companies during the year.

The Company's exposure to currency and liquidity risk related to trade payables is disclosed in Note 35. Also, refer Note 39 for disclosure required under Micro, Small and Medium Enterprises Development Act, 2006.

Trade payables ageing schedules

As at 31 March 2024

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Total outstanding dues of micro enterprises and small enterprises	995.63	-	-	-	995.63
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	11,781.93	5.85	-	-	11,787.79
(iii) Disputed dues, of micro enterprises and small enterprises	-	-	-	-	-
(iv) Disputed dues, of creditors other than micro enterprises and small enterprises	-	-	-	-	-
(v) Unbilled dues and other dues	870.76	-	-	-	870.76
	13,648.33	5.85	-	-	13,654.18

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

As at 31 March 2023

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Total outstanding dues of micro enterprises and small enterprises	1,017.71	-	-	-	1,017.71
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	9,482.10	-	-	-	9,482.10
(iii) Disputed dues, of micro enterprises and small enterprises	-	-	-	-	-
(iv) Disputed dues, of creditors other than micro enterprises and small enterprises	-	-	-	-	-
(v) Unbilled dues and other dues	853.96	-	-	-	853.96
	11,353.78	-	-	-	11,353.78

23 Other financial liabilities

	As at 31 March 2024	As at 31 March 2023
Non-current		
Forward exchange contracts used for hedging	-	68.72
	-	68.72
Current		
Payables for capital goods	729.22	254.27
Contract liabilities	313.78	396.45
Forward exchange contracts used for hedging	-	141.84
Interest accrued but not due	16.04	21.66
Unpaid dividends	36.52	44.92
Others	32.50	-
	1,128.06	859.14

The Company's exposure to currency and liquidity risk related to above financial liabilities is disclosed in Note 35.

24 Other current liabilities

	As at 31 March 2024	As at 31 March 2023
Dues to employees	613.42	593.38
Advances from customers	321.22	465.01
Statutory dues	236.54	219.75
	1,171.18	1,278.14

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

25 Operating segments

A Basis for segmentation

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. All operating segments' operating results are reviewed regularly by the Company's Managing Director (MD) to make decisions about resources to be allocated to the segments and assess their performance.

The Company has determined two reporting segments viz. automotive and non-automotive based on the nature of products, risk and returns and information reviewed by the Company's Chief Operating Decision Maker. The Company's operations are entirely domiciled in India and as such all its non-current assets are located in India.

B Information about reportable segments

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the Company's MD. Segment profit is used to measure performance as management believes that such information is most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

Particulars	Automotive		Non-automotive		Total	
	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2024	Year ended 31 March 2023
Segment revenue						
External revenue	58,104.06	57,313.92	14,400.40	8,310.66	72,504.46	65,624.58
Inter-segment revenue	-	-	-	-	-	-
Total segment revenue	58,104.06	57,313.92	14,400.40	8,310.66	72,504.46	65,624.58
Segment results	7,787.90	7,625.10	56.53	(497.46)	7,844.43	7,127.64
Unallocable corporate income / (expenses)						
Other income					134.91	191.50
Employee benefits expense					(3,344.53)	(3,060.51)
Finance costs					(1,274.85)	(1,214.14)
Depreciation and amortization expenses					(311.69)	(330.67)
Other expenses					(1,660.35)	(1,803.69)
Profit before tax					1,387.91	910.13
Tax expense						
Current tax					391.91	339.07
Deferred tax charge / (credit)					38.69	47.28
Profit for the year					957.32	523.78

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

Particulars	Automotive		Non-automotive		Total	
	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2024	Year ended 31 March 2023	Year ended 31 March 2024	Year ended 31 March 2023
Other information						
Segment assets	58,365.14	57,056.55	14,805.21	11,164.57	73,170.35	68,221.12
Unallocable corporate assets					4,189.46	4,401.52
Total assets					77,359.81	72,622.64
Segment liabilities	15,818.57	14,920.74	2,953.39	1,613.46	18,771.96	16,534.20
Unallocable corporate liabilities					13,889.11	12,135.11
Total liabilities					32,661.07	28,669.31
Depreciation and amortization expense	4,084.17	3,972.30	512.19	412.58	4,596.36	4,384.88
Unallocable corporate expense					311.71	330.67
Total expense					4,908.07	4,715.55

D Geographic information :

The geographic information analyses the Company's revenue by the Company's country of domicile and other countries. In presenting the geographical information, segment revenue has been determined based on the geographic location of the customers.

	Year ended 31 March 2024	Year ended 31 March 2023
Japan	29,216.15	31,149.07
India	34,209.58	23,747.92
Hong Kong	2,473.14	2,749.06
Germany	440.85	412.43
United States of America	1,149.84	2,304.38
Rest of the world	5,014.90	5,261.72
	72,504.46	65,624.58

The Company's operations are entirely carried out in India and as such all its non-current assets are located in India.

E Major Customers

Revenue from customers that individually constituted more than 10% of the Company's revenue are as follows:

	Year ended 31 March 2024	Year ended 31 March 2023
Customer A	29,216.15	31,149.07
Customer B	8,529.09	5,593.73

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

26 Revenue from operations

Disaggregation of revenue / revenue streams

	Year ended 31 March 2024	Year ended 31 March 2023
a Revenue streams		
Sale of products	70,639.34	63,594.18
Other operating revenue		
Scrap Sales	1,865.12	2,030.40
	72,504.46	65,624.58
Also refer note 25 for segment wise revenue details.		
b Reconciliation of sale of products and services with the contracted price		
Contracted price	71,134.37	63,711.25
Less: Variable consideration components like commodity price adjustments	(495.03)	(117.07)
Sale of products	70,639.34	63,594.18
c Timing of revenue recognition		
Goods transferred at a point in time	72,504.46	65,624.58
Services transferred over time	-	-
Total revenue from contracts with customers	72,504.46	65,624.58
d Contract balances		
The following disclosure provide information about receivables, contract assets and liabilities from contract with customers.		
Receivable which are included in trade receivables (refer Note 11)	20,738.91	17,554.13
Payable which are included in other financial liabilities (refer Note 23)	313.78	396.45
Payable which are included in other current liabilities (refer Note 24)	321.22	465.01

Also refer note 25 for segment wise revenue details.

27 Other income

	Year ended 31 March 2024	Year ended 31 March 2023
Interest income on financial assets at amortised cost	23.84	18.14
Financial assets at FVTPL-net change in fair value	101.21	93.39
Provision/ liabilities no longer required written back	7.52	2.07
Insurance claim (net)	24.95	610.26
Miscellaneous income	4.84	77.90
	162.36	801.76

28 Cost of materials consumed

	Year ended 31 March 2024	Year ended 31 March 2023
Inventory of materials at the beginning of the year	8,861.50	7,107.35
Add: Purchases	48,811.41	46,336.61
Less: Inventory of materials at the end of the year	(9,211.28)	(8,861.50)
	48,461.63	44,582.46

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

29 Changes in inventories of finished goods and work-in-progress

	Year ended 31 March 2024			Year ended 31 March 2023		
	Opening stock	Closing stock	(Increase) / Decrease	Opening stock	Closing stock	(Increase) / Decrease
Finished goods	1,393.11	1,416.98	(23.87)	527.98	1,393.11	(865.13)
Work-in-progress	361.94	505.76	(143.82)	262.88	361.94	(99.06)
	1,755.05	1,922.74	(167.69)	790.86	1,755.05	(964.19)

30 Employee benefits expense

	Year ended 31 March 2024	Year ended 31 March 2023
Salaries, wages and bonus	4,815.44	4,383.93
Contribution to provident funds and other funds	311.02	276.96
Expenses related to post-employment defined benefit plans	123.14	188.52
Expenses related to compensated absences	93.19	134.75
Staff welfare expenses	1,079.45	868.49
	6,422.25	5,852.65

31 Finance costs

	Year ended 31 March 2024	Year ended 31 March 2023
Interest expense on financial liabilities (other than lease liabilities) measured at amortised cost	750.93	574.96
Interest expense on lease liabilities	270.96	205.38
Applicable net loss on foreign currency transactions and translations to the extent regarded as borrowing costs	99.46	319.66
Others	153.50	114.14
	1,274.85	1,214.14

32 Depreciation and amortization expenses

	Year ended 31 March 2024	Year ended 31 March 2023
Depreciation of property, plant and equipment (refer Note 5)	3,968.76	3,759.44
Depreciation of right-of-use assets (refer Note 6)	601.56	644.84
Amortization of intangible assets (refer Note 7)	337.75	311.27
	4,908.07	4,715.55

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

33 Other expenses

	Year ended 31 March 2024	Year ended 31 March 2023
Consumption of stores and tools	938.70	1,020.57
Freight, delivery and shipping charges	787.51	679.00
Rent	90.80	72.00
Outsourced manpower cost	2,100.83	1,902.87
Commission	35.23	4.93
Power and fuel	1,623.42	1,418.36
Rates and taxes	89.05	75.19
Insurance	297.86	287.15
Repairs and maintenance		
Buildings	20.03	40.27
Machinery	1,537.21	1,400.46
Others	69.46	54.60
Legal and professional charges (refer note (a) below)	545.48	639.56
Royalty	339.38	361.73
Travel and Conveyance	643.92	556.91
Communication expenses	29.98	38.38
Recruitment and training	13.59	11.00
Sitting fees and commission to Independent Directors' (including taxes)	53.15	48.48
Security expenses	271.14	248.78
Printing and stationery	50.67	52.76
Quality cost (net)	18.07	78.91
Provision for loss allowance for expected credit losses	17.19	2.09
Bank charges	54.03	71.06
Loss on foreign currency transactions (net)	56.90	436.25
Expenditure on corporate social responsibility (refer note (b) below)	55.00	55.00
Miscellaneous expenses	641.20	559.30
	10,379.80	10,115.61

a. Payment to auditors (excluding taxes)

	Year ended 31 March 2024	Year ended 31 March 2023
As auditor		
Statutory audit	61.40	55.00
Tax audit	5.60	5.60
Limited review of quarterly results	30.00	30.00
	-	-
In other capacity		
Certification	5.00	5.00
Reimbursement of expenses	7.99	7.37
	109.99	102.97

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

b. Details of expenditure on Corporate social responsibility

	Year ended 31 March 2024	Year ended 31 March 2023
(i) Amount required to be spent by the company during the year,	29.24	44.81
(ii) Amount of expenditure incurred,	55.00	55.00
(a) Construction/acquisition of any asset	-	-
(b) On purposes other than (a) above	55.00	55.00
(iii) Shortfall at the end of the year,	-	-
(iv) Total of previous years shortfall,	-	-
(v) Reason for shortfall,	Not applicable	Not applicable
(vi) Nature of CSR activities,	Healthcare and community development	
(vii) Details of related party transactions	Nil	Nil
(viii) Amount approved by board	55.00	55.00

34 Income tax

A. Amount recognised in the statement of profit and loss

	Year ended 31 March 2024	Year ended 31 March 2023
Current tax		
Current period	363.47	181.81
Tax for earlier years	28.44	157.26
Total current tax expense	391.91	339.07
Deferred tax		
Origination and reversal of temporary difference	38.69	47.28
Total deferred tax expense / (benefit)	38.69	47.28
	430.60	386.35

B. Income tax recognised in other comprehensive income

	Year ended 31 March 2024			Year ended 31 March 2023		
	Before tax	Tax benefit / expense	Net of tax	Before tax	Tax benefit / expense	Net of tax
Remeasurement of defined benefit liability (asset)	(56.85)	14.31	(42.54)	(25.92)	6.52	(19.40)
Effective portion of gains (losses) on hedging instruments in cash flow hedges	194.29	(48.90)	145.39	(506.78)	127.55	(379.23)
	137.44	(34.59)	102.85	(532.70)	134.07	(398.63)

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

C. Reconciliation of effective tax rate

	Year ended 31 March 2024		Year ended 31 March 2023	
	Increase	Decrease	Increase	Decrease
Profit before tax		1,387.91		910.12
Tax using the Company's domestic tax rate	25.17%	349.31	25.17%	229.06
Tax related to prior years	2.05%	28.44	17.28%	157.26
Effect of non-deductible expenses	3.81%	52.85	0.00%	0.03
Income tax expense	31.03%	430.60	42.45%	386.35

D. Recognized deferred tax assets and liabilities

Deferred tax assets and liabilities are attributable to the following:

Particulars	Deferred tax (assets)		Deferred tax liabilities		Net Deferred tax (assets) / liabilities	
	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023	As at 31 March 2024	As at 31 March 2023
Property, plant and equipment	-	-	2,287.59	2,318.26	2,287.59	2,318.26
Leases	(41.53)	(37.42)	-	-	(41.53)	(37.42)
Provision - employee benefits	(35.26)	(47.25)	-	-	(35.26)	(47.25)
Effective portion of cash flow hedges	6.80	(42.11)	-	-	6.80	(42.11)
Other provisions	(135.95)	(175.22)	-	-	(135.95)	(175.22)
Other items	(19.57)	(27.45)	-	-	(19.57)	(27.45)
Net deferred tax (assets) / liabilities	(225.51)	(329.46)	2,287.59	2,318.26	2,062.08	1,988.80

Movement in temporary differences:

	Balance as at 1 April 2022	Recognized in profit or loss during 2022-23	Recognized in OCI during 2022-23	Balance as at 31 March 2023	Recognized in profit or loss during 2023-24	Recognized in OCI during 2023-24	Balance as at 31 March 2024
Property, plant and equipment	2,271.67	46.59	-	2,318.26	(30.67)	-	2,287.59
Leases	9.56	(46.98)	-	(37.42)	(4.11)	-	(41.53)
Provision - employee benefits	(3.53)	(37.20)	(6.52)	(47.25)	26.30	(14.31)	(35.26)
Effective portion of cash flow hedges	83.60	1.84	(127.55)	(42.11)	0.01	48.90	6.80
Other provisions	(243.43)	68.21	-	(175.22)	39.27	-	(135.95)
Business loss as per taxation laws	(75.01)	75.01	-	-	-	-	-
Other items	32.73	(60.18)	-	(27.45)	7.88	-	(19.57)
	2,075.59	47.29	(134.07)	1,988.80	38.69	34.59	2,062.08

The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

35 Financial instruments - Fair values and risk management

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy.

A. Accounting classification and fair values

31 March 2024

	Note	Carrying amount						Fair value			
		Fair value - hedging instruments	Mandatorily at FVTPL - others	FVOCI -equity instruments	Other financial assets - Amortised cost	Other financial liabilities	Total carrying amount	Level 1	Level 2	Level 3	Total
Financial assets and liabilities measured at fair value											
Investments											
-Mutual funds	10	-	1,548.08	-	-	-	1,548.08	1,548.08	-	-	1,548.08
Forward exchange contracts used for hedging	23	25.33	-	-	-	-	25.33	-	25.33	-	25.33
		25.33	1,548.08	-	-	-	1,573.41	1,548.08	25.33	-	1,573.41
Financial assets not measured at fair value (Refer Note 1 below)											
Investments											
-Equity shares	8	-	-	-	37.49	-	37.49				
Trade receivables	11	-	-	-	20,738.91	-	20,738.91				
Cash and cash equivalents	12	-	-	-	419.82	-	419.82				
Bank balances other than cash and cash equivalents	13	-	-	-	36.52	-	36.52				
Other financial assets	14	-	-	-	827.20	-	827.20				
		-	-	-	22,059.94	-	22,059.94				
Financial liabilities not measured at fair value (Refer Note 1 below)											
Trade payables	22	-	-	-	-	13,654.18	13,654.18				
Lease Liabilities	6	-	-	-	-	2,589.66	2,589.66				
Borrowings	20	-	-	-	-	11,218.83	11,218.83				
Other financial liabilities	23	-	-	-	-	1,128.06	1,128.06				
		-	-	-	-	28,590.73	28,590.73				

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

31 March 2023

	Note	Carrying amount					Total carrying amount	Fair value			
		Fair value - hedging instruments	Mandatorily at FVTPL - others	FVOCI -equity instruments	Other financial assets - Amortised cost	Other financial liabilities		Level 1	Level 2	Level 3	Total
Financial assets and liabilities measured at fair value											
Investments											
-Mutual funds	10	-	1,701.22	-	-	-	1,701.22	1,701.22	-	-	1,701.22
Forward exchange contracts used for hedging	23	(210.56)	-	-	-	-	(210.56)	-	(210.56)	-	(210.56)
		(210.56)	1,701.22	-	-	-	1,490.66	1,701.22	(210.56)	-	1,490.66
Financial assets not measured at fair value (Refer Note 1 below)											
Investments											
-Equity shares	8	-	-	-	35.86	-	35.86				
Trade receivables	11	-	-	-	17,554.13	-	17,554.13				
Cash and cash equivalents	12	-	-	-	493.35	-	493.35				
Bank balances other than cash and cash equivalents	13	-	-	-	44.92	-	44.92				
Other financial assets	14	-	-	-	760.52	-	760.52				
		-	-	-	18,888.78	-	18,888.78				
Financial liabilities not measured at fair value (Refer Note 1 below)											
Trade payables	22	-	-	-	-	11,353.78	11,353.78				
Borrowings	20	-	-	-	-	9,222.83	9,222.83				
Lease Liabilities	6	-	-	-	-	2,855.33	2,855.33				
Other financial liabilities	23	-	-	-	-	717.30	717.30				
		-	-	-	-	24,149.24	24,149.24				

Note 1: The Company has not disclosed fair values of financial instruments such as trade receivables, cash and bank balances, deposits and other receivables, other receivables from related parties, trade payables, borrowings because their carrying amounts are reasonable approximations of their fair values.

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

B. Measurement of fair values

i. Valuation techniques and significant unobservable inputs

The following table shows the valuation techniques used in measuring Level 2 and Level 3 fair values for financial instruments measured at fair value in the balance sheet, as well as the significant unobservable inputs used. Related valuation process are described in Note 2.5.

Type	Valuation technique used	Significant unobservable inputs	Inter-relationship between significant unobservable inputs and fair value measurement
Forward contracts used for hedging	Forward pricing: The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies.	Not applicable	Not applicable

C. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- credit risk (see C.ii);
- liquidity risk (see C.iii); and
- market risk (see C.iv)

i. Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors along with the top management are responsible for developing and monitoring the Company's risk management policies.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

ii. Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers; loans and investments.

The carrying amounts of financial assets represent the maximum credit risk exposure.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of the Company's trade receivables, certain loans and advances and other financial assets.

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

a. Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment.

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine incurred and expected credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue. Further, management believes that the unimpaired amounts that are past due by more than 90 days are still collectible in full except to the extent already provided, based on historical payment behavior and extensive analysis of customer credit risk. The impairment loss at the reporting dates related to several customers that have defaulted on their payments to the Company and are not expected to be able to pay their outstanding balances, mainly due to economic circumstances.

The Company determines credit risk based on a variety of factors including but not limited to the age of the receivables, cash flow projections and available press information about customers. In order to calculate the loss allowance, loss rates are calculated using a 'roll rate' method based on the probability of a receivable progressing through successive stages of delinquency through write-off. Roll rates are calculated separately for exposures in different stages of delinquency primarily determined based on the time period for which they are past due.

More than 43% of the Company's customers are related parties who have been transacting with the Company for over five years, and none of these customers' balances have been credit-impaired in the past. In monitoring customer credit risk, customers are grouped according to their credit characteristics, and their geographic location and existence of previous financial difficulties.

The Company's exposure to credit risk for trade receivables by geographic region is as follows:

	As at 31 March 2024	As at 31 March 2023
Japan	6,746.75	7,933.46
India	11,939.15	7,158.23
Hong Kong	716.10	732.13
United States of America	40.84	788.50
Germany	146.85	150.61
Rest of the world	1,203.70	828.49
Total receivables (Gross)	20,793.39	17,591.42

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

The ageing of trade receivables that were not impaired as at the reporting date was:

As at 31 March 2024

Particulars	Gross carrying amount	Weighted-average loss rate	Loss allowance	Whether credit -impaired
Not due	19,755.85	0.12%	(24.65)	No
Past due 1-90 days	971.81	0.63%	(6.17)	No
Past due 90-180 days	-	0.00%	-	No
Past due 181-365 days	65.73	36.00%	(23.66)	No
Past due 365 - 720 days	-	0.00%	-	No
Total	20,793.39		(54.48)	

As at 31 March 2023

Particulars	Gross carrying amount	Weighted-average loss rate	Loss allowance	Whether credit -impaired
Not due	15,113.66	0.14%	(20.40)	No
Past due 1-90 days	2,336.49	0.14%	(3.21)	No
Past due 90-180 days	141.27	9.68%	(13.68)	No
Past due 181-365 days	-	0.00%	-	No
Past due 365 - 720 days	-	0.00%	-	No
Total	17,591.42		(37.29)	

Movements in the allowance for impairment in respect of trade receivables and loans:

The movement in the allowance for impairment in respect of trade receivables and loans is as follows:

	31 March 2024	31 March 2023
Balances at 1 April	37.29	35.20
Provision (reversed and write offs) / made for the year	17.19	2.09
Balance at 31 March	54.48	37.29

- b. *Cash and bank balances (includes amounts classified under other bank balances and deposits and other receivable)*

The Company holds cash and bank balances of ₹ 456.34 lakhs as at 31 March 2024 (31 March 2023: ₹ 538.27 lakhs). The credit worthiness of such banks and financial institutions are evaluated by the management on an ongoing basis and is considered to be good.

- c. *Security deposits and other financial assets*

This balance is primarily constituted by deposit given in relation to leasehold premises occupied by the Company for carrying out its operations. The Company does not expect any losses from non-performance by these counter-parties.

iii. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation. The Company uses activity-based costing to cost its products and services, which assists it in monitoring cash flow requirements and optimising its cash return on investments.

The Company aims to maintain the level of its cash and cash equivalents and other highly marketable debt investments at an amount in excess of expected cash outflows on financial liabilities (excluding trade payables).

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include contractual interest payments and exclude the impact of netting agreements:

	Contractual cash flows					
	Carrying amount	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
31 March 2024						
Non derivative financial liabilities						
Borrowings	11,218.83	8,668.25	612.79	937.78	1,000.00	-
Trade payables	13,654.18	13,654.18	-	-	-	-
Lease Liabilities	2,589.66	363.28	363.28	799.21	1,604.41	-
Other financial liabilities	1,128.06	1,128.06	-	-	-	-
	28,590.73	23,813.77	976.07	1,736.99	2,604.41	-

	Contractual cash flows					
	Carrying amount	6 months or less	6-12 months	1-2 years	2-5 years	More than 5 years
31 March 2023						
Non derivative financial liabilities						
Borrowings	9,222.83	7,966.97	438.27	550.54	267.05	-
Trade payables	11,353.78	11,353.78	-	-	-	-
Lease Liabilities	2,855.33	316.26	316.26	695.78	2,301.80	-
Other financial liabilities	717.30	717.30	-	-	-	-
	24,149.24	20,354.31	754.53	1,246.32	2,568.85	-

As disclosed in Note 20, the Company has borrowings that contains loan covenants. A future breach of covenant may require the Company to repay the loan earlier than indicated in the above table.

iv. Market risk

Market risk is the risk that changes in market prices - such as foreign exchange rates and interest rates will affect the Companies income or the value of holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters and optimising the return.

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

a. Currency risk

The summary quantitative data about the Company's exposure to currency risk (based on notional amounts) as reported to the management is as follows:

	USD	Others
31 March 2024		
Financial assets:		
Trade receivables	8,693.12	161.12
Financial liabilities:		
Borrowings	5,063.60	-
Trade payables	7,131.17	1,285.04
Net exposure in respect of recognised assets and liabilities	(3,501.65)	(1,123.92)

	USD	Others
31 March 2023		
Financial assets:		
Trade receivables	10,045.00	388.19
Financial liabilities:		
Borrowings	8,475.83	-
Trade payables	6,522.11	1,133.43
Net exposure in respect of recognised assets and liabilities	(4,952.94)	(745.24)

Sensitivity analysis

A reasonably possible strengthening (weakening) of the US dollar against INR at 31 March would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

	Profit / (loss)		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
31 March 2024				
USD (1% movement)	(35.02)	35.02	(26.20)	26.20
31 March 2023				
USD (1% movement)	(49.53)	49.53	(37.06)	37.06

b. Hedge accounting

The Company is exposed to transactional foreign currency risk to the extent that there is a mismatch between the currencies in which sales, purchases, receivables and borrowings are denominated.

Company's risk management policy is to hedge using forward contracts. Hedge exposure is calculated based on highly probable forecast transactions received from each customer. Hedging Strategy on the net exposure is limited to the 75%, 50%, 25% rule as below:

Notes forming part of the Financial Statements for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

- 75% coverage of hedge exposure of current year
- 50% coverage of hedge exposure of next year
- 25% coverage of hedge exposure of third year

At 31 March 2024, the Company holds the following instruments to hedge exposures to changes in foreign currency:

	Maturity		
	1-6 months	6-12 months	More than one year
Foreign currency risk			
Forward exchange contracts			
Net exposure	3,253.38	4,838.36	1,522.42
Average INR:USD forward contract rate	83.65	84.85	85.73

At 31 March 2023, the Company holds the following instruments to hedge exposures to changes in foreign currency:

	Maturity		
	1-6 months	6-12 months	More than one year
Foreign currency risk			
Forward exchange contracts			
Net exposure	6,162.75	5,423.22	6,327.09
Average INR:USD forward contract rate	81.29	83.03	84.11

The following table provides a reconciliation by risk category of components of equity and analysis of OCI items, net of tax, resulting from cash flow hedge accounting:

	31 March 2024 Equity head 'Effective portion of cash flow hedges'	31 March 2023 Equity head 'Effective portion of cash flow hedges'
Balance as at 1 April	(125.21)	254.02
Effective portion of changes in fair value		
Foreign currency risk – Sales	194.29	(506.78)
Tax on movements in relevant items of OCI during the year	(48.90)	127.55
Balance as at 31 March	20.18	(125.21)

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

c. Interest rate risk

The Company has only variable rate instruments i.e. external commercial borrowings, term loans, packing credit and buyer's credit.

Exposure to interest rate risk

The interest rate profile of the Company's interest-bearing financial instruments as reported to management is as follows:

	31 March 2024	31 March 2023
Fixed rate borrowings	-	-
Variable rate borrowings	11,218.83	9,222.83
	11,218.83	9,222.83

Cash flow sensitivity analysis for variable rate instruments

A reasonable possible change of 100 basis points (bp) in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

	Effect on profit and loss before tax	
	100 bp increase	100 bp decrease
31 March 2024		
Variable rate instrument	(112.19)	112.19
Cash flow sensitivity (net)	(112.19)	112.19
31 March 2023		
Variable rate instrument	(92.23)	92.23
Cash flow sensitivity (net)	(92.23)	92.23

36 Commitments and contingent liabilities

	As at 31 March 2024	As at 31 March 2023
Commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided	916.34	347.08
Claims against the Company not acknowledged as debts		
Income tax matters	452.58	-

In addition to the above, there are certain claims which the Company receives from time to time in the ordinary course of business for which the amount of obligation cannot be measured with sufficient reliability. Management is of the view that such claims will not have any material adverse effect on the Company's financial position and result of operations.

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

37 Related parties

A. Names of related parties and description of relationship

Nature of Relationship	Name of the Party
Ultimate Holding Company	Igarashi Electric Works Limited, Japan
Holding Company	Agile Electric Sub Assembly Private Limited, India
Fellow subsidiaries	Igarashi Electric Works International Limited, Hong Kong
	Igarashi Electric Works (H.K) Limited, Hong Kong
	Igarashi Motoren Gmbh, Germany
	Igarashi Motor Sales USA LLC, USA
	Igarashi Electric Works (Shenzhen) Ltd, China
	Igarashi Electric Works (Zhuhai) Ltd, China
	Yat Yue Industrial Co.(HK) Ltd, Hong Kong
	Baesung Igarashi Co., Ltd, South Korea
Non-executive directors	Mr. Hemant Nerurkar
	Mr. Ramkumar L
	Mrs. Vinodhini S
Key Managerial Personnel	Mr. R. Chandrasekaran, Managing Director
	Mr. S. Vivek chandranath, Chief Financial Officer
	Mr. P. Dinakara Babu, Company Secretary

B. Transaction with key managerial personnel

Key management personnel of the Company comprise of key members of management having authority and responsibility for planning, directing and controlling the activities of the Company. The key management personnel compensation during the year are as follows:

	For the year ended 31 March 2024	For the year ended 31 March 2023
Short term employee benefits	320.33	338.85
Post-employment defined benefits	23.57	46.57
Compensated absences	20.36	26.04
Total	364.25	411.46

Compensation of the Company's key managerial personnel includes salaries, non-cash benefits and contributions to post-employment defined benefit plan (see Note 30).

C. Related party transactions other than key managerial personnel compensation

Particulars	Transaction value		Gross balance outstanding Receivable / (Payable)	
	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2024	For the year ended 31 March 2023
Sale of goods and services				
Ultimate Holding Company	29,216.16	31,149.07	6,746.75	7,933.46
Holding Company	831.73	693.22	324.83	246.06
Fellow subsidiaries				
Igarashi Electric Works International Limited, Hong Kong	1.10	1.68	-	(0.65)

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

Particulars	Transaction value		Gross balance outstanding Receivable / (Payable)	
	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2024	For the year ended 31 March 2023
Igarashi Motoren Gmbh, Germany	368.12	462.97	4.49	5.22
Igarashi Motor Sales USA LLC, USA	540.56	1,025.66	30.97	198.56
Igarashi Electric Works (Shenzhen) Ltd, China	26.03	54.07	-	-
Igarashi Electric Works (Zhuhai) Ltd, China	-	-	-	-
Baesung Igarashi Co., Ltd, South Korea	7.26	-	4.50	-
Acquisition of property, plant and equipment, intangible assets and capital work-in-progress				
Fellow subsidiaries				
Igarashi Motoren Gmbh, Germany	3.05	-	-	-

Particulars	Transaction value		Balance outstanding Receivable / (Payable)	
	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2024	For the year ended 31 March 2023
Purchase of goods				
Ultimate Holding Company	321.12	341.50	(86.71)	(119.58)
Holding Company	492.61	333.43	(215.41)	(156.15)
Fellow subsidiaries				
Igarashi Electric Works (Zhuhai) Ltd, China	-	0.68	-	-
Yat Yue Industrial Co.(HK) Ltd, Hong Kong	574.33	531.36	(161.21)	(213.63)
Igarashi Motoren Gmbh, Germany	0.27	-	-	-
Igarashi Electric Works (H.K) Limited, Hong Kong	0.87	-	-	-
Dividend paid				
Ultimate Holding Company	39.64	-	-	-
Holding Company	171.42	-	-	-
Fellow subsidiaries				
Igarashi Electric Works (H.K) Limited, Hong Kong	25.00	-	-	-
Royalty				
Ultimate Holding Company	339.38	361.73	(75.48)	(102.20)
Quality cost				

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

Particulars	Transaction value		Balance outstanding Receivable / (Payable)	
	For the year ended 31 March 2024	For the year ended 31 March 2023	For the year ended 31 March 2024	For the year ended 31 March 2023
Ultimate Holding Company	10.90	94.32	-	-
Fellow subsidiaries				
Igarashi Motoren Gmbh, Germany	2.59	-	-	-
Igarashi Motor Sales USA LLC, USA	12.47	12.59	-	-
Reimbursement of expenses paid				
Ultimate Holding Company	7.67	0.45	-	-
Holding company	21.59	1.93	-	-
Fellow subsidiaries				
Igarashi Electric Works International Limited, Hong Kong	3.35	1.29	-	-
Igarashi Motoren Gmbh, Germany	0.72	1.17	-	-
Igarashi Electric Works (Zhuhai) Ltd, China	16.60	8.04	(3.30)	-
Igarashi Motor Sales USA LLC, USA	0.45	-	-	-
Reimbursement of expenses received				
Fellow subsidiaries				
Igarashi Motor Sales USA LLC, USA	1.39	0.10	-	-
Yat Yue Industrial Co.(HK) Ltd, Hong Kong	2.04	0.09	-	-
Advances received				
Ultimate Holding Company	(4.15)	-	(4.15)	-
Fellow subsidiaries				
Igarashi Motoren Gmbh, Germany	(38.59)	(315.10)	(145.50)	(315.10)
Igarashi Motor Sales USA LLC, USA	(24.13)	(58.41)	(58.41)	(58.41)
Rental deposit				
Holding company	-	13.80	36.00	36.00
Rent and power expense				
Holding company	227.84	189.60	(55.17)	(6.48)
Sitting fees and commission to non-executive directors	53.15	48.48	32.50	31.00
Remuneration to key managerial personnel	364.25	411.46	368.02	362.38

Terms & conditions for related party transactions

All transactions with these related parties are priced on an arm's length basis and resulting outstanding balances are to be settled in cash within six months of the reporting date. None of the balances are secured.

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

38 Analytical Ratios

Particulars	Numerator	Denominator	Year ended 31 March 2024	Year ended 31 March 2023	Variance	Reason for variance (above 25%)
A. Liquidity ratio						
a) Current ratio	Current assets	Current liabilities	1.37	1.41	-2.84%	Not applicable
B. Solvency ratio						
a) Debt-Equity ratio	Total debt	Shareholder's equity	0.25	0.21	19.05%	Not applicable
b) Debt Service Coverage Ratio	Earnings available for debt service*	Debt service**	2.51	2.86	-12.24%	Not applicable
C. Utilization ratio						
a) Net capital turnover ratio	Revenue from operations	Average working capital	7.45	6.95	7.19%	Not applicable
b) Inventory turnover ratio	Cost of Goods Sold	Average Inventory	4.37	4.68	-6.62%	Not applicable
c) Trade receivables turnover ratio	Revenue from operations	Average accounts receivables	3.79	4.23	-10.40%	Not applicable
d) Trade payables turnover ratio	Purchases	Average accounts payables	3.90	4.49	-13.14%	Not applicable
D. Profitability ratio						
a) Return on Equity Ratio (%)	Net profit after tax	Average net worth	2.00%	1.00%	100.00%	Due to higher sales and profits
b) Net profit ratio (%)	Net profit	Net sales	1.00%	1.00%	0.00%	Not applicable
c) Return on Capital employed (%)	Net profit before taxes and finance cost	Capital employed***	4.00%	4.00%	0.00%	Not applicable
d) Return on investment (%)	Income generated from invested funds	Average investments	6.00%	5.00%	20.00%	Not applicable

Notes:

* Earnings available for debt services = Net profit after taxes+Non-cash operating expenses like depreciation and amortization+Interest+other adjustments

**Debt Service = Interest & Lease Payments + Principal repayments of term loans

***Capital Employed = Net worth+ Total debt + Deferred Tax liability

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

39 Due to micro, small and medium enterprises

Disclosure required under Clause 22 of Micro, Small and Medium Enterprise Development ('MSMED') Act, 2006.

	As at 31 March 2024	As at 31 March 2023
(a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;	995.63	1,017.71
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

The above disclosures are provided based on the information available with the Company in respect of the registration status of its vendors/suppliers. (Also refer Note 22)

40 Transfer pricing

The Company has entered into transactions with certain related parties during the year ended 31 March 2024. The management believes that all such transactions are in compliance with the provisions of Income-tax Act, 1961 and also confirms that it maintains documentation as prescribed, to prove that the transactions are at arm's length. Further, management also believes the aforesaid legislation will not have any impact on the standalone financial statements, particularly on the amount of tax expense and that of provision for taxation.

41 Other statutory information

Quarterly returns or statements of current assets filed by the Company for the sanctioned working capital loans with banks or financial institutions along with reconciliation and reasons for discrepancies is as follows:

Name of banks	Quarter	Particulars of information submitted	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancies
(i) Axis Bank	Mar-24	Inventory	11,320.47	9,233.99	2,086.48	The amount reported excludes goods in transit, tools and valuation or other book closure related adjustments.
(ii) IDFC First Bank		Trade receivables	20,738.91	20,847.50	(108.59)	
(i) Axis Bank	Dec-23	Trade receivables	17,396.92	17,401.41	(4.49)	
(ii) IDFC First Bank						

Notes forming part of the Financial Statements

for the year ended 31 March 2024

(All amounts are in Indian Rupees in lakhs, except share data and as stated)

Notes:

1. Impact considered through cumulative information provided for the financial year during quarterly returns/ statements submission except as at March 31, 2024.
2. The above information is based on the revised returns/ statements filed.

42 Events after the reporting period

There are no subsequent events that have occurred after the reporting period till the date of approval of these financial statements other than dividend recommended by the Board. (Refer Note 17)

As per our report of even date attached

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

Harsh Vardhan Lakhotia
Partner
Membership No. 222432

Place: Chennai
Date: 23 May 2024

for and on behalf of the board of directors of
Igarashi Motors India Limited
(CIN: L29142TN1992PLC021997)

R Chandrasekaran
Managing Director
DIN: 00012643

S Vivekchandranath
Chief Financial Officer

Place: Chennai
Date: 23 May 2024

L Ramkumar
Independent Director
DIN: 00090089

P Dinakara Babu
Company Secretary
Membership No. A14812

Glossary

AHC – Automated Height Control

BEV – Battery Electric Vehicle

BLDC – Brushless DC Motor

DC Motor – Direct Current Motor

CCV – Coolant Control Valve

CCH – Coolant Control Hub

CFM – Ceiling Fan Motor

ECD – Electrical Consumer Durables

EGR – Exhaust Gas Recirculation

EPB – Electric Parking Brake

ESG – Environmental, Social and Governance

ESDM – Electronic System Design & Manufacturing

ETC – Electronic Throttle Control

EV – Electric Vehicle

EVP – Electric Vacuum Pump

E2W – Electric Two Wheeler

E3W – Electric Three Wheeler

FMEG – Fast Moving Electrical Goods

GBA – Gear Box Actuators

HRA – Head Rest Actuators

FP – Fuel Pump

ICE – Internal Combustion Engine

IMIL – Igarashi Motors India Limited

OEM – Original Equipment Manufacturer

PCB – Printed Circuit Board

PLA – Park Lock Actuators

PMDCM – Permanent Magnet Direct Current Motor

RFQ – Request for Quotation

TAM – Torque Actuator Motors

TOCD – Trunk Opening & Closing Device

TPW – Table Pedestal Wall-Mount Fan

VGT – Variable Geometry Turbine

WGA – Waste Gate Actuator

WLM – Window Lift Motor



Igarashi Motors India Limited

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