IMPAL

INDIA MOTOR PARTS & ACCESSORIES LIMITED

Registered Office : 46, Whites Road, Chennai 600 014
CIN:L65991TN1954PLC000958 Tel:044-28591433 Fax:044-28523009
Email: secy@impal.net Website: www.impal.net

NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the **Sixty Fourth Annual General Meeting** of the Shareholders of the Company will be held at **11 a.m. on Thursday the 23rd day of August 2018,** at the Music Academy, 168, T T K Road, Chennai - 600 014, to transact the following business:

Ordinary Business

1. To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution

   "RESOLVED that the Audited Financial Statements, including the Consolidated Financial Statements, of the Company for the year ended 31st March 2018 and the Board' s and Auditors' Report thereon, be and are hereby approved and adopted

2. To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution

   "RESOLVED that an interim Dividend of Rs.11/- per share (110% on the face value of Rs.10/), declared by Board of Directors on the paid-up capital of Rs.832.00 lakhs for the year ended 31st March 2018 be and is hereby recorded and the said interim dividend be treated as the total dividend for the year".

3. To consider and if thought fit, to pass with or without modifications, the following resolution as an Ordinary Resolution.

   "RESOLVED that Ms Shobhana Ramachandhran (holding DIN 00273837) the retiring Director, be re-elected as a Director of the Company, liable for retirement by rotation".

Special Business

4. To consider and if thought fit, to pass with or without modifications, the following Resolution as a Ordinary Resolution:

   "RESOLVED that in accordance with regulation 17(6)(a) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company be and is hereby authorized to pay remuneration by way of Commission to the Non-Executive Directors upto 1% of the net profits of the Company commencing from 01.04.2019."

   RESOLVED FURTHER that the Board of Directors may, at their discretion, decide the quantum of remuneration by way of Commission to be distributed amongst the Directors of the Company in such proportion and in such manner, as may be decided from time to time".

By Order of the Board
S Kalyanaraman
Company Secretary

Place : Chennai
Date : 30th May 2018

PARTICULARS OF THE DIRECTORS SEEKING APPOINTMENT /RE-APPOINTMENT IN THE FORTHCOMING ANNUAL GENERAL MEETING PURSUANT TO REGULATION 36 (3) OF SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

Item No 3 of the Notice

Name of the Director : Ms Shobhana Ramachandhran

DIN : 00273837

Age : 58 years

Qualification : Post Graduate in English Literature with Intermediate qualification in Company Secretaryship

Ms Shobhana Ramachandhran was appointed as Director of the Company with effect from 08th July 2008. She has rich experience in the tyre and rubber industry and holds Directorship in various Companies. She also serves as member & office bearer of many charitable trusts & institutions focusing on education, welfare, health etc.

Ms Shobhana Ramachandhran holds 63275 shares of the Company.

Relationship with other Directors : NIL

Details of Directorships and membership of committees held by her in the Board of listed entities :

Listed entities in which directorship held as on 31st March 2018	Managing Director- TVS Srichakra Limited Director - Sundaram Finance Limited Sundaram Finance Holdings Limited
Chairperson/Member of the Committees of the Board of listed entities in which she is a Director as on 31st March 2018	Member Audit Committee – Sundaram Finance Limited Stakeholders Relationship Committee – TVS Srichakra Limited

EXPLANATORY STATEMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

Item No.5

After obtaining the consent of members in the Fifty-ninth Annual General Meeting held on 08th August, 2013, the Non-Executive Directors of the Company are being paid remuneration, by way of Commission, a sum not exceeding 1% of the net profits of the Company, for each financial year commencing from 01.04.2014 for a period of 5 years.

The Non-Executive Directors of the Company devote considerable time in guiding the affairs of the Company. The Company benefits substantially from their advice and expertise. Having regard to their contribution and increased responsibilities, it is proposed to continue the payment of commission from the financial year commencing 01.04.2019. Accordingly, an ordinary resolution is placed for approval of the members.

Interest of Directors and Key Managerial Personnel

All the Non-Executive Directors of the Company are deemed to be interested in the resolution. None of the Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise in the resolution.

SHAREHOLDER INFORMATION:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.

2. The proxy form duly stamped and executed, should be deposited at the Regd. & Corporate Office of the Company at least forty-eight hours before the time fixed for the commencement of the meeting. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company.

3. The Register of Members and Share Transfer Books of the Company will remain closed from 14.08.2018 to 23.08.2018 for the purpose of Annual General Meeting.

4. In accordance with provisions of Section 108 of the Companies Act, 2013 read with the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, e-voting facility have been provided to the members. The Board of Directors have appointed Sri M Damodaran of M/s Damodaran Associates, Practising Company Secretaries, Chennai as the Scrutinizer for conducting e-voting process in a fair and transparent manner. The Company has engaged the services of Central Depository Services (India) Limited ("CDSL") to provide e-voting facilities enabling the members to cast their vote in a secure manner. The remote e-voting facility will be available at the link www.evotingindia. com during the following voting period:

   The remote e-voting period would commence on Monday, the 20th August 2018 (9.00 a.m.) and end on Wednesday, 22nd August 2018 (5.00 p.m.).

   During the above period, shareholders of the Company, holding shares either in physical form or in dematerialilzed form, as on the cut-off date of 13th August 2018, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 5.00 p.m. on Wednesday , the 22nd August, 2018. Once the vote on a resolution is cast by the shareholder, the shareholder cannot change it subsequently.

   The voting rights of Members shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on 13th August 2018. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date (13th August 2018) only shall be entitled to avail the facility of remote e-voting as well as voting at the meeting through Ballot Paper. Notice is being sent to all the shareholders whose names appear on the Register of Members / list of Beneficial Owners, as received from National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) as at the close of business hours on Friday, the 13th July, 2018. Any person, who acquires shares of the Company and becomes a member after despatch of the Notice, but holding shares as on the cut-off date for remote e-voting i.e. 13th August 2018,may obtain the login Id and password by sending a request to helpdesk.evoting@cdslindia.com or contact our Registrar & Share Transfer Agent at the address mentioned on Note no.5 (ii).The facility for voting, either through electronic voting system or ballot form shall also be made available at the meeting and Members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right at the meeting. The Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

   Members can opt for only one mode of voting, i.e., either by Ballot Form or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through Ballot Form shall be treated as invalid.

   The procedure and instructions for e-voting is furnished in this notice.

To enable those shareholders who do not have access to e-voting facility, the Company has enabled a ballot facility at Annual General Meeting.

The Scrutinizer will submit his report to the Company after completion of the scrutiny and the results of the ballot/e-voting will be announced by the Company on its website - www.impal.net within two days of passing of the resolution at the Annual General Meeting.

5. Members are requested to

- Furnish a copy of the PAN Card to the Company / RTA for registration of transfer / transmission of shares.
- Opt for National Electronic Clearance Service (NECS) facility for receiving dividend direct to their bank account
- Provide latest bank account details, wherever NECS facility is not available, for prompt credit and for avoiding fraudulent encashment/loss in postal transit of dividend warrant and
- Avail nomination facility
- Opt for "Green initiative"as suggested by Ministry of Corporate Affairs by registering their e-mail id for receiving notices / documents / reports through electronic mode.

For this purpose,

i) Shareholders holding shares in electronic mode may approach their respective depository participants (DP) and

ii) Shareholders holding shares in physical mode can approach M/s Cameo Corporate Services Limited, our Registrar & Transfer Agent - Tel No. 044-28460390, E Mail: investor@cameoindia.com.

Pursuant to sections 124 & 125 of the Companies Act 2013 read with rule 6 of the Investor Education and Protection Fund Authority (Accounting , Audit, Transfer and Refund) Rules 2016, as amended from time to time , the company after complying with the procedures laid down in the said rules has transferred all the shares pertaining to folios/ DP id & Client Id in respect of which dividend amounts remain unclaimed and unpaid for a consecutive period of 7 years to "IEPF – SUSPENSE ACCOUNT" and the details of the same have been hosted in the website of the Company. Members who have not encashed their dividends for the financial year ended 31st March 2012 or any subsequent financial years are requested to lodge their claim with the Company / Share Transfer Agents. Reminders are sent to Members to claim their dividends before the amount is transferred to Investor Education & Protection Fund.

6. Members who are holding shares in physical form are requested to avail dematerialization facility.

PROCEDURE AND INSTRUCTIONS FOR E-VOTING

(i) (The voting period begins on 20th August 2018 (9.00 a.m.) and ends on 22nd August 2018 (5.00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 13th August 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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

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

(iv) Click on Shareholders.

(v) Now Enter your User ID
a. For CDSL: 16 digits beneficiary ID,
b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

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

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

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

For Members holding shares in Demat Form and Physical Form

PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

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

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

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

(xii) Click on the EVSN for the relevant <COMPANY NAME> on which you choose to vote.

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

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

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

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

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

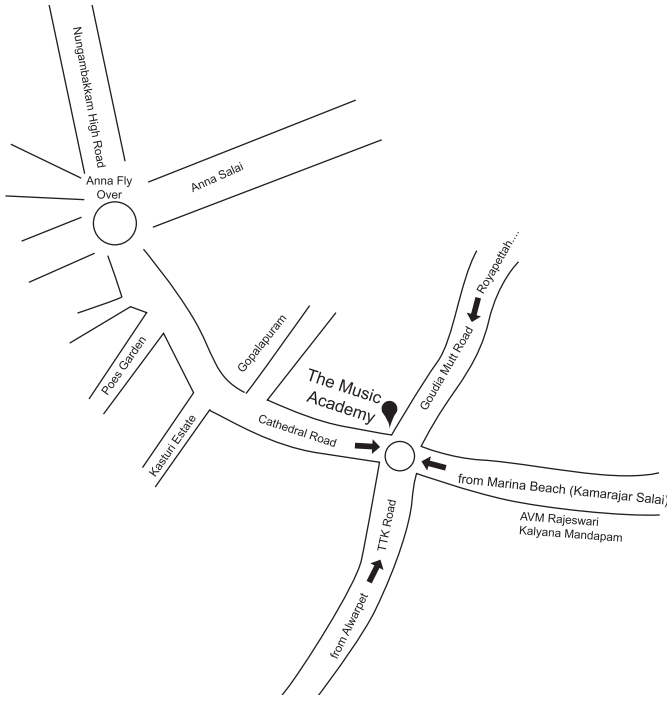
(xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xx) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be 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.

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



Route Map

64th Annual General Meeting

Date	:	August 23, 2018
Day	:	Thursday
Time	:	11.00 a.m.
Venue	:	The Music Academy 168, T.T.K.Road Royapettah Chennai 600 014

INDIA MOTOR PARTS & ACCESSORIES LIMITED

IMPAL

2017 - 2018

64th ANNUAL REPORT

IMPAL

BOARD OF DIRECTORS

Sri S RAM **Chairman**
Sri ANANTH RAMANUJAM
Sri S RAVINDRAN
Sri S PRASAD
Ms SHOBHANA RAMACHANDHRAN
Sri RASESH R DOSHI
Sri S VENKATESAN
Sri T N P DURAI
Sri N KRISHNAN **Managing Director**

COMMITTEES OF THE BOARD

Audit Committee

Sri S PRASAD **Chairman**
Sri S RAVINDRAN
Sri RASESH R DOSHI
Sri N KRISHNAN

Stakeholders Relationship Committee

Sri S VENKATESAN **Chairman**
Sri N KRISHNAN

Nomination & Remuneration Committee

Sri S RAVINDRAN **Chairman**
Sri S PRASAD
Sri S RAM

Corporate Social Responsibility Committee

Ms SHOBHANA RAMACHANDHRAN **Chairperson**
Sri S RAVINDRAN
Sri S PRASAD
Sri N KRISHNAN

PRESIDENT
MARKETING & BUSINESS DEVELOPMENT

Sri MUKUND S RAGHAVAN

CHIEF FINANCIAL OFFICER

Sri S RAMASUBRAMANIAN

COMPANY SECRETARY

Sri S KALYANARAMAN

AUDITORS

M/S BRAHMAYYA & CO.
Chartered Accountants
48, Masilamani Road,Balaji Nagar,
Royapettah, Chennai – 600 014.

SECRETARIAL AUDITORS

M/S DAMODARAN & ASSOCIATES
Practising Company Secretaries
No.6, Appavoo Gramani 1st Street
Mandaveli, Chennai – 600 028.

BANKERS

STATE BANK OF INDIA

REGISTERED & CORPORATE OFFICE

"Sundaram Towers" III Floor
#46, Whites Road, Chennai – 600 014
CIN: L65991TN1954PLC000958
Website: www.impal.net

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EXECUTIVES

Sri L SRINIVASAN	**Sr. Vice President (Marketing)**
Sri V SRIDHAR	**Sr. General Manager (Systems & Materials)**
SRI P VENUGOPALAN	**Sr. General Manager (Marketing)**
Sri R SIVARAMAN	**General Manager (Marketing)**
SRI HEMCHANDER	**General Manager (Marketing)**
SRI S P SRIVASTAVA	**General Manager (Marketing)**
Sri M PARAMESWARAN	**General Manager (Accounts & Information Systems)**

FINANCIAL HIGHLIGHTS

Rs. in Lakhs

Particulars	2017-18	2016-17	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09
	Ind AS		GAAP							
Share Capital	831.96	831.96	831.96	831.96	831.96	831.96	415.98	415.98	415.98	415.98
Reserves & Surplus	87024.19	73902.63	22321.22	20551.73	18851.58	16772.92	15340.59	13033.71	11004.09	9278.59
Net Worth	87856.15*	74734.59*	23153.18	21383.69	19683.54	17604.88	15756.57	13449.69	11420.07	9694.57
Capital Employed	90412.12	76642.40	24614.02	23082.19	21224.99	20369.91	17461.91	13639.62	11522.02	11129.46
Sales	47462.25	51802.85	50060.64	51095.62	51050.27	49437.84	50030.56	42799.06	35808.80	30055.60
Profit Before Tax	4365.18	4587.86	3786.82	4351.37	4256.37	4150.59	4570.79	4154.09	3647.65	2531.22
Profit After Tax	3106.74	3214.62	2670.68	3100.47	2954.68	2720.15	3225.46	2851.51	2479.60	1737.59
Dividend Amount	915.20#	915.15	748.76	1164.74	748.76	748.76	790.36	707.17	644.77	499.18
Dividend per share on a face value of Rs.10/- each (Rs.)	11.00	11.00	9.00	14.00	9.00	9.00	19.00	17.00	15.50	12.00
Dividend %	110	110	90	140	90	90	190	170	155	120
Earnings per Share (Rs.)	37.34	38.64	32.10	37.27	35.51	32.70	77.54	68.55	59.61	41.77
Book Value per Share (Rs)	1055.96	898.25	278.30	257.03	236.59	211.61	378.78	323.32	274.53	233.05

* Reserves includes impact of fair value on investments
\# Interim Dividend declared in May 2018

BOARD'S REPORT

Your Directors are pleased to present the **64th Annual Report** together with Standalone and Consolidated Audited Accounts for the year ended 31st March 2018.

FINANCIAL HIGHLIGHTS

The Ministry of Corporate Affairs (MCA) vide Notification dated 16th February 2015, notified the Companies (Indian Accounting Standards) Rules 2015, (hereinafter referred as Ind AS). In terms of the said notification, your Company has adopted Ind AS from the Financial Year 2017-18 & Annual Financial Statements for 2017-18 are presented in accordance with Ind AS.

SUMMARY OF FINANCIAL RESULTS – As Per Ind AS

(Rs in Lakhs)

Particulars	**31.03.2018**	31.03.2017
Profit before tax	**43,65.18**	45,87.86
Less: Provision for taxation (including deferred tax)	**12,58.44**	13,73.24
Profit after Tax	**31,06.74**	32,14.62
Add : Balance in P&L Account brought forward from previous year	**27,05.48**	17,91.52
Profit available for appropriation	**58,12.22**	50,06.14
Appropriations		
Transfer to General Reserve	**17,00.00**	18,00.00
Dividend		
- Interim Dividend	**-**	4,15.98
- Final Dividend	**4,99.17**	-
Dividend Tax (including surcharge for Interim Dividend)	**1,01.62**	84.68
Surplus Balance in Profit & Loss Account	**35,11.43**	27,05.48

Dividend

The Board of Directors in May 2018 have declared an Interim Dividend of Rs.11 per equity share for the financial year 2017-18 on the paid up share capital of Rs. 832 lakhs. The dividend of Rs. 915.20 lakhs together with dividend tax of Rs. 188.12 lakhs absorb a sum of Rs. 1103.32 lakhs.

Management Discussion and Analysis Report

GST

In the year under review the much discussed reform in Indirect Taxes was implemented by Government of India. The Goods and Services Tax (GST) was introduced from July 2017. GST replaced the Indirect Tax regime of excise duty, sales tax and other state levies. GST enabled trade to be carried on without compounding Indirect Taxes, with an enabling set-off feature in each transaction from manufacturer to distributor to the retail trade etc. There was however a transition period in June and July last year when

there was not sufficient clarity in GST rates for different parts and rebates of Indirect taxes on goods already bought in the previous regime. In June and July 2017 distributors and dealers slowed down or stopped purchases. From September onwards the modality of set off was understood broadly and trading started picking up to meet the genuine demands of the end customers. GST with E-way bill is expected to improve the availability and sale of genuine parts.

The sales figures published in the Balance sheet for 2017-18 is not fully comparable with that of 2016-17. In 2016-17, cost of goods and sales turnover included incoming Excise duty and CST. For 2017-18 this existed only in the first quarter, and all sales and purchases after 1.7.2017 were without Excise duty and CST. Margins improved in Q3 and Q4. This enabled the company to maintain its operating profit .

PBT for the year under review is Rs 43.65 Crores compared with Rs. 45.87 Crores computed as per Ind AS for the year ended 31st March 2017.

During the year under review, your company has opened three new branches to better serve the end customers.

ONLINE PROJECT

During the year under review, your company commenced an exercise to upgrade its ERP system. The project was to make the data available on line on real time basis.

Ind AS

The New Accounting Standards – Ind AS is applicable to our company effective 1-4-2017. The audited accounts and the Balance sheet for the year ending March 2018 have been prepared conforming to the new Accounting Standards - Ind AS.

Under Ind AS, there is no significant change in computation of Operating Profits. However, method of computation of Other income other than equity dividends undergo a change and is on accrual basis instead of receipt basis. Accordingly, long-term equity investments are disclosed at their market value (Fair value) in the financial statements. Any change in the market value (Fair value) of the company's long-term equity investments during the year is classified as "other Comprehensive income", and disclosed in the Profit and Loss Accounts after Profit After Tax. This augments or subtracts "Other Equity" in the Balance sheet.

OUTLOOK

In the current fiscal year with GST settling down and forecast of a near normal monsoon, your Company expects to have better sales growth .

SUBSIDIARY

Your Directors are pleased to report that your Company has acquired a 90% equity stake in CAPL Motor Parts Private Limited, Ahmedabad on 29th November 2017. CAPL Motor Parts Private Limited

is now our subsidiary. The acquisition went smoothly and we are happy to report that this company is doing well.

The accounts of CAPL Motor Parts Private Limited for the 4 months period have been consolidated and forms part of the Consolidated Financial Statements.

Internal Control Systems

The Company has an established and adequate Internal Control System with appropriate policies and procedures covering all areas of operations commensurate with the size of the business. The Internal Audit team evaluates the adequacy of internal control systems. The Internal Auditor, Senior Management and Audit Committee regularly review the internal audit findings as well as the effectiveness of the internal control measures. Based on the reports, appropriate and suitable action as required are undertaken.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of the internal control systems of the Company.

Consolidated Financial Statements

M/s CAPL Motor Parts Private Limited has become a subsidiary of your Company with effect from 29th November 2017. Transenergy Limited is our Associate Company. In accordance with the provisions of Sections 129(3) of the Companies Act 2013, the Consolidated Financial Statements, drawn up in accordance with the applicable Accounting Standards, form part of the Annual Report.

A statement containing the salient features of the financial statement of the Subsidiaries and Associate Companies in Form AOC – 1 is provided in Annexure “A” forming part of this report.

The financial statements of M/s CAPL Motor Parts Private Limited is hosted in our website – www.impal.net

Information as per Sec 134 (3) (*l*) - Events subsequent to the date of financial statements

There have been no material changes and commitments affecting the financial position of the Company between 31.03.2018 and the date of the report.

Significant and Material Orders Passed by the Regulators or Courts

There are no significant material orders passed by the Regulators / Courts which impacts the going concern status of the Company and its future operations. There are no material changes and commitments, if any, affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate to and the date of the report.

Finance

a) Fixed Deposits

Your Company has not accepted any public deposits during the year 2017-18

b) Particulars of Loans, Guarantees or Investments

The Company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013. The details of the investments made by the Company are given in the notes to the financial statements.

Board & Audit Committee

The details regarding number of Board meetings held during the financial year and composition of Audit Committee are furnished in Corporate Governance Report.

Directors

All Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct approved and adopted by the Board of Directors.

The Independent Directors of the Company have given a declaration as required under Section 149 (6) of the Companies Act, 2013.

Ms.Shobhana Ramachandhran, Director retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 (10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, and in terms of the guidance note on Board's evaluation issued by the Securities and Exchange Board of India, the Board has carried out an annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit Committee.

Pursuant to the provisions of the Companies Act, 2013 and Regulation 25 (3)&(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Separate Meeting of Independent Directors was held during the year, in which the Independent Directors evaluated the performance of the non-independent Directors, the Board as a whole and the Chairman of the Company. The criteria for evaluation is attached vide Annexure "B".

Familiarisation Programme

The Company has a program to familiarise Independent Directors with regard to their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business model of the Company etc. and the same is available on the website of the Company at www.impal.net/investor.htm

Remuneration Policy

The Remuneration policy of the company is attached vide Annexure "C". The Nomination & Remuneration Committee followed the policy for selection and appointment of Directors, Senior Management and their remuneration.

Key Managerial Personnel

The following persons are the Key Managerial Personnel of the Company under Section 203 of the Companies Act, 2013.

1. Sri N Krishnan – Managing Director
2. Sri S Ramasubramanian – Chief Financial Officer
3. Sri S Kalyanaraman – Company Secretary & Compliance Officer

Vigil Mechanism/Whistle Blower Policy

The Company has a vigil mechanism policy in place to deal with instance of fraud and mismanagement, if any and the same is also posted on the website of the Company at www.impal.net/investor.htm

Related Party Transactions

All Related Party Transactions that were entered into during the financial year were in the ordinary course of business at arm's length. During the year under review, transaction entered into with a Related Party amounted to a Material Related Party transaction in terms of Regulation 23 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The shareholders in March, 2016 gave approval to the Company for entering in to such transactions on a year on year basis.

Since, the said contract is in ordinary course of business at arm's length, it is not a Related Party transaction in terms of Section 188 of the Companies Act 2013 and hence disclosure in form AOC-2 is not required.

There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other Designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee as also the Board for approval. Prior approval of the Audit Committee is obtained on a quarterly basis for the transactions which are predictive and repetitive in nature. The transactions entered into pursuant to the approval are audited and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their approval on a quarterly basis. The policy on Related Party Transactions as approved by the Board is uploaded on the Company's Website.www.impal.net/investor.htm.

Corporate Social Responsibility

As part of its initiatives under Corporate Social Responsibility (CSR), the Company has contributed to various projects in the areas of Health, Education and Livelihood. These projects are in accordance with Schedule VII of the Companies Act, 2013. The CSR Committee frames the CSR policy, monitors and executes the CSR activities. The Committee defines the parameters and observes them for effective discharge of the social responsibility of your Company. The Board has further approved the CSR Policy of the Company to provide a guideline for CSR activities of the Company.

The Company has spent Rs. 74.00 lakhs – 2.00% of the net profits of the last 3 years average profit towards CSR activities during the year. The constitution of the CSR Committee and the report as required under the Companies Act, 2013 are provided as Annexures “D” & “D1” to this Report.

Auditors

Pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 (“Act”) and the Companies (Audit and Auditors) Rules, 2014, Messrs. Brahmayya & Company, Chartered Accountants, Chennai (Registration No.000511S), were appointed as Statutory auditors of the Company from the conclusion of 63rd Annual General Meeting to 68th Annual General Meeting subject to ratification by the members at every Annual General Meeting. The Companies (Second Amendment) Act 2017 has omitted the provisions relating to ratification of appointment of Auditors. Consequently this subject does not form part of notice convening this Annual General Meeting.

Secretarial Audit

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 M/s. Damodaran & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Auditor is attached vide Annexure “E”.

Comments on Auditors’ report

There are no qualifications, reservations or adverse remarks or disclaimers made by the Statutory Auditors and the Secretarial Auditor in their reports respectively. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company in the year under review.

Extract of Annual Return

As required under Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules 2014 an extract of the Annual Return in Form MGT-9 is attached as a part of this report vide Annexure “F”.

Information as per Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014

Your Company has no activity relating to conservation of energy or technology absorption. During 2017-2018, the Company did not have any foreign exchange earnings or outgo.

Particulars of Employees

There is no employee, particulars of whom are to be furnished under Section 197 read with Rule 5 (2). The information required under Section 197(12) read with Rule 5, of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given hereunder:

(i) & (ii) The ratio of remuneration of each director to the median remuneration of the employees of the company for the financial year:

The ratio of average remuneration of Non-Whole Time Directors with that of the median remuneration of the employees for the financial year is 0.38 times and that of the Managing Director (inclusive of Commission) is at 87 times.

(iii) Percentage increase in median remuneration of employees in the financial year - 7.5%

(iv) The number of permanent employees on the rolls of the Company as on 31st March 2018 is 718.

(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:

Percentage increase in median remuneration of staff cost in the financial year - 7.5% for staffs and 6% for Managerial Personnel

(vi) Affirmation that the remuneration is as per the remuneration policy of the company:

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

Directors' responsibility statement

As required under Section 134(5) of the Companies Act, 2013, your Directors state that:

i) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

ii) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at the end of the financial year ended 31st March, 2018, and the profit of the Company for that year;

iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv) the Directors have prepared the annual accounts on a going concern basis and;

v) the Directors have laid down adequate internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;

vi) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and are operating effectively.

Corporate Governance

A detailed report on corporate governance, together with a certificate from the Statutory Auditors in compliance with Regulation 34 (3) read with schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 is attached, forming part of this report.

Acknowledgement

Your Directors thank all the suppliers and dealers for their continued support and co-operation during the year under review. They also wish to thank State Bank of India for its support and assistance.

Your Directors place on record their appreciation for the commitment, initiative and excellent contribution of all the staff and executives of the Company.

On behalf of the Board of Directors

Chennai
30th May 2018

S Ram
Chairman

ANNEXURE "A"

FORM NO. AOC - 1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/ joint ventures

Part "A": Subsidiaries

1.	Sl. No.	1
2.	Name of the subsidiary	M/s.CAPL Motor Parts Private Limited
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	NA
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA
		Rs. in Lakhs
5.	Share capital	500.00
6.	Reserves & surplus	12.11
7.	Total assets	630.00
8.	Total Liabilities	630.00
9.	Investments	Nil
10.	Turnover	358.00
11.	Profit before taxation	16.41
12.	Provision for taxation	4.30
13.	Profit after taxation	12.11
14.	Proposed Dividend	-
15.	% of shareholding	90%
Notes: The following information shall be furnished at the end of the statement		
1.	Names of subsidiaries which are yet to commence operations	Not Applicable
2 .	Names of subsidiaries which have been liquidated or sold during the year	Not Applicable

Part "B": Associates and Joint Ventures
Statement pursuant to Section 129 (3) of the Companies Act, 2013
related to Associate Companies and Joint Ventures

Name of Associates/Joint Ventures	Transenergy Limited
1. Latest audited Balance Sheet Date	31.03.2018*
2. Shares of Associate/Joint Ventures held by the company on the year end	
No of shares held	1,00,000
Amount of Investment in Associates/Joint Venture – Nominal Value Rs.100/- per share	Rs 163.75 lakhs
Extent of Holding %	35.26% of equity shares
3. Description of how there is significant influence	Holding more than twenty percent of the paid up share capital
4. Reason why the associate/joint venture is not consolidated	N A
5. Net worth attributable to Shareholding as per latest audited Balance Sheet (unaudited -31.03.2018)	Rs.315.60 lakhs
6. Profit / Loss for the year	
i. Considered in Consolidation	Rs.27.27 lakhs
ii. Not Considered in Consolidation	Rs.50.06 lakhs

* Un-audited

1. Names of associates or joint ventures which are yet to commence operations – Not Applicable

2. Names of associates or joint ventures which have been liquidated or sold during the year - Not Applicable

N KRISHNAN
Managing Director

S PRASAD
Director

S RAMASUBRAMANIAN
Chief Financial Officer

S KALYANARAMAN
Secretary

Chennai
30th May, 2018

As per our attached Report of even date
For **Brahmayya & Co**
Chartered Accountants
Firm Registration Number : 000511S

L RAVI SANKAR
Partner
Membership No: 25929

ANNEXURE "B"

CRITERIA FOR EVALUATION

Criteria for evaluation of the Board and non-Independent Directors at a separate meeting of Independent Directors:

1. Composition of the Board and availability of multi-disciplinary skills Whether the Board comprises of Directors with sufficient qualifications and experience in diverse fields to make IMPAL a versatile institution
2. Commitment to good Corporate Governance Practices
   a) Whether the company practices high ethical and moral standards.
   b) Whether the company is fair and transparent in all its dealing with the stake holders.
3. Adherence to Regulatory Compliance
   Whether the Company adheres to the various Government regulations, both State and Central in time.
4. Track record of financial performance
   Whether the Company has been consistently recording satisfactory and profitable financial performance year over year adding to shareholder value.
   Whether the Company is transparent in all its disclosures on financial data.
5. Grievance redressal mechanism
   Whether a proper system is in place to attend to the complaints/grievances from the shareholders, depositors, customers, employees and others quickly and fairly.
6. Existence of integrated Risk Management System
   Whether the Company has an integrated risk management system to cover the business risks.
7. Use of Modern Technology
   Whether the Company has an Integrated IT strategy and whether there is any system for periodical technology upgradation covering both hardware and software.
8. Commitment to CSR
   Whether the Company is committed to social causes and CSR and whether there is system to identify, finance and monitor such social activities.

Criteria for evaluation of Chairman at separate meeting of Independent Directors:

1. Leadership qualities
2. Standard of Integrity
3. Understanding of Macro economic, Micro economic Industry trends and indepth knowledge of Automotive Industry
4. Public Relations
5. Future Vision and Innovation

Criteria for evaluation of Independent Directors by the entire Board:

1. Qualifications & Experience
2. Standard of Integrity
3. Attendance in Board Meetings/AGM
4. Understanding of Company's business
5. Value addition in Board Meetings

Criteria for evaluation of the Audit Committee by the Board:

1. Qualification & Experience of members
2. Depth of review of financial performance
3. Oversight of Audit & inspection
4. Review of regulatory compliance
5. Fraud monitoring

ANNEXURE "C"

REMUNERATION POLICY

India Motor Parts & Accessories Limited (hereinafter referred to as 'the Company') has, since inception, formulated performance based remuneration structures for its employees at all levels, so as to provide ample opportunity for inclusive growth, supported with adequate learning. Accordingly, the remuneration structure is based on the qualification and skill levels at the time of joining the organisation and reviewed on a yearly basis by way of an assessment of their actual performance, through a "Performance Appraisal System".

The components forming part of the compensation structure for each grade are designed to reward performance as well as cost of living adjustments and location based allowances.

Section 178(2), (3) and (4) of the Companies Act, 2013 read with the applicable rules thereto and Regulation19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 provide that the Nomination, and Remuneration Committee (NRC) shall identify persons who are qualified to become Directors and shall also recommend to the Board a policy, relating to the remuneration for Directors, Key Managerial Personnel, Senior Management and other employees.

Accordingly, on the basis of the recommendation of the NRC the Company has adopted the following Remuneration Policy which ensures that :

a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors having the quality required to run the company successfully and is comparable to the compensation structure prevailing in other similar business enterprises.

b) relationship between remuneration and performance is clear and meets appropriate performance benchmarks; and

c) remuneration to working directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

The following policy shall be hereinafter referred to as **"Remuneration Policy of India Motor Parts & Accessories Limited".**

I Definitions

a) **"Remuneration"** means any monetary benefit or its equivalent extended to any person for services rendered by him/her and includes perquisites as defined under the Income-tax Act, 1961.

b) **"Key Managerial Personnel"**means,

i) Managing Director;
ii) Whole-time Director;
iii) Chief Financial Officer;
iv) Company Secretary;

c) **"Senior Management"**, defined by the Board of Directors and as may be modified from time to time, means

All executives in the grade of Vice President and above;

d) **"Employee"** will mean an employee who has been appointed on the rolls of India Motor Parts & Accessories Limited (hereinafter referred to as 'the Company') and has been issued an appointment order by the Company.

II Board Diversity

It will be the endeavour of the Company to attract people to the Board of our Company as Directors with varied experience that are appropriate to the business of the Company

III Remuneration Pattern

The NRC lays down the following remuneration pattern for Non-executive Directors and Independent Directors, Executive Directors, Key Managerial Personnel, Senior Management and other employees under the Remuneration Policy:

1. The remuneration payable to Non-Executive Directors and Independent Directors may consist of:
   - (a) Sitting fees for attending the meetings of the Board and sub-committees of the Board, within the limit prescribed under the Companies Act, 2013;
   - (b) Commission for each financial year, within the limits specified under the Companies Act, 2013,as may be decided by the Board of Directors;
   - (c) Reimbursement of expenses for attending meetings of the Board and sub-committees of the Board.
2. The remuneration payable to Whole-time Directors, who are appointed based on Shareholders' approval, may consist of:
   - (a) Salary, allowances, sitting fees as applicable, commission and perquisites;
   - (b) Commission for each financial year, as may be decided by the Board of Directors, based on the recommendations of the NRC;
   - (c) Minimum Remuneration in any financial year, when the Company has no profits or its profits are inadequate, by way of salary, allowances, commission and perquisites not exceeding the limits specified in Part II of Section II of Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Government from time to time as minimum remuneration.

   The overall remuneration payable to Directors, including Executive Directors, shall be within the limits prescribed under Section 197 of the Companies Act, 2013 read with Schedule V.
3. The remuneration payable to Key Managerial Personnel, Senior Management and other employees of the company may consist of:

   Salary, allowances, perquisites and variable components reflecting the short and long term performance objectives appropriate to the working of the Company

IV Implementation of the Remuneration Policy

The remuneration payable to Non-executive Directors and Independent Directors shall be determined by the Board of Directors.

The Remuneration payable to Executive Directors shall be determined by the NRC after taking into account their experience, qualification, and responsibilities.

The Remuneration Policy of the Company, to the extent applicable to Key Managerial Personnel other than Executive Directors, Senior Management and other employees shall be monitored by the Managing Director, who shall take appropriate steps to ensure that the remuneration is commensurate with their experience, qualification, responsibilities, contributions, performance and industry standards.

The NRC shall take suitable steps to issue guidelines, procedures and such other steps as may be considered appropriate from time to time, for effective implementation of the Remuneration Policy.

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ANNEXURE "D"

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2017-18

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:

   CSR Policy of the Company is available in our website under the following link:

   http://www.impal.net/investor.htm.

2. The Composition of the CSR Committee:

   Ms Shobhana Ramachandhran , Chairperson

   Sri S Ravindran

   Sri S Prasad

   Sri N Krishnan

3. Average net profit of the company for last three financial years:

   Rs.3703 lakhs

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):

   Rs.74 lakhs

5. Details of CSR spent during the financial year:

   (a) Total amount to be spent for the financial year: Rs.74 lakhs

   (b) Amount unspent, if any; NIL

   (c) Manner in which the amount spent during the financial year is detailed below: Details enclosed. (ANNEXURE D-1)

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

   Not Applicable.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company:

   We hereby state that implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

N Krishnan
Managing Director

Shobhana Ramachandhran
Chairperson - CSR Committee

5 (c) **Manner in which the amount spent during the financial year is detailed below:** **ANNEXURE D - 1**

(Rs. in lakhs)

1	2	3	4	5	6	7	**8**
Sr No.	CSR project or activity identified	Sector in which the Project is covered	"Projects or programmes (1) Local area or other (2) Specify the State and district where projects or programmes were undertaken"	Amount outlay (budget) project or programme-wise	"Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or program (2) Overheads: "	Cumulative expenditure up to the reporting period	Amount spent: Direct ~~or through implementing agency~~
1	Promoting education by providing financial assistance to deserving and meritorius students and also Educational Institutions which work for this cause:						
	6 Institutions	Educational	Tamil Nadu, Chennai	24.50	24.50	24.50	24.50
2	Promoting preventive and general health care						
	5 Institutions	Health	Tamil Nadu, Chennai	39.50	39.50	64.00	39.50
3	Preservation of Heritage	Heritage	Tamil Nadu, Chennai	10.00	10.00	74.00	10.00
	TOTAL			74.00	74.00		**74.00**

ANNEXURE "E"

Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2018

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

To,
The Members,
INDIA MOTOR PARTS & ACCESSORIES LIMITED
CIN: L65991TN1954PLC000958
No.46 Whites Road, Chennai – 600014.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. INDIA MOTOR PARTS & ACCESSORIES LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion there on. Based on my verification of **M/s. INDIA MOTOR PARTS & ACCESSORIES 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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2018 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 here in after:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **M/s. INDIA MOTOR PARTS & ACCESSORIES LIMITED** ("the Company") for the financial year ended on **31.03.2018** according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made there under;

(ii) The Companies Amendment Act, 2017;

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

(iv) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

(v) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

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

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

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(vi) Other laws as may be applicable specifically to the company - **NIL**

I have also examined compliance with the applicable regulations / standards of the following:

(i) The Listing Agreement entered into by the Company with National Stock Exchange of India Limited under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

(ii) The Secretarial Standards including revised standards issued by the Institute of Company Secretaries of India.

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

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Director, Non-Executive Directors and Independent Directors and there were no changes in the composition of the Board of Directors took place during the period under review.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

I further 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.

I further report that during the audit period the Company has made investments in shares of CAPL Motors Parts Private Limited. Due to such investment the CAPL Motors Parts Private Limited has become subsidiary of the Company.

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Place : Chennai
Date : 30.05.2018

Name of Company Secretary in practice / Firm
M. DAMODARAN
FCS No : 5837
C P No. : 5081

ANNEXURE "F"

FORM NO.MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March 2018

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

I. REGISTRATION AND OTHER DETAILS

(i) CIN	L65991TN1954PLC000958
(ii) Registration Date	12th July 1954
(iii) Name of the Company	INDIA MOTOR PARTS & ACCESSORIES LIMITED
(iv) Category / Sub-Category of the Company	Public Company - Limited by shares (Listed in NSE)
(v) Address of the Registered Office and contact details	"Sundaram Towers" III Floor, #46, Whites Road, Chennai 600 014. Website:www.impal.net
(vi) Whether Listed Company Yes / No	Yes
(vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s Cameo Corporate Services Limited UNIT:IMPAL, V Floor, 'Subramanian Building', #1, Club House Road, Chennai 600 002 ☎ 044 - 28460390 (5 Lines)

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Name and Description of main products / services	NIC Code of the Product / Service	% to total turnover of the company
The Company is in the business of distribution of Automotive Spare Parts	Not Applicable	100.00%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	M/s CAPL Motor Parts Private Limited "Sundaram Towers" III Floor, #46, Whites Road, Chennai 600 014.	U51909TN2017PTC116708	Subsidiary	90.00	2 (87)
2	M/s Transenergy Limited #67, Chamiers Road, Chennai 600 028.	U40107TN1981PLC008903	Associate	35.26	2 (6)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i . Category-wise Share Holding

	Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	Promoters									
(1)	**Indian**									
(a)	Individual/HUF	620702	-	620702	7.46	620702	0	620702	7.46	0.00
(b)	Central Govt	-	-	-	-	-	-	-	-	-
(c)	State Govt(s)	-	-	-	-	-	-	-	-	-
(d)	Bodies Corp.	1933432	-	1933432	23.24	1933432	0	1933432	23.24	0.00
(e)	Banks / FI	-	-	-	-	-	-	-	-	-
(f)	Any Other ….	-	-	-	-	-	-	-	-	-
	Sub-Total (A)(1)	**2554134**	**0**	**2554134**	**30.70**	**2554134**	**0**	**2554134**	**30.70**	**0.00**
(2)	**Foreign**									
(a)	NRIs - Individuals	1312	-	1312	0.02	1312	-	1312	0.02	0.00
(b)	Other - Individuals	-	-	-	-	-	-	-	-	-
(c)	Bodies Corp.	-	-	-	-	-	-	-	-	-
(d)	Banks / FI	-	-	-	-	-	-	-	-	-
(e)	Any Other ….	-	-	-	-	-	-	-	-	-
	Sub-Total (A)(2)	**1312**	**0**	**1312**	**0.02**	**1312**	**0**	**1312**	**0.02**	**0.00**
	Total shareholding of Promoter (A)= (A)(1)+(A)(2)	**2555446**	**0**	**2555446**	**30.72**	**2555446**	**0**	**2555446**	**30.72**	**0.00**
B.	**Public Shareholding**									
(1)	**Institutions**									
(a)	Mutual Funds	-	-	-	-	-	-	-	-	-
(b)	Banks / FI	-	-	-	-	673	-	673	0.01	0.01
(c)	Central Govt	-	-	-	-	-	-	-	-	-
(d)	State Govt(s)	-	-	-	-	-	-	-	-	-
(e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f)	Insurance Companies	-	-	-	-	-	-	-	-	-
(g)	FPIs	699642	-	699642	8.41	706064	-	706064	8.49	0.08
(h)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-

	Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(i)	Any Other - Foreign Portfolio Investors	-	-	-	-	-	-	-	-	-
	Sub- Total (B)(1)	**699642**	**0**	**699642**	**8.41**	**706737**	**0**	**706737**	**8.49**	**0.09**
(2)	**Non- Institutions**									
(a)	Bodies Corporate									
(i)	Indian	1654064	6736	1660800	19.96	1668439	5846	1674285	20.12	0.16
(ii)	Overseas	-	-	-	-	-	-	-	-	-
(b)	Individuals									
(i)	Individual shareholders holding nominal shares capital up to Rs.1 lakh	1838547	622378	2460925	29.58	1842593	558028	2400621	28.86	-0.72
(ii)	Individual shareholders holding nominal shares capital in excess of Rs.1 lakh	584115	212864	796979	9.58	578252	187264	765516	9.20	-0.38
(c)	Others (specify)									
	1. Clearings Members	1112	-	1112	0.01	2484	-	2484	0.03	0.02
	2. HUF	56840	850	57690	0.69	63914	850	64764	0.78	0.09
	3.NRI	60551	232	60783	0.73	95633	232	95865	1.15	0.42
	4.Trusts	620	-	620	0.01	400	-	400	0.00	0.00
	5. IEPF	-	-	-	-	37746	-	37746	0.45	0.45
	6. India Motor Parts & Accessories Ltd, Unclaimed Securities Demat Suspense A/c	25578	-	25578	0.31	15711	-	15711	0.19	-0.12
	Sub- Total (B)(2)	**4221427**	**843060**	**5064487**	**60.87**	**4305172**	**752220**	**5057392**	**60.79**	**-0.09**
	Total Public Shareholding (B)= (B)(1)+(B)(2)	**4921069**	**843060**	**5764129**	**69.28**	**5011909**	**752220**	**5764129**	**69.28**	**0.00**
(C)	Shares held by Custodian for GDRs and ADRs	-	-	-	-	-	-	-	-	-
	GRAND TOTAL (A)+(B)+(C)	**7476515**	**843060**	**8319575**	**100.00**	**7567355**	**752220**	**8319575**	**100.00**	**0.00**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	% change in shareholding during the year
1	R. Ramanujam	400	0.00	-	400	0.00	-	-
2	Srivats Ram (HUF)	488	0.01	-	488	0.01	-	-
3	Srivats Ram	732	0.01	-	732	0.01	-	-
4	Aditya S. Ramanujam	800	0.01	-	800	0.01	-	-
5	Tulsi S. Ramanujam (Minor)	800	0.01	-	800	0.01	-	-
6	Sanjana Tara Ramanujam	800	0.01	-	800	0.01	-	-
7	Rohini Holdings Private Ltd	1000	0.01	-	1000	0.01	-	-
8	Deepa Ramaprasad	1200	0.01	-	1200	0.01	-	-
9	Ananth Ramanujam	1312	0.02	-	1312	0.02	-	-
10	S. Viji (HUF)	1760	0.02	-	1760	0.02	-	-
11	R. Ramanujam	1944	0.02	-	1944	0.02	-	-
12	Aruna Sankaranarayanan	2492	0.03	-	2492	0.03	-	-
13	Rohini Holdings Private Limited	3000	0.04	-	3000	0.04	-	-
14	Aditya S Ramanujam	3412	0.04	-	3412	0.04	-	-
15	Rupa Srikanth	3600	0.04	-	3600	0.04	-	-
16	Maham Holdings Limited	4000	0.05	-	4000	0.05	-	-
17	Revathi Holdings Private Limited	4000	0.05	-	4000	0.05	-	-
18	Sriram Viji	4000	0.05	-	4000	0.05	-	-
19	Sumanth Ramanujam	4504	0.05	-	4504	0.05	-	-
20	Padmalakshmi Holdings Private Limited	6000	0.07	-	6000	0.07	-	-
21	Anupama Lakshmi Rangarajan	6640	0.08	-	-	-	-	-0.08
	Vijaya Rangarajan	-	-	-	6640	0.08	-	0.08
22	Vijaya Rangarajan	7288	0.09	-	7288	0.09	-	-
23	Chitra Viji	8000	0.10	-	8000	0.10	-	-
24	Allegro Holdings Private Limited	8000	0.10	-	8000	0.10	-	-

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	% change in shareholding during the year
25	Daya Ambirajan	8688	0.10	-	8688	0.10	-	-
26	S. Viji	14312	0.17	-	14312	0.17	-	-
27	Prema Ramnujam	19084	0.23	-	19084	0.23	-	-
28	S. Ram	19900	0.24	-	19900	0.24	-	-
29	Chitra Viji	26504	0.32	-	26504	0.32	-	-
30	Srivats Ram	28412	0.34	-	28412	0.34	-	-
31	Harsha Viji	28514	0.34	-	28514	0.34	-	-
32	Sriram Viji	28516	0.34	-	28516	0.34	-	-
33	S. Viji	31252	0.38	-	31252	0.38	-	-
34	Raghuvamsa Holdings Private Limited	32000	0.38	-	32000	0.38	-	-
35	Srikanth Ramanujam	45310	0.54	-	45310	0.54	-	-
36	Gita Ram	46096	0.55	-	46096	0.55	-	-
37	Nivedita Ram	46514	0.56	-	46514	0.56	-	-
38	Arjun Rangarajan	48874	0.59	-	48874	0.59	-	-
39	Silver Oak Holdings Private Limited	56000	0.67	-	56000	0.67	-	-
40	Srikanth Ramanujam	57248	0.69	-	57248	0.69	-	-
41	S Ram	122618	1.47	-	122618	1.47	-	-
42	T V Sundram Iyengar And Sons Private Limited	1819432	21.87	-	1819432	21.87	-	-
	Total	**2555446**	**30.72**	-	**2555446**	**30.72**	-	0.00

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) (Contd.)

iii. CHANGE IN PROMOTERS' SHAREHOLIDING (Please specify if there is no Change)

Sl. No.	Name of the Shareholders	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Anupama Lakshmi Rangarajan				
	At the beginning of the year	6640	0.08		
	Interse transfer 23-Feb - 2018	-6640	0.08		
	At the end of the Year			-	-
2	Vijaya Rangarajan				
	At the beginning of the year	-	-		
	Interse transfer 23-Feb - 2018	6640	0.08		
	At the end of the Year			6640	0.08

iv. Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name of the Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	SUNDARAM FINANCE LIMITED				
	At the beginning of the year	1540784	18.52		
	Transferred on Demerger 25-Jan-2018	-1540784	18.52		
	At the end of the Year			0	0.00
2	SUNDARAM FINANCE HOLDINGS LIMITED				
	At the beginning of the year	-	-		
	Acquired on Demerger 25-Jan-2018	1540784	18.52		
	At the end of the Year			1540784	18.52
3	PARI WASHINGTON INDIA MASTER FUND LTD.				
	At the beginning of the year 01-Apr-2017	373605	4.49		
	Purchase 11-Aug-2017	811	0.01	374416	4.50
	Purchase 18-Aug-2017	312	0.00	374728	4.50
	Purchase 25-Aug-2017	834	0.01	375562	4.51
	Purchase 15-Sep-2017	653	0.01	376215	4.52
	Purchase 22-Sep-2017	2197	0.03	378412	4.55
	Purchase 29-Sep-2017	2063	0.02	380475	4.57
	At the end of the Year 31-Mar-2018			380475	4.57

Sl. No.	Name of the Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
4	EAST SAIL				
	At the beginning of the year	317529	3.82		
	Date wise Increase / Decrease	-	-		
	At the end of the Year			317529	3.82
5	CHOODAMANI NARAYANAN .				
	At the beginning of the year 01-Apr-2017	55924	0.67		
	Interse transfer 21-Jul-2017	-3312	0.04	52612	0.63
	Purchase 21-Feb-2018	2224	0.03	54836	0.66
	At the end of the Year 31-Mar-2018			54836	0.66
6	P S GOVINDA CHARI				
	At the beginning of the year 01-Apr-2017	40345	0.48		
	Purchase 05-Jan-2018	1700	0.02		
	At the end of the Year 31-Mar-2018			42045	0.50
7	ANITA R RATNAM				
	At the beginning of the year	38296	0.46		
	Date wise Increase / Decrease	-	-		
	At the end of the Year			38296	0.46
8	PRITHA RATNAM				
	At the beginning of the year	35968	0.43		
	Date wise Increase / Decrease	-	-		
	At the end of the Year			35968	0.43
9	MALINI SRINIVASAN				
	At the beginning of the year	35968	0.43		
	Date wise Increase / Decrease	-	-		
	At the end of the Year			35968	0.43
10	SHEELA BALAJI				
	At the beginning of the year	35968	0.43		
	Date wise Increase / Decrease	-	-		
	At the end of the Year			35968	0.43
11	PRAMA BHANDARI				
	At the beginning of the year	34128	0.41		
	Date wise Increase / Decrease	-	-		
	At the end of the Year			34128	0.41

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) (Contd.)

v. Shareholding of Directors and Key Managerial Personnel:

(A) Shareholding of Directors :-

Sl. No.	Name of the Directors	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Sri S Ram				
	At the beginning of the year				
	i. Held Individually	19900	0.24		
	ii. Held Jointly with others	122618	1.47		
	Date wise Increase / Decrease	-	-		
	At the end of the Year				
	i. Held Individually			19900	0.24
	ii. Held Jointly with others			122618	1.47
2	Sri Ananth Ramanujam				
	At the beginning of the year				
	i. Held Individually	1312	0.02		
	ii. Held Jointly with others	57248	0.69		
	Date wise Increase / Decrease	-	-		
	At the end of the Year				
	i. Held Individually			1312	0.02
	ii. Held Jointly with others			57248	0.69
3	Sri S Ravindran				
	At the beginning of the year				
	Held Individually	800	0.01		
	Date wise Increase / Decrease	-	-		
	At the end of the Year				
	Held Individually			800	0.01
4	Sri S Prasad				
	At the beginning of the year				
	Held Individually	960	0.01		
	Date wise Increase / Decrease	-	-		
	At the end of the Year				
	Held Individually			960	0.01
5	Ms Shobhana Ramachandhran				
	At the beginning of the year				
	Held Individually	63275	0.76		
	Date wise Increase / Decrease	-	-		
	At the end of the Year				
	Held Individually			63275	0.76

Sl. No.	Name of the Directors	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
6	Sri Rasesh R Doshi				
	At the beginning of the year				
	i. Held Individually	-	-		
	ii. Held Jointly with others	10576	0.13		
	Date wise Increase / Decrease	-	-		
	At the end of the Year				
	i. Held Individually			-	-
	ii. Held Jointly with others			10576	0.13
7	Sri. T N P Durai				
	At the beginning of the year				
	Held Individually	6928	0.08		
	Date wise Increase / Decrease	-	-		
	At the end of the Year				
	Held Individually			6928	0.08
8	Sri. S Venkatesan				
	At the beginning of the year				
	i. Held as Karta of HUF	6100	0.07		
	ii. Held Jointly with others	1776	0.02		
	Date wise Increase / Decrease	-	-		
	At the end of the Year				
	i. Held as Karta of HUF			6100	0.07
	ii. Held Jointly with others			1776	0.02

(B) Share holding of KMP:-

Sl No	Name of the KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	N Krishnan - Held Individually				
	At the beginning of the year	21338	0.26		
	Interse transfer 21-Jul-2017	3312	0.04	24650	0.30
	Purchase 21-Feb-2018	2224	0.03	26874	0.33
	At the end of the Year			26874	0.33
2	S Ramasubramanian - Held Individually				
	At the beginning of the year	2	-		
	At the end of the Year			2	0.00
3	S Kalyanaraman				
	At the beginning of the year	-	-		
	Date wise Increase / Decrease	-	-		
	At the end of the Year			-	-

V. INDEBTEDNESS

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

Rs. in Lakhs

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (01.04.2017)				
(i) Principal Amount	1205.84	-	-	**1205.84**
(ii) Interest due but not paid * (See note below)	-	-	-	**-**
(iii) Interest accrued but not due*	-	-	-	**-**
Total (i + ii + iii)	1205.84	-	-	**1205.84**
Change in Indebtedness during the financial year				
Addition	720.65	-	-	**720.65**
Reduction	-	-	-	**0.00**
Net Change	-	-	-	**720.65**
Indebtedness at the end of the financial year (31.03.2018)				
(i) Principal Amount	1926.49	-	-	**1926.49**
(ii) Interest due but not paid*	-	-	-	**-**
(iii) Interest accrued but not due*	-	-	-	**-**
Total (i + ii + iii)	1926.49	-	-	**1926.49**

**No Interest is Due*

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and / or Manager:

Rs. in Lakhs

Sl. No.	Particulars of Remuneration	Name of the MD/ WTD/Manager	Total
		Sri N Krishnan, Managing Director	
1 (a)	Gross Salary Salary as per provisions contained in Section 17 (1) of the Income-tax Act, 1961	77.52	**77.52**
(b)	Value of perquisites u/s 17 (2) of the Income-tax Act, 1961	6.38	**6.38**
(c)	Profits in lieu of salary under section 17 (3) of the Income-tax Act, 1961	-	**-**
2	Stock Option	-	**-**
3	Sweat Equity	-	**-**
4	Commission	65.48	**65.48**
	- as % of profit	1.50%	
	- others, specify	-	**-**
5	Others, please specify -	12.85	**12.85**
	Total (A)		**162.23**
	Ceiling as per the Act	5%	**218.27**

B. Remuneration to other Directors:

Rs. in Lakhs

Name of the Directors	Particulars of Remuneration			
	Fee for attending Board / Committee Meetings	Commission	Other, Please Specify	Total
Independent Directors				
Sri S Prasad	0.66	1.00	-	**1.66**
Sri S Ravindran	0.66	1.00	-	**1.66**
Sri Rasesh R Doshi	0.54	1.00	-	**1.54**
Sri S Venkatesan	0.36	0.50	-	**0.86**
Sri T N P Durai	0.36	0.50	-	**0.86**
Total (I)	2.58	4.00	-	**6.58**
Other Non-Executive Directors				
Sri S Ram	0.36	0.50	-	**0.86**
Ms. Shobana Ramachandhran	0.24	0.50	-	**0.74**
Sri Ananth Ramanujam	0.24	0.50	-	**0.74**
Total (II)	0.84	1.50	-	**2.34**
Total (B) = (I + II)				**8.92**
Total Managerial Remuneration (A)+(B)				**171.15**
Overall Ceiling as per the Act 11% of Net profit				**480.19**

C. Remuneration to Key Managerial Personnel other than MD / Manager / WTD:

Sl. No.	Particulars of Remuneration	Sri S Kalyanaraman, Company Secretary	Sri S Ramasubramanian, Chief Financial Officer	Total
1 (a)	Gross Salary Salary As Per Provisions Contained In Section 17 (1) of The Income-Tax Act, 1961	14.23	44.25	**58.48**
(b)	Value of Perquisites U/S 17 (2) of The Income-Tax Act, 1961	-	-	**0.00**
(c)	Profits In Lieu of Salary Under Section 17 (3) of The Income-Tax Act, 1961	-	-	**0.00**
2	Stock Option	-	-	**0.00**
3	Sweat Equity	-	-	**0.00**
4	Commission	-	-	**0.00**
	- As % of Profit	-	-	**0.00**
	- Others, Specify	-	-	**0.00**
5	Others, Please Specify	-	-	**0.00**
	Total	**14.23**	**44.25**	**58.48**

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

There were no penalties /punishment / compounding of offences for the year ended 31st March 2018.

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF INDIA MOTOR PARTS AND ACCESSORIES LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying Standalone Ind AS financial statements of India Motor Parts and Accessories Limited ("the Company"),which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss (including other comprehensive income), the statement of Cash Flows and the statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Ind AS financial statements").

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit (financial performance including other comprehensive income), cash flows and changes in equity 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, read with Companies (Indian Accounting Standards) Rules,2015. 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 Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone

INDEPENDENT AUDITORS' REPORT (Contd.)

Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Standalone Ind AS financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at March 31, 2018, and its Profit (financial performance including other comprehensive income), its Cash Flows and the changes in equity for the year ended on that date.

Other Matters

The comparative financial information of the Company for the year ended 31st March 2017 and the transition date opening balance sheet as at 1st April 2016 included in these standalone Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2014 audited by previous auditors and their report for the year ended 31st March 2017 and 31st March 2016 dated 26th May 2017 and 30th May 2016 respectively, expressed an unmodified opinion on those standalone financial statements and management has restated to comply with Ind AS. Adjustments made to the previously issued said statutory financial information for the differences in the accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

Our opinion is not modified in respect of these matters

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure A" to this Report, a statement on the matters specified in paragraphs 3 and 4 of the said Order.
2. As required by section 143 (3) of the Act, we report that:
   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015.

e. On the basis of written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

f. With respect to 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".

g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company does not have any pending litigations which would impact its financial position.

(ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

(iii) There has been no delay in transferring the amounts required to be transferred to the Investor Education and Protection Fund by the Company.

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For **BRAHMAYYA & Co**
Chartered Accountants
Firm Regn. No.000511S

L.Ravi Sankar
Partner
Membership No. 025929

Place: Chennai.
Date: 30th May 2018

ANNEXURE - A TO THE AUDITORS' REPORT

With reference to Annexure A referred to in Independent Auditors' Report to the members of the Company on the Ind AS financial statements for the year ended 31 March 2018, we report that:

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

(b) Fixed assets have been physically verified by the Management during the year, in accordance with an annual plan of verification, which in our opinion is reasonable having regard to the size of the Company and the nature of the fixed assets. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account.

(c) The Title deeds of immovable properties owned by the company are held in the name of the Company.

(ii) The inventories have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. The discrepancies noticed on verification between the physical stocks and the book records which were not material, have been properly dealt with in the books of account.

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Accordingly, reporting under clauses 3 (iii) (a), (b) and (c) of the Order does not arise.

(iv) In our opinion and according to the information and explanations given to us, the Company has not advanced any loan, given any guarantee or provided any security to the parties covered under Section 185 and the Company has not given any loan or made any investment covered under section 186 of the Companies Act, 2013. Accordingly, reporting under clause 3 (iv) of the Order does not arise.

(v) The Company has not accepted any deposits from the public.

(vi) The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act.

(vii)(a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, value added tax, Goods and Service tax and other statutory dues applicable to it during the year with appropriate authorities. According to the information and explanations given to us, there were no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales tax, service tax, duty of customs, value added tax, Goods and Service tax and other statutory dues outstanding as at 31 March 2018 for a period of more than six months from the date they became payable.

(b) In our opinion and according to the information and explanations given to us, there are no dues of Income Tax, Service tax and Goods and Service tax which have not been deposited on account of any dispute.

(viii) The Company does not have any borrowings from banks, financial institutions, government or by issue of debentures.

(ix) The Company has neither raised any money by way of initial public offer or further public offer (including debt instruments) nor has availed any term loans during the year.

(x) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees were noticed or reported during the course of our audit.

(xi) The Company has paid/provided for managerial remuneration within the limits of Section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.

(xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them.

(xvi) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **BRAHMAYYA & Co**
Chartered Accountants
Firm Regn. No.000511S

L.Ravi Sankar
Partner
Membership No. 025929

Place: Chennai.
Date: 30th May 2018

ANNEXURE - B TO THE AUDITORS' REPORT:

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

We have audited the internal financial controls over financial reporting of India Motor Parts and Accessories Limited ("the Company") as of 31 March 2018 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ("the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **BRAHMAYYA & Co**
Chartered Accountants
Firm Regn. No.000511S

L.Ravi Sankar
Partner
Membership No. 025929

Place: Chennai.
Date: 30th May 2018

BALANCE SHEET AS AT 31st MARCH, 2018

Rs. in Lakhs

	Particulars	Notes	March 31, 2018 Ind AS	March 31, 2017 Ind AS	April 1, 2016 Ind AS
I.	**ASSETS**				
(1)	**Non - Current Assets**				
	(a) Property, Plant and Equipment	**1**	**12,57.19**	12,58.71	9,60.51
	(b) Capital Work-in-progress	**2**	**28.49**	0.00	0.00
	(c) Other Intangible assets	**3**	**66.34**	94.98	1,23.62
	(d) Financial Assets				
	(i) Investment	**4**	**685,41.67**	545,03.92	431,74.40
	(ii) Long-term Loans & Advances	**5**	**84.01**	85.26	75.52
	Total Non - Current Assets		**699,77.70**	559,42.87	443,34.05
(2)	**Current Assets**				
	(a) Inventories	**6**	**51,20.14**	45,10.13	48,66.11
	(b) Financial Assets				
	(i) Current Investments	**7**	**108,28.54**	128,44.51	66,20.65
	(ii) Trade Receivables	**8**	**65,67.78**	57,98.08	55,64.33
	(iii) Cash and Cash Equivalents	**9**	**22,66.52**	14,31.56	55,62.30
	(iv) Short term Loans and Advances	**10**	**3,63.32**	3,15.78	3,96.76
	(c) Current Tax Assets (net)	**11**	**40.14**	1,55.29	5.04
	(d) Other Current assets	**12**	**20.71**	7,92.99	70.05
	Total Current Assets		**252,07.15**	258,48.34	230,85.24
	TOTAL ASSETS		**951,84.85**	817,91.21	674,19.29
II.	**EQUITY AND LIABILITIES**				
(1)	**Equity**				
	(a) Equity Share Capital	**13**	**8,31.96**	8,31.96	8,31.96
	(b) Other Equity		**870,24.19**	739,02.63	604,23.52
	Total Equity		**878,56.15**	747,34.59	612,55.48
	LIABILITIES				
(2)	**Non - Current Liabilities**				
	(a) Deferred tax liabilities (Net)	**14**	**6,29.47**	7,01.97	4,06.56
	(b) Provisions	**15**	**49.88**	40.76	34.64
	Total Non - Current Liabilities		**6,79.35**	7,42.73	4,41.20
(3)	**Current Liabilities**				
	(a) Financial Liabilities				
	(i) Borrowings	**16**	**19,26.50**	12,05.84	13,49.08
	(ii) Trade Payables	**17**	**41,03.24**	42,35.69	35,76.14
	(b) Other Current Liabilities	**18**	**6,19.61**	8,72.36	7,97.39
	Total Current Liabilities		**66,49.35**	63,13.89	57,22.61
	Total Liabilities		**73,28.70**	70,56.62	61,63.81
	TOTAL EQUITY AND LIABILITIES		**951,84.85**	817,91.21	674,19.29

N KRISHNAN
Managing Director

S PRASAD
Director

S RAMASUBRAMANIAN
Chief Financial Officer

S KALYANARAMAN
Secretary

Chennai
30th May, 2018

As per our Report of even date attached
For **BRAHMAYYA & CO**
Chartered Accountants
Firm Registration Number : 000511S

L RAVI SANKAR
Partner
Membership No: 25929

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31st MARCH, 2018

Rs. in Lakhs

Particulars	Notes	Year ended March 31, 2018	Year ended March 31, 2017
REVENUE			
Revenue from operations	**19**	**475,50.79**	518,90.08
Other income	**20**	**9,35.23**	11,45.85
Total Revenue		**484,86.02**	530,35.93
EXPENSES			
Purchase of Stock-in-Trade	**21**	**411,12.56**	453,25.19
Changes in inventories - Stock-in-Trade	**22**	**(7,60.29)**	(3,89.77)
Employee benefits expense	**23**	**20,33.39**	18,09.52
Depreciation and amortization expense	**24**	**87.19**	81.51
Administrative and Other expenses	**25**	**16,47.99**	16,21.62
Total expenses		**441,20.84**	484,48.07
Profit before tax		**43,65.18**	45,87.86
Current tax		**13,30.95**	13,16.09
Deferred tax		**(72.51)**	57.15
Total Income tax expense		**12,58.44**	13,73.24
Profit for the year		**31,06.74**	32,14.62
Other comprehensive income			
(i) Item that will not be reclassified to Profit or Loss			
a) Change in Fair Value of Equity instruments		**106,42.50**	110,30.00
b) Remeasurements of defined benefit plan		**(26.89)**	(26.59)
c) Deferred tax relating to above		**0.00**	(238.26)
Net other comprehensive income not to be reclassified to profit or loss		**106,15.61**	107,65.15
Total comprehensive income for the year		**137,22.35**	139,79.77
Earnings per share			
Basic earnings per share (In rupees)		**37.34**	38.64
Diluted earnings per share (In rupees)		**37.34**	38.64

N KRISHNAN
Managing Director

S PRASAD
Director

S RAMASUBRAMANIAN
Chief Financial Officer

S KALYANARAMAN
Secretary

Chennai
30th May, 2018

As per our Report of even date attached
For BRAHMAYYA & CO
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Firm Registration Number : 000511S

L RAVI SANKAR
Partner
Membership No: 25929

STATEMENT OF CHANGES IN EQUITY

	31st March 2018		31st March 2017		1st April 2016	
	No. of Shares	**Amount**	No. of Shares	Amount	No. of Shares	Amount
(a) Equity share capital		*Rs. in Lakhs*		*Rs. in Lakhs*		*Rs. in Lakhs*
Authorised Share Capital Equity shares of Rs. 10/- each	**20000000**	**20,00.00**	20000000	20,00.00	20000000	20,00.00
Issued, Subscribed & Paid-up Capital Equity shares of Rs. 10/- each (Includes 41,59,775 equity shares of Rs.10/- each alloted in September 2012 as fully paid up by way of Bonus shares by Capitalisation of General reserve)	**8319575**	**8,31.96**	8319575	8,31.96	8319575	8,31.96
Balance at the end of the reporting period	**8319575**	**8,31.96**	8319575	8,31.96	8319575	8,31.96

(b) Other equity *Amount (Rs. in Lakhs)*

Particulars	Capital Reserves	General Reserves	Retained Earnings	Gains / (losses) from equity investments through OCI	Other Items of Other Comprehensive Income	Total
Balances as at 1st April 2016 as per Ind AS	**3,78.75**	**207,00.00**	17,91.52	375,16.88	36.37	604,23.52
Profit for the year 2016-17	**-**	**-**	32,14.62	-	-	32,14.62
Fair Value gain/(loss) on equity instruments through Other Comprehensive Income	**-**	**-**	-	107,91.74	-	107,91.74
Re-measurement of gain/(loss) on defined benefit plans	**-**	**-**	-	-	(26.59)	(26.59)
Transfer from current year profit	**-**	**18,00.00**	(18,00.00)	-	-	-

Dividends paid	-	-	(4,15.98)	-	-	(4,15.98)
Dividend distribution tax	-	-	(84.68)	-	-	(84.68)
Sub-Total	-	**18,00.00**	9,13.96	107,91.74	(26.59)	134,79.11
Balance at 31st March 2017	**3,78.75**	**225,00.00**	27,05.48	483,08.62	9.78	739,02.63
Profit for the year 2017-18	-	-	31,06.74	-	-	31,06.74
Fair Value gain/(loss) on equity instruments through Other Comprehensive Income	-	-	-	106,42.50	-	106,42.50
Re-measurement of gain/(loss) on defined benefit plans	-	-	-	-	(26.89)	(26.89)
Transfer from current year profit	-	**17,00.00**	(17,00.00)	-	-	-
Dividends paid	-	-	(4,99.17)	-	-	(4,99.17)
Dividend distribution tax	-	-	(1,01.62)	-	-	(1,01.62)
Sub-Total	-	**17,00.00**	8,05.95	106,42.50	(26.89)	131,21.56
Balance at 31st March 2018	**3,78.75**	**242,00.00**	35,11.43	589,51.12	(17.11)	870,24.19

N KRISHNAN
Managing Director

S PRASAD
Director

S RAMASUBRAMANIAN
Chief Financial Officer

S KALYANARAMAN
Secretary

Chennai
30th May, 2018

As per our Report of even date attached
For **BRAHMAYYA & CO**
Chartered Accountants
Firm Registration Number : 000511S

L RAVI SANKAR
Partner
Membership No: 25929

CASH FLOW STATEMENT

(Rs in lakhs)

	Particulars	2017-2018		2016-2017	
(A)	**Cash flow from Operating Activities**				
(a)	Net Profit Before tax	**43,65.18**		45,87.86	
	Adjustments for:				
	Depreciation	**87.19**		81.51	
	Dividend Income	**(2,91.52)**		(1,79.66)	
	Interest Income from Bank Deposits	**(35.20)**		(13.77)	
	Loss on Sale of Assets	**1.19**		0.43	
	Profit on Sale of Assets	**(0.21)**		(0.50)	
	Profit on Sale of Investments	**(6,05.88)**		(9,35.06)	
(b)	Operating Profit before Working Capital Changes		**35,20.75**		35,40.81
	Adjustment for:				
	Decrease/ (Increase) in Trade Receivables	**(7,69.70)**		(2,25.88)	
	Decrease / (Increase) in Loans & Advances	**7,28.16**		66.44	
	Decrease / (Increase) in Inventories	**(6,10.01)**		(3,70.03)	
	(Decrease) / Increase in Trade Payable and other liabilites	**(3,94.17)**	**(10,45.72)**	7,47.67	2,18.20
(c)	Cash Generated from Operations		**24,75.03**		37,59.01
	Less: Direct Taxes Paid		**(12,17.97)**		(14,63.38)
	Net Cash flow from Operating Activities		**12,57.06**		22,95.63
(B)	**Cash flow from Investing Activities**				
	Sale of Fixed Assets	**1.29**		4.43	
	Sale of Investments	**596,24.57**		532,99.41	
	Dividend received	**2,91.52**		1,79.66	
	Interest Income from Bank Deposits	**35.20**		13.77	
	Purchase of Fixed Assets	**(87.81)**		(355.72)	
	Investment in equity shares	**(33,95.20)**		0.00	
	Purchase of Investments	**(570,11.54)**		(588,90.41)	
	Net Cash used in Investing Activities		**(5,41.97)**		(57,48.86)
(C)	**Cash flow from Financing Activities**				
	Dividend Paid including Dividend Distribution Tax	**(6,00.79)**		(5,34.27)	
	Net Cash flow from Financing Activities		**(6,00.79)**		(5,34.27)

CASH FLOW STATEMENT (Contd.)

(Rs in lakhs)

Particulars	2017-2018		2016-2017	
(D) Net Increase / (Decrease) in Cash & Cash Equivalents		**1,14.30**		(39,87.50)
Cash & Cash Equivalent at beginning of the year		**2,25.72**		42,13.22
Cash & Cash Equivalent at the end of the year		**3,40.02**		2,25.72
Items forming part of cash and cash equivalents				
Balances with Banks	**2,95.55**		1,46.65	
Cheques and Drafts on hand	**5,04.57**		5,02.54	
Cash on hand	**25.51**		27.18	
Balances with Banks for Unclaimed / Unpaid Dividends	**1,06.95**		1,09.02	
Others - Guarantee Deposit	**15.96**		14.20	
- Remittances in Transit	**5,55.98**		5,30.97	
Short Term Deposits with Banks	**7,62.00**		1,01.00	
Cash credit	**(19,26.50)**	**3,40.02**	(12,05.84)	2,25.72

N KRISHNAN
Managing Director

S PRASAD
Director

S RAMASUBRAMANIAN
Chief Financial Officer

S KALYANARAMAN
Secretary

Chennai
30th May, 2018

As per our Report of even date attached
For **BRAHMAYYA & CO**
Chartered Accountants
Firm Registration Number : 000511S

L RAVI SANKAR
Partner
Membership No: 25929

NOTES ON ACCOUNTS

Significant Accounting Policies

Overall considerations

The financial statements have been prepared applying the significant accounting policies and measurement bases summarized below.

Corporate Information

India Motor Parts and Accessories Limited ("IMPAL" or ''the Company'') is incorporated in India and its shares are publicly traded. The registered office of the Company is situated at Sundaram Towers, 3rd Floor, No. 46 Whites Road, Royapettah, Chennai 600014.

The Company is engaged in sale and distribution of automobile spare parts.

Basis of Preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed by Ministry of Corporate Affairs under Companies (Indian Accounting Standards) Rules, 2015, provisions of the Companies Act, 2013, to the extent notified and pronouncements of the Institute of Chartered Accountants of India.

The preparation of the financial statements, in conformity with generally accepted accounting principles, requires the use of estimates and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amounts of revenues and expenses during the period and disclosure of contingent liabilities as at that date. The estimates and assumptions used in these financial statements are based upon the management's evaluation of the relevant facts and circumstances as of the date of the financial statements.

These financial statements are the first financial statements of the Company under Ind AS. Disclosures under Ind AS are made only in respect of material items.

The financial statements have been prepared under accrual basis of accounting as a going concern and on the historical cost convention except for certain financial assets and liabilities (as per the accounting policy below), which have been measured at fair value.

Revenue Recognition

Revenue is measured in accordance with Ind AS 18 at the fair value of the consideration received or receivable and net of returns, trade allowances, rebates and amounts collected on behalf of third parties. It excludes Value Added Tax, Central Sales Tax and Goods and Service tax.

i. Sale of Products:

Revenue from sale of products is recognised, when significant risks and rewards of ownership pass to the dealer / customer, as per terms of contract and it is probable that the economic benefits associated with the transaction will flow to the Company.

ii. Revenue from Services:

Revenue from Services is recognised in the accounting period in which the services are rendered and when invoices are raised.

NOTES ON ACCOUNTS (Contd.)

iii. Interest and Dividend Income:

Interest incomes are recognized using the time proportion method based on the rates implicit in the transaction. Interest income is included in other income in the statement of profit and loss.

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established and it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of dividend can be reliably measured.

2. Property, plant and equipment

Free hold land is stated at historical cost. All other items of Property, Plant and Equipment are stated at cost of acquisition/construction less accumulated depreciation/amortization and impairment, if any. Cost includes purchase price, taxes and duties, labour cost. However, cost excludes Excise Duty, Value Added Tax and Goods and Service Tax, to the extent credit of the duty or tax is availed of.

Depreciation and amortization:

i. Depreciation is recognized on straight-line basis, over the useful life of the buildings and other tangible assets as prescribed under Schedule II of the Companies Act, 2013.

ii. On tangible fixed assets added / disposed off during the year, depreciation is charged on pro-rata basis from the date of addition / till the date of disposal.

Ind AS Transition

As there is no change in the functional currency as at the date of transition, the Company has elected to adopt the carrying value of Plant, property and equipment under the erstwhile GAAP as the deemed cost for the purpose of transition to Ind AS.

3. Intangible assets

Intangible assets acquired are recorded at their acquisition cost and are amortized on straight line basis over its useful life as prescribed under Schedule II of the Companies Act, 2013.

4. Impairment

The Company shall assess at the end of the reporting period whether there exist any indications that an asset may be impaired. If such indication exists, the entity shall estimate the recoverable amount of the asset and treatment shall be given in accordance with Ind AS 36.

5. Inventories

Inventories are valued at cost or net realizable value whichever is less in accordance with Ind AS 2. Net realizable value is the estimated selling price in the ordinary course of business. Cost is ascertained on FIFO basis. Obsolescence, slow and non-moving stocks are duly provided for.

6. Employee Benefits

A) Short Term Employees Benefits:
Short Term Employees Benefits for services rendered by them are recognized during the period when the services are rendered

B) Post-employment benefits:

Defined Contribution Plan

a) Provident Fund

Contributions are made to the company's Employees Provident Fund Trust in accordance with the fund rules. The interest rate payable by the trust to the beneficiaries every year is notified by the Government.

NOTES ON ACCOUNTS (Contd.)

The Company has an obligation to make good the shortfall, if any, between the return from the investment of the trust and the notified interest rate.

The Company also contributes to government administrated pension fund and to Employees' State Insurance Schemes on behalf of its employees.

b) Superannuation

The Company makes fixed contributions as a percentage on salary to the superannuation fund, which is administered by trustees and managed by the Life Insurance Corporation of India (LIC).

Defined Benefit Plan

a) Gratuity

The Company makes contribution to gratuity fund, (as per actuarial valuation), which is administered by trustees and managed by the Life Insurance Corporation of India (LIC).

b) Leave Encashment

Liability on account of encashment of leave to employees is provided on the basis of actuarial valuation.

7. Income Taxes

Tax expense comprises of current and deferred taxes.

Calculation of current tax is based on tax rates in accordance with tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amounts in financial statements.

Deferred taxes pertaining to items recognised in other comprehensive income (OCI) are disclosed under OCI.

8. Investments and Other financial assets

Investments are accounted in accordance with Ind AS 109

a. Classification

The Company classifies its financial assets in the following categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- Those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flow.

b. Measurement

At initial recognition, the Company measures a financial asset at its fair value plus (in the case of a financial asset not a fair value through profit or loss) transaction cost that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt Instruments:

Subsequent measurement of debt instruments depends on the company's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Company classifies its debt instruments.

NOTES ON ACCOUNTS (Contd.)

Amortised Cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is de-recognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair Value through profit or loss:

Assets that do not meet the criteria for amortised cost or Fair Value through Other Comprehensive Income (FVOCI) are measured at Fair Value Through Profit or Loss (FVTPL). A gain or loss on a debt investment that is subsequently measured at FVTPL and is not part of a hedging relationship is recognised in profit or loss and presented in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments:

The Company subsequently measures all investments in equity (except of the subsidiaries/associate) at fair value. Where the company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Company's right to receive payments is established.

Investment in subsidiaries / associates:

Investment in subsidiaries / associates are measured at cost less provision for impairment, if any.

c. Impairment of financial assets

All financial assets are reviewed for impairment at least at each reporting date to identify whether there is any evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

For trade receivables, the Company applies the approach permitted by Ind AS 109 Financial Instruments, which requires expected credit losses to be recognised from initial recognition of the receivables.

d. Derecognition of financial assets

A financial asset is derecognized when the Company has transferred the rights to receive cash flows from the financial asset.
Financial Liabilities
Classification, subsequent measurement and derecognition of financial liabilities

i) Classification

Financial liabilities are classified, at initial recognition, as financial liabilities at amortised cost. The Company's financial liabilities include borrowings, trade and other payables.

ii) Subsequent measurement
Financial liabilities are measured subsequently at amortized cost

iii) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or has expired.

9. Provisions: Provisions are recognized when the company has a present obligation as a result of past events, it is probable, but the outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made out of the amount of obligation.

10. Cash Flow Statement: Cash Flow Statement is prepared under "Indirect Method" as per Ind AS 7.

NOTES ON ACCOUNTS (Contd.)

11. FIRST TIME ADOPTION OF IND AS

The adoption of Ind AS has been carried out in accordance with Ind AS 101, First Time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements be applied retrospectively and consistently for all financial years presented. Accordingly, the Company has prepared financial statements which comply with Ind AS for year ended 31st March, 2018, together with the comparative information as at and for the year ended 31st March, 2017 and the opening Ind AS Balance Sheet as at 1st April, 2016, the date of transition to Ind AS.

In preparing these Ind AS financial statements, the Company has availed certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity). This note explains the adjustments made by the Company in restating its financial statements prepared under previous GAAP, including the Balance Sheet as at 1st April, 2016 and the financial statements as at and for the year ended 31st March, 2017.

Optional exemptions from retrospective application

Ind AS 101 permits first time adopters certain exemptions from retrospective application of certain requirements under Ind AS. The Company has elected to apply the following optional exemptions from retrospective application.

i) Deemed cost of property, plant and equipment and intangible assets:

The Company has elected to measure all its property, plant and equipment and intangible assets at the Previous GAAP carrying amounts as its deemed cost on the date of transition to Ind AS.

ii) Estimates:

On assessment of the estimates made under the Previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under Previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date.

iii) Classification and measurement of financial assets:

The classification of financial assets to be measured at amortized cost, Fair Value Through Profit and Loss or Fair Value Through Other Comprehensive Income is made on the basis of the facts and circumstances that existed on the date of transition to Ind AS.

iv) Investment in associate

The company has elected to measure its investment in associate at the previous GAAP carrying amount as its deemed cost on the date of transition.

Reconciliations:

The following reconciliations provide the explanations and quantification of differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101:-

a. Reconciliation of Equity as at 01/04/2016
b. Reconciliation of Equity as at 31/03/2017
c. Reconciliation of Statement of Profit and Loss for the year ended 31/03/2017
d. Adjustments to Statement of Cash Flows for the year ended 31/03/2017

Previous year figures have been reclassified/regrouped wherever necessary to conform with financial statements prepared under Ind AS.

NOTES ON ACCOUNTS (Contd.)

Reconciliation between Previous GAAP and Ind AS

(i) Equity Reconciliation : *Rs. in Lakhs*

	As at 31st Mar 2017	As at 1st Apr 2016
As reported under Previous GAAP	245,53.09	223,21.22
Fair valuation of mutual funds (net of taxes)	10,29.65	5,49.05
Fair valuation of equity instruments (net of taxes)	483,08.62	375,16.88
Re-measurement of gain/(loss) on defined benefit plans	11.27	36.37
Equity under Ind AS	739,02.63	604,23.52

(ii) Total Comprehensive Income Reconciliation : *Rs. in Lakhs*

	As at 31st Mar 2017
Net Profit after Tax under Previous GAAP	27,32.52
Gain/(Loss) on Fair Valuation of Mutual Fund Investments (net of reversals)	5,43.88
Actuarial Gain/Loss on Employee Benefits classified to OCI	1.50
Tax effects on above	(63.28)
Net Profit after Tax under Ind AS	32,14.62
Gain/(Loss) on Fair Valuation of Equity Investments (net of reversals)	107,91.74
Actuarial Gain/Loss on Employee Benefits classified to OCI	(26.59)
Total Comprehensive Income under Ind AS	139,79.77

Notes to reconciliation between previous GAAP and Ind AS

1) Fair valuation of Investments in mutual funds:

Under previous GAAP, current investments in mutual funds were measured at lower of cost or fair value. Under Ind AS, these investments in mutual funds have been classified as FVTPL (Fair Value through Profit and Loss statement).This has resulted in increase of equity by Rs.10,29.65 lakhs and Rs.5,49.05 lakhs as at 31st March 2017 and 1st April, 2016 respectively.

2) Fair valuation of Investments in equity shares:

Under previous GAAP, current investments in equity shares were measured at lower of cost or fair value. Under Ind AS, investments in equity shares have been classified as FVTOCI (Fair Value through Other Comprehensive Income statement). This has resulted in increase of equity by Rs.483,08.62 lakhs and Rs.375,16.88 lakhs as at 31st,March 2017 and 1st April, 2016 respectively.

3) Employee benefits:

Under Ind AS, the actuarial gains and losses form part of re-measurement of net defined benefit liability/ asset which is recognised in Other Comprehensive Income in the respective years. This has resulted in increase in profit for the year ended 31st March 2017 by Rs. 1.50 lakhs. Actuarial loss accounted for the year ended 31st,March 2017 is Rs. 26.59 lakhs.

(iii) Reconciliation of Statement of Cash Flow

Ind AS 7 specifically includes bank overdrafts which are repayable on demand as a part of cash and cash equivalents. Accordingly, Cash and cash equivalents comprises cash credit availed from bank.

Amount in Rs. Lakhs

Description	Gross Block				Depreciation				Net Block
	As at 01.04.2016	Additions	Deductions	As at 31.03.2017	As at 01.04.2016	For the Year	Deductions	As at 31.03.2017	As at 31.03.2017
Note 1- Property, Plant & Equipment									
Freehold Land (Refer note)	3,41.64	2,92.55	-	6,34.19	-	-	-	-	6,34.19
Leasehold land	41.75	-	-	41.75	-	1.14	-	1.14	40.61
Building	3,41.11	-	-	3,41.11	-	12.55	-	12.55	3,28.56
Plant and Equipments	35.98	3.64	1.33	38.29	-	3.90	1.03	2.87	35.42
Others - Electrical Fittings	2.46	0.53	0.28	2.71	-	0.20	0.20	-	2.71
Office Equipments	40.64	21.00	8.66	52.98	-	14.43	8.18	6.25	46.73
Furniture & Fixtures	49.75	19.51	0.29	68.97	-	5.71	0.28	5.43	63.54
Vehicles	1,07.18	18.49	10.16	1,15.51	-	14.94	6.38	8.56	1,06.95
SUB TOTAL (A)	9,60.51	3,55.72	20.72	12,95.51	-	52.87	16.07	36.80	12,58.71
Note 2 - Capital Work in Progress									
Capital Work in Progress	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)	-	-	-	-	-	-	-	-	-
Note 3 - Intangible Assets									
Computer Software	1,23.62	-	-	1,23.62	-	28.64	-	28.64	94.98
SUB TOTAL (C)	1,23.62	-	-	1,23.62	-	28.64	-	28.64	94.98
Total [A + B + C]	10,84.13	3,55.72	20.72	14,19.13	-	81.51	16.07	65.44	13,53.69

Amount in Rs. Lakhs

Description	Gross Block				Depreciation				Net Block
	As at 01.04.2017	Additions	Deductions	**As at 31.03.2018**	As at 01.04.2017	For the Year	Deductions	**As at 31.03.2018**	**As at 31.03.2018**
Note 1- Property, Plant & Equipment									
Freehold Land (Refer note)	6,34.19	-	-	**6,34.19**	-	-	-	**-**	**6,34.19**
Leasehold land	41.75	2.10	-	**43.85**	1.14	1.14	-	**2.28**	**41.57**
Building	3,41.11	-	-	**3,41.11**	12.55	12.55	-	**25.10**	**3,16.01**
Plant and Equipments	38.29	6.36	2.48	**42.17**	2.87	3.94	1.91	**4.90**	**37.27**
Others - Electrical Fittings	2.71	0.58	0.05	**3.24**	-	0.24	0.04	**0.20**	**3.04**
Office Equipments	52.98	14.55	7.84	**59.69**	6.25	17.25	7.45	**16.05**	**43.64**
Furniture & Fixtures	68.97	19.82	0.69	**88.10**	5.43	7.52	0.64	**12.31**	**75.79**
Vehicles	1,15.51	15.91	6.10	**1,25.32**	8.56	15.91	4.83	**19.64**	**1,05.68**
SUB TOTAL (A)	12,95.51	59.32	17.16	**13,37.67**	36.80	58.55	14.87	**80.48**	**12,57.19**
Note 2 - Capital Work in Progress									
Capital Work in Progress	-	28.49	-	**28.49**	-	-	-	**-**	**28.49**
SUB TOTAL (B)	-	28.49	-	**28.49**	-	-	-	**-**	**28.49**
Note 3 - Intangible Assets									
Computer Software	1,23.62	-	-	**1,23.62**	28.64	28.64	-	**57.28**	66.34
SUB TOTAL (C)	1,23.62	-	-	**1,23.62**	28.64	28.64	-	**57.28**	66.34
Total [A + B + C]	14,19.13	87.81	17.16	**14,89.78**	65.44	87.19	14.87	**137.76**	13,52.02

Note: Value of Freehold land includes undivided share of land (UDS) of value of Rs. 341.64 lakhs. (Previous year - Rs. 341.64 lakhs)

Notes to Balance Sheet

Amount in Rs. Lakhs

Note	Particulars	March 31, 2018 Ind AS	March 31, 2017 Ind AS	April 1, 2016 Ind AS
4	**Investments in Equity Instruments**			
	Investment in Subsidiary Company - Unquoted - Trade			
	CAPL Motor Parts Private Limited	**4,50.00**	-	-
	45,00,000 equity shares of Face Value Rs.10/- each - Subscribed during the year			
	Unquoted Investment - Associate - Non Trade			
	Transenergy Limited	**1,63.75**	1,63.75	1,63.75
	1,00,000 equity shares of Face Value Rs.100/- each			
	Quoted Investments - Others - Non Trade			
	Sundaram Finance Limited	**478,60.58**	460,78.51	371,13.90
	28,53,600 equity shares of Face Value Rs.10/- each			
	Sundaram Finance Holdings Limited	**88,60.43**	-	-
	28,53,600 equity shares of Face Value Rs.5/- each (alloted on demerger at no cost)			
	Unquoted Investments - Others - Non Trade			
	Royal Sundaram General Insurance Co. Ltd	**112,06.91**	82,61.66	58,96.75
	4,48,27,634 equity shares of Face Value Rs.10/- each (Previous year 3,30,46,652 equity shares of Rs. 10/- each)			
	(1,17,80,982 equity shares of Rs.10/- each had been purchased during the year at a premium of Rs.15/- per share)			
	TOTAL	**685,41.67**	545,03.92	431,74.40
5	**Long-Term Loans & Advances**			
	Unsecured Advances - considered good			
	Rent and others advances	**84.01**	85.26	75.52
	TOTAL	**84.01**	85.26	75.52
	CURRENT ASSETS			
6	**Inventories**			
	Stock in Trade	**50,31.93**	42,71.64	46,07.88
	Goods in Transit (Closing stock as on 31.3.2017 is stated net of Excise Duty of Rs.726.01 lakhs to make it comparable with the closing stock as on 31.3.2018)	**88.21**	238.49	258.23
	TOTAL	**51,20.14**	45,10.13	48,66.11

Notes to Balance Sheet

Amount in Rs. Lakhs

Note	Particulars	March 31, 2018 Ind AS	March 31, 2017 Ind AS	April 1, 2016 Ind AS
7	**Current Investments**			
	Investments in Mutual Funds			
	HDFC FMP 370D July 2013 (3) - Growth -Series XXVI - Direct 3000000 Units of Rs.10 /- each, Face Value Rs.300 Lakhs	-	-	3,82.19
	Sundaram Fixed Term Plan GU-1120 Days - Growth 5000000 Units of Rs.10/- each, Face value Rs.500 lakhs	-	6,01.99	5,52.27
	HDFC FMP 1128D Mar 2015 (1) - Growth -Series 33 10000000 Units of Rs.10/- each, Face value Rs.1000 lakhs	**12,74.77**	11,89.80	10,89.10
	HDFC FMP 370D June 2014 (2) - Growth -Series 31 3000000 Units of Rs.10 /- each, Face Value Rs.300 Lakhs	-	3,77.80	3,49.07
	Sundaram Fixed Term Plan Hm - Growth 3000000 Units of Rs.10 /- Each, Face Value Rs.300 Lakhs	**3,44.69**	3,22.69	-
	HDFC FMP 1099D Aug 2014 (1) - Growth -Series 32 5000000 Units of Rs.10/- each, Face value Rs.500 lakhs	-	6,31.28	5,81.82
	HDFC FMP 1430D Jul 2017 (1) - Growth -Series 38 Growth 15000000 Units of Rs.10/- each, Face value Rs.1500 lakhs	**15,48.12**	-	-
	SBI Debt Fund Series A 42 - 1111 Days - Growth 6000000 Units of Rs.10 /- each, Face Value Rs.600 Lakhs	-	7,57.92	6,93.52
	HDFC FMP 1113D Nov 2014 (1) - Growth -Series 32 5000000 Units of Rs.10/- each, Face value Rs.500 lakhs	-	6,11.65	5,61.54
	HDFC FMP 1115D March 2015 (1) - Series 33 - Growth 3000000 Units of Rs.10 /- each, Face Value Rs.300 Lakhs	**3,78.40**	3,53.23	3,23.41
	Sundaram Fixed Term Plan GY - Growth 10000000 Units of Rs.10 /- each, Face Value Rs.1000 Lakhs	**12,44.53**	11,61.91	10,62.51
	HDFC FMP 1105D Oct 2015 (1) - Series 34 - Growth 5000000 Units of Rs.10 /- each, Face Value Rs.500 Lakhs	**6,06.02**	5,65.88	5,16.70
	Sundaram Fixed Term Plan HC - Growth 2000000 Units of Rs.10 /- each, Face Value Rs.200 Lakhs	**2,39.83**	2,24.09	2,04.55
	Sundaram Fixed Term Plan HI - Growth 3000000 Units of Rs.10 /- each, Face Value Rs.300 Lakhs	**3,55.76**	3,32.78	3,03.97
	IDFC Corporate Bond Fund - Regular - Growth	**1,13.84**	1,06.98	-
	957579.240 Units of Rs.10.4430 /- Each, Face Value Rs.100 Lakhs			
	IDFC Corporate Bond Fund - Regular - Growth 930665.426 Units of Rs.10.7450 /- Each, Face Value Rs.100 Lakhs	**1,10.64**	1,03.97	-

Notes to Balance Sheet

Amount in Rs. Lakhs

Note	Particulars	March 31, 2018 Ind AS	March 31, 2017 Ind AS	April 1, 2016 Ind AS
	Birla Sun Life Short Term Fund - Regular - Growth 171297.113 Units of Rs.58.3781 /- Each, Face Value Rs.100 Lakhs	**1,13.82**	1,06.67	-
	Sundaram Flexible Fund-Flexible Income Plan-Growth 454477.283 Units of Rs.22.0033 /- Each, Face Value Rs.100 Lakhs	**1,12.48**	1,05.91	-
	Sundaram Flexible Fund-Flexible Income Plan-Growth 891055.143 Units of Rs.22.4453 /- Each, Face Value Rs.200 Lakhs	**2,20.54**	2,07.65	-
	LIC MF Liquid Fund Direct Growth 29763.30 Units of Rs.3146.21/- each (Previous year 27140.843 Units of Rs.2947.571 each)	**9,38.00**	8,00.39	-
	SBI Premier Liquid Fund Direct Growth Current year Nil. (Previous year 29516.164 Units of Rs.2551.1445 each)	**-**	7,53.35	-
	SBI Magnum Insta Cash Fund Regular Growth Current year Nil. (Previous year 5579.628 Units of Rs.3584.4686 each)	**-**	2,00.09	-
	SBI Magnum Insta Cash Fund Regular Growth 4719.36 Units of Rs.3835.88 and 3675.10 Units of Rs.3836.63 each (Previous year 864.688 Units of Rs.3585.4686 each)	**3,22.61**	31.01	-
	Birla Sun Life Cash Plus - Growth 50937.74 Units of Rs.278.77, 256896.99 Units of Rs.278.82 and 35865.56 Units of Rs.278.82 each (Previous year 421153.225 Units of Rs.261.1876 each)	**9,60.01**	11,00.51	-
	Sundaram Money Fund - Growth 1392038.47 Units of Rs.36.58 each (Previous year 2917161.369 Units of Rs. 34.2799 each)	**5,09.97**	10,00.44	-
	HDFC Cash Management Fund - Savings Plan - Growth Current year Nil. (Previous year 2798.828 Units of Rs.3394.2784 each)	**-**	95.04	-
	HDFC Cash Management Fund - Growth 1271.16 Units of Rs. 3618.74, 16671.16 Units of Rs.3619.30 and 1187.83 Units of Rs.3620.04 each (Previous year 29461.343 Units of Rs.3394.2784 each)	**6,93.36**	10,00.46	-
	HDFC Cash Management Fund - Growth Current year Nil. (Previous year 2975.068 Units of Rs.3394.8801 each)	**-**	1,01.02	-
	Sundaram Alternate OPP Series High Yield Secured Debt Fund (Balance uncalled contribution - Rs. 750 lakhs)	**7,41.15**	-	-
	TOTAL	**108,28.54**	128,44.51	66,20.65

Notes to Balance Sheet

Amount in Rs. Lakhs

Note	Particulars	March 31, 2018 Ind AS	March 31, 2017 Ind AS	April 1, 2016 Ind AS
8	**Trade Receivables - Unsecured - considered good**			
	More than six months	**45.99**	36.70	37.39
	Others	**65,21.79**	57,61.38	55,26.94
	TOTAL	**65,67.78**	57,98.08	55,64.33
9	**Cash & Cash Equivalents**			
	Balances with Banks	**2,95.55**	1,46.65	1,27.71
	Cheques and Drafts on hand	**5,04.57**	5,02.54	4,65.68
	Cash on hand	**25.51**	27.18	27.56
	Balances with Banks for Unclaimed / Unpaid Dividends	**1,06.95**	1,09.02	1,42.63
	Others - Guarantee Deposit	**15.96**	14.20	14.00
	- Remittances in Transit	**5,55.98**	5,30.97	6,01.72
	Short Term Deposits with Banks	**7,62.00**	1,01.00	41,83.00
	TOTAL	**22,66.52**	14,31.56	55,62.30
10	**Short-term Loans & Advances**			
	Unsecured			
	Advances recoverable in Cash or in kind or for value to be received	**3,35.39**	2,82.07	3,53.86
	Interest accrued on Short Term Deposits	**1.33**	0.07	7.94
	Advances to Employees and Others	**20.09**	27.23	28.80
	Deposit with Governments and others	**6.51**	6.41	6.16
	TOTAL	**3,63.32**	3,15.78	3,96.76
11	**Current Tax Assets (net)**			
	Advance Tax and T.D.S. (Net of Provision for tax)	**40.14**	1,55.29	5.04
	Provision for Tax balance as on -			
	31st March 2018 - Rs. 7702.73 lakhs			
	31st March 2017 - Rs. 6371.78 lakhs			
	01st April 2016 - Rs. 5058.84 lakhs			
	TOTAL	**40.14**	1,55.29	5.04
12	**Other Current Assets**			
	Prepaid Expenses	**5.14**	14.53	24.90
	GST / VAT and CST	**15.57**	7,78.46	45.15
	TOTAL	**20.71**	7,92.99	70.05

Notes to Balance Sheet

Amount in Rs. Lakhs

Note	Particulars	March 31, 2018 Ind AS	March 31, 2017 Ind AS	April 1, 2016 Ind AS
	EQUITY			
13	**Equity Share Capital**			
	Issued, Subscribed & Paid-up Capital Equity shares of Rs. 10/- each The Company has only one class of equity shares having a par value of Rs. 10/- each. Each member is entitled to vote in proportion to their holdings.	**831.96**	831.96	831.96
	Details of shareholder holding more than 5% shares in the company			
	M/s T V Sundaram Iyengar & Sons Private Limited	**1819432**	1819432	1819432
		21.87%	21.87%	21.87%
	M/s Sundaram Finance Limited	**-**	1540784	1540784
		-	18.52%	18.52%
	M/s Sundaram Finance Holdings Limited	**1540784**	-	-
		18.52%	-	-
14	**Liabilities**			
	Deferred Tax Liability (net) Deferred Tax Liability - On depreciation and Fair Value changes on Investments	**6,70.60**	7,58.34	4,60.81
	Deferred Tax Assets	**(41.13)**	(56.37)	(54.25)
	TOTAL	**6,29.47**	7,01.97	4,06.56
15	**Long Term Provisions**			
	Provision for Employee Benefits	**49.88**	40.76	34.64
	TOTAL	**49.88**	40.76	34.64
16	**Borrowings**			
	Secured Loans Cash Credit (Secured by hypothecation of book debts, stock and other current assets)	**19,26.50**	12,05.84	13,49.08
	TOTAL	**19,26.50**	12,05.84	13,49.08
17	**Trade Payable**			
	Total outstanding dues of micro enterprises and small enterprises	**-**	-	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises	**41,03.24**	42,35.69	35,76.14
	TOTAL	**41,03.24**	42,35.69	35,76.14

Notes to Balance Sheet

Amount in Rs. Lakhs

Note	Particulars	March 31, 2018 Ind AS	March 31, 2017 Ind AS	April 1, 2016 Ind AS
18	**Other Current Liabilites**			
	For expenses	**3,81.00**	3,46.00	2,73.25
	GST / VAT and CST	**-**	2,20.99	2,08.56
	Other payables	**1,31.66**	1,96.35	1,72.95
	Unpaid interim dividend	**-**	-	45.30
	Unclaimed dividends	**1,06.95**	1,09.02	97.33
	TOTAL	**6,19.61**	8,72.36	7,97.39

Notes to Statement of Profit and Loss

Amount in Rs. Lakhs

Note	Particulars	Year ended March 31, 2018	Year ended March 31, 2017
19	**Revenue from operations**		
	Sales - Less Returns (Net)		
	Sale of Products	**474,62.01**	518,02.13
	Sale of Services	**0.24**	0.72
	Other Operating Revenue	**88.54**	87.23
	(Previous year's sale includes Excise Duty and Sales tax of Rs. 49,25 lakhs for the period from July 2016 to March 2017)		
	TOTAL	**475,50.79**	518,90.08
20	**Other income**		
	Dividend Income		
	- Long Term Investments in Equity Shares	**1,92.98**	1,78.71
	- Current Investments	**98.54**	0.95
	Profit on Sale/Fair value Change of Mutual Funds (Net)	**6,05.88**	9,35.06
	Interest Income from Bank Deposits and Others	**35.20**	13.77
	Profit on Sale of Assets	**0.21**	0.50
	Other non operating income	**2.42**	16.86
	TOTAL	**9,35.23**	11,45.85

Notes to Statement of Profit and Loss

Amount in Rs. Lakhs

Note	Particulars	Year ended March 31, 2018	Year ended March 31, 2017
21	**Purchase of Stock-in-Trade**		
	Purchase Less Returns (Net)	**411,12.56**	453,25.19
	(Excise Duty component on GST Transition has been given effect)		
	TOTAL	**411,12.56**	453,25.19
22	**Changes In Inventories - Stock-in-Trade**		
	Opening Stock net of Excise Duty *	**42,71.64**	46,07.88
	Closing Stock	**50,31.93**	49,97.65
	* for 2017-2018		
	(Increase)/Decrease in inventories	**(7,60.29)**	(3,89.77)
23	**Employee benefits expense**		
	Salaries, Bonus and other allowances	**17,88.26**	15,92.54
	Company's contribution to Provident fund, gratuity and other funds	**1,55.02**	1,30.89
	Staff Welfare Expenses	**90.11**	86.09
	TOTAL	**20,33.39**	18,09.52
24	**Depreciation and amortization expense**		
	Depreciation of property, plant and equipment	**58.55**	52.87
	Amortization of intangible assets	**28.64**	28.64
	TOTAL	**87.19**	81.51
25	**Administrative and Other expenses**		
	Audit Fees:		
	as Auditors	**7.00**	6.33
	for Tax Audit	**1.50**	1.44
	for Certification	**1.50**	1.44
	out of pocket expenses	**-**	0.16
	Power and fuel	**35.25**	32.70
	Rent	**2,39.69**	2,10.02
	Repairs to Buildings	**58.21**	54.82
	Repairs to Plant & Equipments	**4.86**	5.37
	Corporate Social Responsibility Expenses / Donations	**78.66**	78.30
	Insurance	**11.60**	11.53
	Rates, Taxes and Licences	**15.38**	13.74
	Loss on Sale of Assets	**1.19**	0.43
	Administrative and Other expenses	**11,93.15**	12,05.34
	TOTAL	**16,47.99**	16,21.62

Notes to Statement of Profit and Loss

26. General

The Company operates only in one business segment. Viz "Sale and Distribution of Automotive Spares"

Related Party Disclosure

1. Related Parties:

   a. Subsidiaries:

      CAPL Motor Parts Private Limited

   b. Entity having significant influence by shareholding:

      T V Sundaram Iyengar & Sons Private Limited

   c. Associates:

      Transenergy Limited

   d. Key Management Personnel:

      Sri. N. Krishnan, Managing Director.

   e. Post Employees Benefit Plan Trust

      India Motor Parts and Accessories Employees' Provident Fund Trust

2. The disclosure of related party transactions during the year and balances as on 31/03/2018 are as follows.

Nature of Transaction	Subsidiaries		Entities having significant influence		Key Management Personnel	
	2017-18	2016-17	**2017-18**	2016-17	**2017-18**	2016-17
Sales of Goods	**0.00**	0.00	**11.17**	12.60	**0.00**	0.00
Purchase of Goods	**6.06**	0.00	**0.00**	0.00	**0.00**	0.00
Receiving Services	**0.00**	0.00	**11.88**	21.68	**0.00**	0.00
Rendering of Services	**10.12**	0.00	**0.00**	0.00	**0.00**	0.00
Payable Balance	**5.24**	0.00	**0.00**	0.00	**65.48**	63.07
Remuneration	**0.00**	0.00	**0.00**	0.00	**1,62.23**	1,52.47

Contribution to Company's Employee Provident Fund Trust – Rs. 33.68 lakhs
(Previous year – Rs. 28.09 lakhs)

Dividend received from Transenergy Limited – Rs. 7.50 lakhs
(Previous year – Rs. 7.50 lakhs)

Notes to Statement of Profit and Loss

3. Disclosures required under the "Micro, Small and Medium Enterprises Development Act, 2006"

Particulars		2017-18	2016-17
a)	Principal amount and the interest due to Suppliers under the Act	**Nil**	Nil
b)	Interest paid to Suppliers in terms of Section 16 of the Act, along with payment made beyond the appointed day	**Nil**	Nil
c)	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 Act	**Nil**	Nil
d)	Interest accrued and remaining unpaid at the end of the year	**Nil**	Nil
e)	Further interest remaining due and payable even in the succeeding years, until such date, when interest dues above are actually paid in the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Act	**Nil**	Nil

This information has been given in respect of such vendors to the extent they could be identified as "Micro, Small and Medium Enterprises" on the basis of information available with the Company on which the Auditors have relied upon.

4. Basic and diluted Earnings Per Share (EPS) of Face Value of Rs.10 each is calculated as under:

Particulars		2017-18	2016-17
Profit after Tax	Rs. in Lakhs	**31,06.74**	32,14.62
Total Equity Shares outstanding at the end of the year	Nos.	**8319575**	8319575
Earnings per share (Basic and Diluted)	Rs.	**37.34**	38.64
Face value per share	Rs.	**10**	10

Rs. in Lakhs

5a.	Contingent Liability not provided for	Nil	Nil
5b.	The amount of Capital commitment pending as on 31st March 2018 is (previous year Rs. Nil)	Rs.80.60 lakhs	

6. Employee benefits

Defined Contribution Plans:

During the year, the Company has recognized the following amounts in the Profit and Loss Statement, which are included in Employees benefits expenses in Note:

Rs. in Lakhs

	2017-2018	2016-2017
Contribution to Superannuation Fund	**15.59**	14.03
Contribution to Pension Fund	**46.40**	44.93
Contribution to Employees' State Insurance – ESI	**37.61**	22.96
Contribution to Provident Fund	**33.68**	28.09

Defined Benefit Plans:

1 Change in the Present Value of Defined Benefit Obligation (DBO)

		As at 31st March, 2018 Funded Gratuity Rs. in Lakhs	As at 31st March, 2017 Funded Gratuity Rs. in Lakhs
1.	Present Value of Defined Benefit Obligation at the beginning of the Period	**3,08.80**	2,60.38
2.	Service Cost		
a.	Current Service Cost	**18.69**	19.36
b.	Past Service Cost	**-**	-
c.	(Gain) / Loss on Curtailments	**-**	-
d.	(Gain) / Loss on Settlements	**-**	-
3.	Interest Expense	**24.70**	20.83
4.	Remeasurements		
a	Effect of Changes in Demographic Assumptions	**-**	-
b	Effect of Changes in Financial Assumptions	**37.44**	-
c	Effect of Experience Adjustments	**(11.39)**	26.67
5.	Cashflows		
a	Benefit Payments		
(i)	From the Plan	**(8.63)**	(18.44)
(ii)	Directly from the Employer	**-**	-
b	Settlement Payments from the Plan	**-**	-
c	Participant Contributions	**-**	-
6.	Effect of Business Combinations / Disposals	**-**	-
7.	Effect of Changes in Foreign Exchange Rates	**-**	-
8.	Present Value of Defined Benefit Obligation at the end of the Period	**3,69.61**	3,08.80

2 Change in the Fair Value of Plan Assets

1.	Fair Value of Plan Assets at the beginning of the Period	**3,20.09**	2,96.75
2.	Interest Income on Plan Assets	**25.98**	23.72
3.	Cashflows		
a	Benefit Payments		
(i)	From the Plan	**(8.63)**	(18.44)
(ii)	Directly from the Employer	**-**	-
b	Settlement Payments from the Plan	**-**	-
c	Participant Contributions	**-**	-
d	Total Employer Contributions		
(i)	Employer Contributions	**18.00**	17.99
(ii)	Employer Direct Benefit Payments	**-**	-

			As at 31st March, 2018 Funded Gratuity Rs. in Lakhs	As at 31st March, 2017 Funded Gratuity Rs. in Lakhs
4.	Remeasurements			
	a.	Actual Return on Plan Assets (Less 4.2 above)	**(0.84)**	0.07
5.	Effect of Business Combinations / Disposals		-	-
6.	Effect of Changes in Foreign Exchange Rates		-	-
7.	Fair Value of Plan Assets at the end of the Period		**3,54.60**	3,20.09
3	**Components of Defined Benefit Cost**			
1.	Service Cost			
	a	Current Service Cost	**18.69**	19.36
	b	Past Service Cost	-	-
	c	(Gain) / Loss on Curtailments	-	-
	d	(Gain) / Loss on Settlements	-	-
	e	Total Service Cost	**18.69**	19.36
2.	Net Interest Expense			
	a	Interest Expense on DBO	**24.70**	20.83
	b	Interest Income on Plan Assets	**(25.98)**	(23.72)
	c	Interest Income on Reimbursement Rights	-	-
	d	Interest Income on Asset Ceiling	-	-
	e	Total Net Interest Cost	**(1.28)**	(2.89)
3.	Remeasurements			
	a	Effect of Changes in Demographic Assumptions	-	-
	b	Effect of Changes in Financial Assumptions	**37.44**	-
	c	Effect of Experience Adjustments	**(11.39)**	26.67
	d	Actual Return on Plan Assets (Less 4.2 above)	**0.84**	(0.07)
	e	Actual Return on Reimbursement Rights (Less 5.2 above)	-	-
	f	Actual Change in Asset Ceiling (Less 6.2 above)	-	-
	g	Total Remeasurements	**26.89**	26.60
4.	Defined Benefit Cost included in Profit & Loss Account		**17.41**	16.47
5.	Defined Benefit Cost included in Other Comprehensive Income		**26.89**	26.60
4	**Reconciliation of Net Liability (Asset)**			
1.	Net Liability (Asset) at the beginning of the Period		**(11.30)**	(36.37)
2.	Defined Benefit Cost included in Profit & Loss Account		**17.41**	16.47
3.	Defined Benefit Cost included in Other Comprehensive Income		**26.89**	26.60

			As at 31st March, 2018 Funded Gratuity Rs. in Lakhs	As at 31st March, 2017 Funded Gratuity Rs. in Lakhs
4.	Cash flows			
	a	Total Employer Contributions		
		(i) Employer Contributions	**18.00**	17.99
		(ii) Employer Direct Benefit Payments	-	-
	b	Employer Contributions towards Reimbursement Rights	-	-
	c	Reimbursements to Employer	-	-
5.	Effect of Business Combinations / Disposals		-	-
6.	Effect of Changes in Foreign Exchange Rates		-	-
7.	Net Liability (Asset) at the end of the Period		**15.00**	(11.30)
5	**Defined Benefit Obligation**			
1	Defined Benefit Obligation by Participant Status			
	a	Actives	**3,69.61**	2,97.86
	b	Vested Deferreds	-	-
	c	Retiree Beneficiaries	-	-
	d	Total	**3,69.61**	2,97.86
6	**Significant Actuarial Assumptions**			
1.	**Financial Assumptions**			
	a	Discount Rate (Single Rate for ALL Years)	**7.72%**	8.00%
	b	Salary Escalation Rate (Duration Based)		
		From Year 1 To Year 1	**8.00%**	6.00%
		From Year 2 To Year 2	**8.00%**	6.00%
		From Year 3 To Year 3	**8.00%**	6.00%
		From Year 4 To Year 37	**8.00%**	6.00%
2.	**Demographic Assumptions**			
	a	Pre Retirement Mortality Rate - IALM (2006-08) Ultimate	**100%**	100%
	b	Post Retirement Mortality Rate - LIC Annuitants (1996-98)	**100%**	100%
	c	Attrition Rate (Age Based)		
		From Year 18 To Year 20	**15.00%**	15.00%
		From Year 21 To Year 30	**13.00%**	13.00%
		From Year 31 To Year 40	**13.00%**	13.00%
		From Year 41 To Year 55	**12.00%**	12.00%

		As at 31st March, 2018 Funded Gratuity Rs. in Lakhs	As at 31st March, 2017 Funded Gratuity Rs. in Lakhs
3.	**Sensitivity Analysis**		
1.	Discount Rate - 1%	**3,89.15**	3,27.83
2.	Discount Rate + 1%	**3,51.79**	3,01.35
3.	Escalation Rates - 1%	**3,52.49**	3,01.89
4.	Escalation Rates + 1%	**3,88.04**	3,27.02
5.	Mortality x 95%	**3,69.58**	3,13.95
6.	Mortality x 105%	**3,69.64**	3,14.07
7.	Attrition x 95%	**3,70.06**	3,13.58
8.	Attrition x 105%	**3,69.16**	3,14.41
9.	Rs.2,000,000 Benefit Ceiling	**3,77.69**	3,20.43
10.	No Benefit Ceiling	**4,67.91**	3,95.39
4.	**Maturity Profile of the DBO and Expected Cashflows in the following Period**		
1.	Estimated Term / Weighted Average Duration of the DBO	**7.249**	6.405
2.	Expected Total Benefit Payments		
	a. Year 1	**53.22**	77.81
	b. Year 2	**47.14**	41.45
	c. Year 3	**43.15**	39.69
	d. Year 4	**53.82**	35.34
	e. Year 5	**43.55**	45.22
	f. Next 5 years	**2,16.93**	1,40.81
3.	Expected Employer Contributions	-	-
4.	Expected Employer Contributions towards Reimbursement Rights	-	-

7. Income taxes

A. Amounts recognised in profit or loss (Rs. In Lakhs)

	Year ended 31st March 2018	Year ended 31st March 2017
Current tax		
Current period (a)	**13,30.95**	13,16.09
Changes in estimates related to prior years (b)	**-**	-
Deferred tax (c)		
Attributable to -		
Origination and reversal of temporary differences	**(72.51)**	57.15
Reduction in tax rate	**-**	-
Change in unrecognised deductible temporary differences	**-**	-
Recognition of previously unrecognised tax losses	**-**	-
Tax expense of continuing operations (a) + (b) + (c)	**12,58.44**	13,73.24

B. Income tax recognised in other comprehensive income **(Rs. In Lakhs)**

	31st March 2018			31st March 2017		
	Before tax	**Tax (expense) benefit**	**Net of tax**	Before tax	Tax (expense) benefit	Net of tax
Change in Fair Value of Equity instruments	**106,42.50**	**-**	**106,42.50**	110,30.00	2,38.26	107,91.74
Re-measurements of defined benefit liability (asset)	**(26.89)**	**-**	**(26.89)**	(26.59)	-	(26.59)

C. Reconciliation of Tax expenses (Rs. In Lakhs)

	31 March 2018	31 March 2017
Profit before tax	**43,65.18**	45,87.86
Tax using the Company's domestic tax rate :	**15,10.70**	15,87.77
Effect of:		
Tax effect on Dividend Income - Net of Rule 8D(2)	**(97.43)**	(61.49)
Tax Effect on Capital Gains	**(1,02.84)**	(2,20.79)
Tax Impact on CSR	**15.46**	7.15
Depreciation impact	**8.48**	0.67
Others	**(3.42)**	2.78
Deferred Tax	**(72.51)**	57.15
	(2,52.26)	(2,14.53)
Tax expenses recognised	**12,58.44**	13,73.24

8. Financial instruments and fair values

A. Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets

March 31, 2018 (Rs. In Lakhs)

	Carrying amount (Cost)				
	Mandatorily at FVTPL - Others	Other financial assets - amortized cost	Other financial assets - recognized through OCI	Total carrying amount (Cost)	Fair value
Financial assets					
Equity Invesments					
- Subsidiary	-	4,50.00	-	4,50.00	4,50.00
- Associate	-	1,63.75	-	1,63.75	1,63.75
- Others	-	-	85,15.33	85,15.33	679,27.92
Mutual fund investments	98,59.44	-	-	98,59.44	108,28.54
Trade receivables	-	65,67.78	-	65,67.78	65,67.78
Cash and cash equivalents	-	22,66.52	-	22,66.52	22,66.52
Loans	-	4,47.33	-	4,47.33	4,47.33
Financial Liabilities					
Borrowings	-	19,26.50	-	19,26.50	19,26.50
Trade payables	-	41,03.24	-	41,03.24	41,03.24

March 31, 2017 (Rs. In Lakhs)

	Carrying amount (Cost)				
	Mandatorily at FVTPL - Others	Other financial assets - amortized cost	Other financial assets - recognized through OCI	Total carrying amount (Cost)	Fair value
Financial assets					
Equity Invesments					
- Subsidiary	-	-	-	-	-
- Associate	-	1,63.75	-	1,63.75	1,63.75
- Others	-	-	55,70.09	55,70.09	543,40.17
Mutual fund investments	116,80.00	-	-	116,80.00	128,44.51
Trade receivables	-	57,98.08	-	57,98.08	57,98.08
Cash and cash equivalents	-	14,31.56	-	14,31.56	14,31.56
Loans	-	4,01.04	-	4,01.04	4,01.04
Financial Liabilities					
Borrowings	-	12,05.84	-	12,05.84	12,05.84
Trade payables	-	42,35.69	-	42,35.69	42,35.69

April 1, 2016 (Rs. In Lakhs)

	Carrying amount (Cost)				
	Mandatorily at FVTPL - Others	Other financial assets - amortized cost	Other financial assets - recognized through OCI	Total carrying amount (Cost)	Fair value
Financial assets					
Equity Invesments					
- Subsidiary	-	-	-	-	-
- Associate	-	1,63.75	-	1,63.75	1,63.75
- Others	-	-	52,70.57	52,70.57	430,10.65
Mutual fund investments	60,00.00	-	-	60,00.00	66,20.65
Trade receivables	-	55,64.33	-	55,64.33	55,64.33
Cash and cash equivalents	-	55,62.30	-	55,62.30	55,62.30
Loans	-	4,72.28	-	4,72.28	4,72.28
Financial Liabilities					
Borrowings	-	13,49.08	-	13,49.08	13,49.08
Trade payables	-	35,76.14	-	35,76.14	35,76.14

Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 hierarchy - Includes Financial Instruments measured using quoted prices in the active market.

Level 2 hierarchy - The Fair value of Financial Instruments that are not traded in an active market, is determined using valuation techniques which maximise the use of observable market data.

Level 3 hierarchy - includes Financial Instruments for which one or more of the significant inputs are not based on observable market data. This is applicable for unlisted securities.

B. Fair value hierarchy (Rs. In Lakhs)

	Level 1	Level 2	Level 3
As at March 31, 2018			
Financial assets :			
Equity shares	567,21.01	-	112,06.91
Mutual fund investments	108,28.54	-	-
As at March 31, 2017			
Financial assets :			
Equity shares	460,78.51	-	82,61.66
Mutual fund investments	128,44.51	-	-
As at April 01, 2016			
Financial assets :			
Equity shares	371,13.90	-	58,96.75
Mutual fund investments	66,20.65	-	-

Financial risk management

The Company's business activities are exposed to liquidity risk and credit risk. The Risk management policies have been established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review and reflect the changes in the policy accordingly.

a) Management of Liquidity risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities. In doing this, management considers both normal and stressed conditions.

The Company regularly monitors the rolling forecasts and the actual cash flows to service the financial liabilities on a day-to-day basis through cash generation from business and by having adequate banking facilities.

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance sheet date.

Rs. In Lakhs

	31st March 2018	31st March 2017	1st April 2016
Payable within one year			
Trade payable	**41,03.24**	42,35.69	35,76.14
Borrowings - Cash Credit	**19,26.50**	12,05.84	13,49.08

b) Management of Credit risk

Credit risk is the risk of financial loss to the Company if the other party to the financial assets fails to meet its contractual obligations.

a) Trade receivables:

Concentration of credit risk with respect to trade receivables are limited as the customers are reviewed, assessed and monitored regularly on a monthly basis with pre determined credit limits assessed based on their payment capacity. Our historical experience of collecting receivables demonstrates that credit risk is low. Hence, trade receivables are considered to be a single class of financial assets.

b) Other financial assets:

The Company has exposure in Cash and cash equivalents and term deposits with banks. The Company's maximum exposure to credit risk as at 31st March, 2018 is the carrying value of each class of financial assets as on that date.

N KRISHNAN
Managing Director

S PRASAD
Director

As per our Report of even date attached
For **BRAHMAYYA & CO**
Chartered Accountants
Firm Registration Number : 000511S

S RAMASUBRAMANIAN
Chief Financial Officer

S KALYANARAMAN
Secretary

L RAVI SANKAR
Partner
Membership No: 25929

Chennai
30th May, 2018

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF INDIA MOTOR PARTS AND ACCESSORIES LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated Ind AS financial statements of India Motor Parts and Accessories Limited("the Holding Company") ,its subsidiary (together referred as "Group") and its associate which comprise the Consolidated Balance Sheet as at March 31, 2018, and the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow statement and the statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Consolidated Ind AS financial statements").

Managements' Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit (financial performance including other comprehensive income), cash flows and changes in equity 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, read with Companies (Indian Accounting Standards) Rules,2015. 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 Consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated

Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Consolidated Ind AS financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at March 31, 2018, and its Profit (financial performance including other comprehensive income), its Cash Flows and the changes in equity for the year ended on that date.

Other Matters

a) The comparative financial information of the Company for the year ended 31st March 2017 and the transition date opening balance sheet as at 1st April 2016 included in these Consolidated Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2014 audited by previous auditors and their report for the year ended 31st March 2017 and 31st March 2016 dated 26th May 2017 and 30th May 2016 respectively, expressed an unmodified opinion on those Consolidated financial statements and management has restated to comply with Ind AS. Adjustments made to the previously issued said statutory financial information for the differences in the accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

b) We did not audit the financial statements of the subsidiary, whose financial statements reflect total assets of Rs. 630.22 lakhs as at 31st March, 2018, total revenue of Rs. 360.35 lakhs and net cash inflow amounting to Rs. 33.94 lakhs for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of sub-section (3) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.

c) The consolidated financial statements also include the Group's share of net profit of Rs. 25.74 lakhs for the year ended 31st March, 2018, in respect of one associate, whose financial statements are unaudited. These financial statements are unaudited and have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the associate, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid associate, is based solely on such unaudited financial statements.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management

Report on Other Legal and Regulatory Requirements

1. 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 purpose 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, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.

   d. In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules,2015.

   e. On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2018 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditors of its subsidiary company, none of the directors of the Holding Company and its subsidiary are disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.

   f. With respect to 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 A".

   g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      (i) The Group does not have any pending litigations which would impact its financial position.

      (ii) The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      (iii) There has been no delay in transferring the amounts required to be transferred to the Investor Education and Protection Fund by the Group.

For **BRAHMAYYA & Co**
Chartered Accountants
Firm Regn. No.000511S

L.Ravi Sankar
Partner
Membership No. 025929

Place: Chennai.
Date: 30th May 2018

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2018

Rs. in Lakhs

	Particulars	Notes	March 31, 2018 Ind AS	March 31, 2017 Ind AS	April 1, 2016 Ind AS
I.	**ASSETS**				
(1)	**Non - Current Assets**				
	(a) Property, Plant and Equipment	**1**	**12,80.57**	12,58.71	9,60.51
	(b) Capital Work-in-progress	**2**	**28.49**	-	-
	(c) Other Intangible assets	**3**	**3,32.84**	94.98	1,23.62
	(d) Financial Assets				
	(i) Investment	**4**	**682,43.51**	546,37.53	433,00.32
	(ii) Long-term Loans & Advances	**5**	**86.51**	85.26	75.52
	Total Non - Current Assets		**699,71.92**	560,76.48	444,59.97
(2)	**Current Assets**				
	(a) Inventories	**6**	**52,50.05**	45,10.13	48,66.11
	(b) Financial Assets				
	(i) Current Investments	**7**	**108,28.54**	128,44.51	66,20.65
	(ii) Trade Receivables	**8**	**67,30.06**	57,98.08	55,64.33
	(iii) Cash and Cash Equivalents	**9**	**23,00.46**	14,31.56	55,62.30
	(iv) Short term Loans and Advances	**10**	**3,64.13**	3,15.78	3,96.76
	(c) Current Tax Assets (net)	**11**	**40.14**	1,55.29	5.04
	(d) Other Current assets	**12**	**25.86**	7,92.99	70.05
	Total Current Assets		**255,39.24**	258,48.34	230,85.24
	TOTAL ASSETS		**955,11.16**	819,24.82	675,45.21
II.	**EQUITY AND LIABILITIES**				
(1)	**Equity**				
	(a) Equity Share Capital	**13**	**8,31.96**	8,31.96	8,31.96
	(b) Other Equity		**871,87.05**	740,36.24	605,49.44
	Equity attributable to owners		**880,19.01**	748,68.20	613,81.40
	Non-Controlling Interest		**51.22**	-	-
	Total Equity		**880,70.23**	748,68.20	613,81.40
	LIABILITIES				
(2)	**Non - Current Liabilities**				
	(a) Deferred tax liabilities (Net)	**14**	**6,29.35**	7,01.97	4,06.56
	(b) Provisions	**15**	**49.88**	40.76	34.64
	Total Non - Current Liabilities		**6,79.23**	7,42.73	4,41.20
(3)	**Current Liabilities**				
	(a) Financial Liabilities				
	(i) Borrowings	**16**	**19,26.50**	12,05.84	13,49.08
	(ii) Trade Payables	**17**	**42,13.87**	42,35.69	35,76.14
	(b) Other Current Liabilities	**18**	**6,21.33**	8,72.36	7,97.39
	Total Current Liabilities		**6,761.70**	63,13.89	57,22.61
	Total Liabilities		**74,40.93**	70,56.62	61,63.81
	TOTAL EQUITY AND LIABILITIES		**955,11.16**	819,24.82	675,45.21

N KRISHNAN
Managing Director

S PRASAD
Director

S RAMASUBRAMANIAN
Chief Financial Officer

S KALYANARAMAN
Secretary

Chennai
30th May, 2018

As per our Report of even date attached
For **BRAHMAYYA & CO**
Chartered Accountants
Firm Registration Number : 000511S

L RAVI SANKAR
Partner
Membership No: 25929

CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31st MARCH, 2018

Rs. in Lakhs

Particulars	Notes	Year ended March 31, 2018	Year ended March 31, 2017
REVENUE			
Revenue from operations	19	**479,08.83**	518,90.08
Other income	20	**9,30.04**	11,38.35
Total Revenue		**488,38.87**	530,28.43
EXPENSES			
Purchase of Stock-in-Trade	21	**415,49.97**	453,25.19
Changes in inventories - Stock-in-Trade	22	**(8,90.20)**	(3,89.77)
Employee benefits expense	23	**20,45.17**	18,09.52
Depreciation and amortization expense	24	**89.81**	81.51
Administrative and Other expenses	25	**16,70.03**	16,21.62
Total expenses		**444,64.78**	484,48.07
Profit before tax		**43,74.09**	45,80.36
Share of Profit from associate		**25.74**	15.19
Current tax		**13,35.25**	13,16.09
Deferred tax		**(72.63)**	57.15
Total Income tax expense		**12,62.62**	**13,73.24**
Profit for the year		**31,37.21**	32,22.31
Profit attributable to Owner's equity		**31,35.99**	32,22.31
Profit attributable to Non-Controlling Interest		**1.22**	-
Other comprehensive income			
(i) Item that will not be reclassified to Profit or Loss			
a) Change in Fair Value of Equity instruments		**106,42.50**	110,30.00
b) Remeasurements of defined benefit plan		**(26.89)**	(26.59)
c) Deferred tax relating to above		**-**	(2,38.26)
Net other comprehensive income not to be reclassified to profit or loss		**106,15.61**	107,65.15
Total comprehensive income for the year		**137,52.82**	139,87.46
Earnings per share			
Basic earnings per share (In rupees)		**37.71**	38.73
Diluted earnings per share (In rupees)		**37.71**	38.73

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STATEMENT OF CHANGES IN EQUITY

	31st March 2018		31st March 2017		1st April 2016	
	No. of Shares	**Amount**	No. of Shares	Amount	No. of Shares	Amount
(a) Equity share capital		*Rs. in Lakhs*		*Rs. in Lakhs*		*Rs. in Lakhs*
Authorised Share Capital Equity shares of Rs. 10/- each	**20000000**	**20,00.00**	20000000	20,00.00	20000000	20,00.00
Issued, Subscribed & Paid-up Capital Equity shares of Rs. 10/- each (Includes 41,59,775 equity shares of Rs.10/- each alloted in September 2012 as fully paid up by way of Bonus shares by Capitalisation of General reserve)	**8319575**	**8,31.96**	8319575	8,31.96	8319575	8,31.96
Balance at the end of the reporting period	**8319575**	**8,31.96**	**8319575**	**8,31.96**	**8319575**	**8,31.96**

(b) Other equity *Amount (Rs. in Lakhs)*

Particulars	Capital Reserves	General Reserves	Retained Earnings	Gains / (losses) from equity investments through OCI	Other Items of Other Compre-hensive Income	Total	Non-Controlling Interest	Owner's equity
Balances as at 1st April 2016 as per Ind AS	**4,69.37**	**207,25.00**	**18,01.82**	**375,16.88**	**36.37**	**605,49.44**	**-**	**999,04.52**
Profit for the year 2016-17	-	-	32,22.31	-	-	32,22.31	-	64,44.62
Fair Value gain/(loss) on equity instruments through Other Comprehensive Income	-	-	-	107,91.74	-	107,91.74	-	215,83.48
Re-measurement of gain/(loss) on defined benefit plans	-	-	-	-	(26.59)	(26.59)	-	(53.18)
Transfer from current year profit	-	18,00.00	(18,00.00)	-	-	-	-	(18,00.00)

Dividends paid	-	-	(4,15.98)	-	-	(4,15.98)	-	(8,31.96)
Dividend distribution tax	-	-	(84.68)	-	-	(84.68)	-	(1,69.36)
Sub-Total	-	18,00.00	9,21.65	107,91.74	(26.59)	134,86.80	-	251,73.60
Balance at 31st March 2017	**4,69.37**	**225,25.00**	**27,23.47**	**483,08.62**	**9.78**	**740,36.24**	**-**	**1250,78.12**
Equity held by Non-Controlling Interest	-	-	-	-	-	-	50.00	-
Profit for the year 2017-18	-	-	31,35.99	-	-	31,35.99	1.22	62,73.20
Fair Value gain/(loss) on equity instruments through Other Comprehensive Income	-	-	-	106,42.50	-	106,42.50	-	212,85.00
Re-measurement of gain/(loss) on defined benefit plans	-	-	-	-	(26.89)	(26.89)	-	(53.78)
Transfer from current year profit	-	17,00.00	(17,00.00)	-	-	-	-	(17,00.00)
Dividends paid	-	-	(4,99.17)	-	-	(4,99.17)	-	(9,98.34)
Dividend distribution tax	-	-	(1,01.62)	-	-	(1,01.62)	-	(2,03.24)
Sub-Total	-	17,00.00	8,35.20	106,42.50	(26.89)	131,50.81	51.22	246,02.84
Balance at 31st March 2018	**4,69.37**	**242,25.00**	**35,58.67**	**589,51.12**	**(17.11)**	**871,87.05**	**51.22**	**1496,80.96**

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L RAVI SANKAR
Partner
Membership No: 25929

CONSOLIDATED CASH FLOW STATEMENT

(Rs in lakhs)

Particulars	2017-2018		2016-2017	
(A) Cash flow from Operating Activities				
(a) Net Profit Before tax	**43,74.09**		45,80.36	
Adjustments for:				
Depreciation	**89.81**		81.51	
Dividend Income	**(2,84.02)**		(1,72.16)	
Interest Income from Bank Deposits	**(35.21)**		(13.77)	
Loss on Sale of Assets	**1.19**		0.43	
Profit on Sale of Assets	**(2.51)**		(0.50)	
Profit on Sale of Investments	**(6,05.88)**		(9,35.06)	
(b) Operating Profit before Working Capital Changes		**35,37.47**		35,40.81
Adjustment for:				
Decrease/ (Increase) in Trade Receivables	**(9,31.98)**		(2,25.88)	
Decrease / (Increase) in Loans & Advances	**7,19.97**		67.19	
Decrease / (Increase) in Inventories	**(7,39.92)**		(3,70.03)	
(Decrease) / Increase in Trade Payable and other liabilities	**(2,81.82)**	**(12,33.75)**	7,47.67	2,18.95
(c) Cash Generated from Operations		**23,03.72**		37,59.76
Less: Direct Taxes Paid		**(12,17.97)**		(14,63.38)
Net Cash flow from Operating Activities		**10,85.75**		22,96.38
(B) Cash flow from Investing Activities				
Sale of Fixed Assets	**6.86**		4.43	
Sale of Investments	**596,24.57**		532,99.41	
Dividend received	**2,91.52**		1,79.66	
Interest Income from Bank Deposits	**35.21**		13.02	
Purchase of Fixed Assets	**(385.44)**		(355.72)	
Investment in equity shares	**(29,45.20)**		0.00	
Purchase of Investments	**(570,14.24)**		(588,90.41)	
Net Cash used in Investing Activities		**(3,86.72)**		(57,49.61)
(C) Cash flow from Financing Activities				
Non-Controlling Interest	**50.00**		0.00	
Dividend Paid including Dividend Distribution Tax	**(6,00.79)**		(5,34.27)	
Net Cash flow from Financing Activities		**(5,50.79)**		(5,34.27)

CONSOLIDATED CASH FLOW STATEMENT (Contd.)

(Rs in lakhs)

Particulars	2017-2018		2016-2017	
(D) Net Increase / (Decrease) in Cash & Cash Equivalents		**1,48.24**		(39,87.50)
Cash & Cash Equivalent at beginning of the year		**2,25.72**		42,13.22
Cash & Cash Equivalent at the end of the year		**3,73.96**		2,25.72
Items forming part of cash and cash equivalents				
Balances with Banks	**3,19.35**		1,46.65	
Cheques and Drafts on hand	**5,13.61**		5,02.54	
Cash on hand	**26.10**		27.18	
Balances with Banks for Unclaimed / Unpaid Dividends	**1,06.95**		1,09.02	
Others - Guarantee Deposit	**15.96**		14.20	
- Remittances in Transit	**5,56.49**		5,30.97	
Short Term Deposits with Banks	**7,62.00**		1,01.00	
Cash credit	**(19,26.50)**	**3,73.96**	(12,05.84)	2,25.72

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Membership No: 25929

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30th May, 2018

CONSOLIDATED NOTES ON ACCOUNTS

SIGNIFICANT ACCOUNTING POLICIES

1. Overall considerations

The financial statements have been prepared applying the significant accounting policies and measurement bases summarized below.

2. Principles of Consolidation

The Consolidated Financial Statements relate to India Motor Parts and Accessories Limited (Parent company) and the Company's subsidiary (jointly considered as "Group" hereinafter) and the share of profit in its associate. The Consolidated financial Statements have been prepared on the following basis:

a) Subsidiary

Subsidiary entity viz., CAPL Motor Parts Private Limited is controlled by the Parent Company. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The financial statement of the Subsidiary is included in the consolidated financial statements from the date on which control is acquired until the date on which control ceases to exist. The acquisition method of accounting is used to account for business combinations by the Group.

The Group combines the financial statements of the Parent (IMPAL) and its Subsidiary line by line adding together like items of assets, liabilities, equity, income and expenses. Inter-Group transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the Consolidated Statement of profit and loss, Consolidated Statement of changes in equity and balance sheet respectively.

b) Associates

The Consolidated Financial Statements include the Share of profit of an Associate company which have been accounted for using equity method as per "Indian Accounting Standard (Ind AS) 28 - Investments in Associates and Joint ventures" in Consolidated Financial Statements. Accordingly, the share of profit of the associate company has been added to the cost of investments.

The difference between the cost of investments in the associate and the share of net assets at the time of acquisition of shares in the associate is identified in the Consolidated Financial Statements as Goodwill or Capital Reserve as the case may be.

The financial statements of the Associate and the Subsidiary used in the consolidation are drawn up to the same reporting date as that of the Parent Company i.e. 31st March 2018.

The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Parent Company's separate financial statements.

Following Entities have been considered in the preparation of the Consolidated Financial Statements:

CONSOLIDATED NOTES ON ACCOUNTS (Contd.)

Name of the Entity	Relationship	Country of Incorporation	% of Holding and Voting power
CAPL Motor Parts (P) Ltd.	Subsidiary	India	90.00%
Transenergy Limited	Associate	India	35.26%

The group is engaged in sale and distribution of automobile spare parts.

Non controlling Interest:

During this Financial year 2017-18, the Parent Company has owned 90% stake in the subsidiary "CAPL Motor Parts Private Limited" in which a group of individuals own 10% stake which is classified as the Non Controlling Interest.

Basis of Preparation

The financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed by Ministry of Corporate Affairs under Companies (Indian Accounting Standards) Rules, 2015, provisions of the Companies Act, 2013, to the extent notified and pronouncements of the Institute of Chartered Accountants of India.

The preparation of the financial statements, in conformity with generally accepted accounting principles, requires the use of estimates and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amounts of revenues and expenses during the period and disclosure of contingent liabilities as at that date. The estimates and assumptions used in these financial statements are based upon the management's evaluation of the relevant facts and circumstances as of the date of the financial statements.

These financial statements are the first financial statements of the group under Ind AS.

Disclosures under Ind AS are made only in respect of material items.

The financial statements have been prepared under accrual basis of accounting as a going concern and on the historical cost convention except for certain financial assets and liabilities (as per the accounting policy below), which have been measured at fair value.

Revenue Recognition

Revenue is measured in accordance with Ind AS 18 at the fair value of the consideration received or receivable and net of returns, trade allowances, rebates and amounts collected on behalf of third parties. It excludes Value Added Tax, Central Sales Tax and Goods and Service tax.

i. Sale of Products:

Revenue from sale of products is recognised, when significant risks and rewards of ownership pass to the dealer / customer, as per terms of contract and it is probable that the economic benefits associated with the transaction will flow to the group.

ii. Revenue from Services:

Revenue from Services is recognised in the accounting period in which the services are rendered and when invoices are raised.

iii. Interest and Dividend Income:

Interest incomes are recognized using the time proportion method based on the rates implicit in the

CONSOLIDATED NOTES ON ACCOUNTS (Contd.)

transaction. Interest income is included in other income in the statement of profit and loss.

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established and it is probable that the economic benefits associated with the dividend will flow to the Group, and the amount of dividend can be reliably measured.

3. Property, plant and equipment

Free hold land is stated at historical cost. All other items of Property, Plant and Equipment are stated at cost of acquisition/construction less accumulated depreciation/amortization and impairment, if any. Cost includes purchase price, taxes and duties, labour cost. However, cost excludes Excise Duty, Value Added Tax and Goods and Service Tax, to the extent credit of the duty or tax is availed.

Depreciation and amortization:

i. Depreciation is recognized on straight-line basis, over the useful life of the buildings and other tangible assets as prescribed under Schedule II of the Companies Act, 2013.

ii. On tangible fixed assets added / disposed of during the year, depreciation is charged on pro-rata basis from the date of addition / till the date of disposal.

Ind AS Transition
As there is no change in the functional currency as at the date of transition, the Group has elected to adopt the carrying value of Plant, property and equipment under the erstwhile GAAP as the deemed cost for the purpose of transition to Ind AS.

4. Intangible assets

Intangible assets acquired are recorded at their acquisition cost and are amortized on straight line basis over its useful life as prescribed under Schedule II of the Companies Act, 2013.

Goodwill on acquisition is included in intangible assets, which is not amortised but tested for impairment annually or more frequently, if circumstances indicate that the same might be impaired.

5. Impairment

The group shall assess at the end of the reporting period whether there exist any indications that an asset may be impaired. If such indication exists, the entity shall estimate the recoverable amount of the asset and treatment shall be given in accordance with Ind AS 36.

6. Inventories

Inventories are valued at cost or net realizable value whichever is less in accordance with Ind AS 2. Net realizable value is the estimated selling price in the ordinary course of business. Cost is ascertained on FIFO basis. Obsolescence, slow and non-moving stocks are duly provided for.

7. Employee Benefits

A) Short Term Employees Benefits:

Short Term Employees Benefits for services rendered by them are recognized during the period when the services are rendered

B) Post-employment benefits:

Defined Contribution Plan

a) Provident Fund

Contributions are made to the group's Employees Provident Fund Trust in accordance with the fund rules. The interest rate payable by the trust to the beneficiaries every year is notified by the Government.

The group has an obligation to make good the shortfall, if any, between the return from the investment of the trust and the notified interest rate.

The group also contributes to government administrated pension fund and to Employees' State Insurance Schemes on behalf of its employees.

b) Superannuation

The group makes fixed contributions as a percentage on salary to the superannuation fund, which is administered by trustees and managed by the Life Insurance Corporation of India (LIC).

Defined Benefit Plan

a) Gratuity

The group makes contribution to gratuity fund, (as per actuarial valuation), which is administered by trustees and managed by the Life Insurance Corporation of India (LIC).

b) Leave Encashment

Liability on account of encashment of leave to employees is provided on the basis of actuarial valuation.

8. Income Taxes

Tax expense comprises of current and deferred taxes.

Calculation of current tax is based on tax rates in accordance with tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amounts in financial statements.

Deferred taxes pertaining to items recognised in other comprehensive income (OCI) are disclosed under OCI.

9. Investments and Other financial assets

Investments are accounted in accordance with Ind AS 109

a. Classification

The group classifies its financial assets in the following categories:

- Those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- Those measured at amortized cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flow.

b. Measurement

At Initial recognition, the group measures a financial asset at its fair value plus (in the case of a financial asset not a fair value through profit or loss) transaction cost that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Debt Instruments:

Subsequent measurement of debt instruments depends on the group's business model for managing the asset and the cash flow characteristics of the asset. There are two measurement categories into which the Group classifies its debt instruments.

CONSOLIDATED NOTES ON ACCOUNTS (Contd.)

Amortised Cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is de-recognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

Fair Value through profit or loss:

Assets that do not meet the criteria for amortised cost or Fair Value through Other Comprehensive Income (FVOCI) are measured at Fair Value Through Profit or Loss (FVTPL). A gain or loss on a debt investment that is subsequently measured at FVTPL and is not part of a hedging relationship is recognised in profit or loss and presented in the statement of profit and loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

Equity instruments:

The group subsequently measures all investments in equity (except of the subsidiaries/associate) at fair value. Where the group's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss. Dividends from such investments are recognised in profit or loss as other income when the Group's right to receive payments is established.

c. Impairment of financial assets

All financial assets are reviewed for impairment at least at each reporting date to identify whether there is any evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets.

For trade receivables, the Group applies the approach permitted by Ind AS 109 Financial Instruments, which requires expected credit losses to be recognised from initial recognition of the receivables.

d. Derecognition of financial assets

A financial asset is derecognized when the Group has transferred the rights to receive cash flows from the financial asset

Financial Liabilities

Classification, subsequent measurement and derecognition of financial liabilities

a. Classification

Financial liabilities are classified, at initial recognition, as financial liabilities at amortised cost. The Group's financial liabilities include borrowings, trade and other payables.

b Subsequent measurement

Financial liabilities are measured subsequently at amortized cost

c Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or has expired.

10. **Provisions:** Provisions are recognized when the group has a present obligation as a result of past events, it is probable, but the outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made out of the amount of obligation.

CONSOLIDATED NOTES ON ACCOUNTS (Contd.)

11. Cash Flow Statement: Cash Flow Statement is prepared under "Indirect Method" as per Ind AS 7.

12. FIRST TIME ADOPTION OF IND AS

The adoption of Ind AS has been carried out in accordance with Ind AS 101, First Time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements be applied retrospectively and consistently for all financial years presented. Accordingly, the Company has prepared financial statements which comply with Ind AS for year ended 31st March, 2018, together with the comparative information as at and for the year ended 31st March, 2017 and the opening Ind AS Balance Sheet as at 1st April, 2016, the date of transition to Ind AS.

In preparing these Ind AS financial statements, the Company has availed certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity). This note explains the adjustments made by the Company in restating its financial statements prepared under previous GAAP, including the Balance Sheet as at 1st April, 2016 and the financial statements as at and for the year ended 31st March, 2017.

Optional exemptions from retrospective application

Ind AS 101 permits first time adopters certain exemptions from retrospective application of certain requirements under Ind AS. The Company has elected to apply the following optional exemptions from retrospective application.

i) Deemed cost of property, plant and equipment and intangible assets:

The Company has elected to measure all its property, plant and equipment and intangible assets at the Previous GAAP carrying amounts as its deemed cost on the date of transition to Ind AS.

ii) Estimates:

On assessment of the estimates made under the Previous GAAP financial statements, the Company has concluded that there is no necessity to revise the estimates under Ind AS, as there is no objective evidence of an error in those estimates. However, estimates that were required under Ind AS but not required under Previous GAAP are made by the Company for the relevant reporting dates reflecting conditions existing as at that date.

iii) Classification and measurement of financial assets:

The classification of financial assets to be measured at amortized cost, Fair Value Through Profit and Loss or Fair Value Through Other Comprehensive Income is made on the basis of the facts and circumstances that existed on the date of transition to Ind AS.

Reconciliations:

The following reconciliations provide the explanations and quantification of differences arising from the transition from Previous GAAP to Ind AS in accordance with Ind AS 101:-

a. Reconciliation of Equity as at 01/04/2016
b. Reconciliation of Equity as at 31/03/2017
c. Reconciliation of Statement of Profit and Loss for the year ended 31/03/2017
d. Adjustments to Statement of Cash Flows for the year ended 31/03/2017

Previous year figures have been reclassified/regrouped wherever necessary to conform with financial statements prepared under Ind AS.

CONSOLIDATED NOTES ON ACCOUNTS (Contd.)

RECONCILIATION BETWEEN PREVIOUS GAAP AND IND AS

(i) Equity Reconciliation Rs. in Lakhs

	As at 31st Mar 2017	As at 1st Apr 2016
As reported under Previous GAAP	246,77.91	224,39.32
Fair valuation of mutual funds (net of taxes)	10,29.65	5,49.05
Fair valuation of equity instruments (net of taxes)	483,08.62	375,16.88
Re-measurement of gain/(loss) on defined benefit plans	11.27	36.37
Other adjustments	8.79	7.82
Equity under Ind AS	**740,36.24**	**605,49.44**

(ii) Total Comprehensive Income Reconciliation : Rs. in Lakhs

	As at 31st Mar 2017
Net Profit after Tax under Previous GAAP	27,39.24
Gain/(Loss) on Fair Valuation of Mutual Fund Investments (net of reversals)	5,43.88
Re-measurement of gain/(loss) on defined benefit plans	1.50
Tax effects on above	(63.28)
Other adjustments	0.97
Net Profit after Tax under Ind AS	**32,22.31**
Gain/(Loss) on Fair Valuation of Equity Investments (net of reversals)	107,91.74
Re-measurement of gain/(loss) on defined benefit plans	(26.59)
Total Comprehensive Income under Ind AS	**139,87.46**

Notes to reconciliation between previous GAAP and Ind AS

1) **Fair valuation of Investments in mututal funds:**
Under previous GAAP, current investments in mutual funds were measured at lower of cost or fair value. Under Ind AS, these investments in mutual funds have been classified as FVTPL (Fair Value through Profit and Loss statement).This has resulted in increase of equity by Rs.10,29.65 lakhs and Rs.5,49.05 lakhs as at 31st March 2017 and 1st April, 2016 respectively.

2) **Fair valuation of Investments in equity shares:**
Under previous GAAP, current investments in equity shares were measured at lower of cost or fair value. Under Ind AS investments in equity shares have been classified as FVTOCI (Fair Value through Other Comprehensive Income statement). This has resulted in increase of equity by Rs.483,08.62 lakhs and Rs.375,16.88 lakhs as at 31st March 2017 and 1st April, 2016 respectively.

3) **Employee benefits:**
Under Ind AS, the actuarial gains and losses form part of re-measurement of net defined benefit liability/asset which is recognised in Other Comprehensive Income in the respective years. This has resulted in increase in profit for the year ended 31st March 2017 by Rs. 1.50 lakhs. Actuarial loss accounted for the year ended 31st March 2017 is Rs. 26.59 lakhs.

4) **Other adjustments:**
Investment in associates has been accounted under equity method in accordance with Ind AS 24. Previously reported figures under IGAAP has been restated accordingly to reflect the Company's share of net assets in the associate company based on the audited figures as on 1st April, 2016 and 31st March 2017.

(iii) Reconciliation of Statement of Cash Flow

Ind AS 7 specifically includes bank overdrafts which are repayable on demand as a part of cash and cash equivalents. Accordingly, Cash and cash equivalents comprises cash credit availed from bank.

CONSOLIDATED NOTES ON ACCOUNTS (Contd.)

Amount in Rs. Lakhs

Description	Gross Block				Depreciation				Net Block
	As at 01.04.2016	Additions	Deductions	As at 31.03.2017	As at 01.04.2016	For the Year	Deductions	As at 31.03.2017	As at 31.03.2017
Note 1- Property, Plant & Equipment									
Freehold Land (Refer note)	3,41.64	2,92.55	-	6,34.19	-	-	-	-	6,34.19
Leasehold land	41.75	-	-	41.75	-	1.14	-	1.14	40.61
Building	3,41.11	-	-	3,41.11	-	12.55	-	12.55	3,28.56
Plant and Equipments	35.98	3.64	1.33	38.29	-	3.90	1.03	2.87	35.42
Others - Electrical Fittings	2.46	0.53	0.28	2.71	-	0.20	0.20	-	2.71
Office Equipments	40.64	21.00	8.66	52.98	-	14.43	8.18	6.25	46.73
Furniture & Fixtures	49.75	19.51	0.29	68.97	-	5.71	0.28	5.43	63.54
Vehicles	1,07.18	18.49	10.16	1,15.51	-	14.94	6.38	8.56	1,06.95
SUB TOTAL (A)	9,60.51	3,55.72	20.72	12,95.51	-	52.87	16.07	36.80	12,58.71
Note 2 - Capital Work in Progress									
Capital Work in Progress	-	-	-	-	-	-	-	-	-
SUB TOTAL (B)	-	-	-	-	-	-	-	-	-
Note 3 - Intangible Assets									
Computer Software	1,23.62	-	-	1,23.62	-	28.64	-	28.64	94.98
SUB TOTAL (C)	1,23.62	-	-	1,23.62	-	28.64	-	28.64	94.98
Total [A + B + C]	10,84.13	3,55.72	20.72	14,19.13	-	81.51	16.07	65.44	13,53.69

Amount in Rs. Lakhs

Description	Gross Block				Depreciation				Net Block
	As at 01.04.2017	Additions	Deductions	**As at 31.03.2018**	As at 01.04.2017	For the Year	Deductions	**As at 31.03.2018**	**As at 31.03.2018**
Note 1- Property, Plant & Equipment									
Freehold Land (Refer note)	6,34.19	-	-	**6,34.19**	-	-	-	**-**	**6,34.19**
Leasehold land	41.75	2.10	-	**43.85**	1.14	1.14	-	**2.28**	**41.57**
Building	3,41.11	-	-	**3,41.11**	12.55	12.55	-	**25.10**	**3,16.01**
Plant and Equipments	38.29	9.23	3.12	**44.40**	2.87	4.09	1.95	**5.01**	**39.39**
Others - Electrical Fittings	2.71	0.62	0.06	**3.27**	-	0.25	0.04	**0.21**	**3.06**
Office Equipments	52.98	17.36	7.95	**62.39**	6.25	17.76	7.48	**16.53**	**45.86**
Furniture & Fixtures	68.97	32.53	5.50	**96.00**	5.43	8.22	1.01	**12.64**	**83.36**
Vehicles	1,15.51	28.61	6.10	**1,38.02**	8.56	17.16	4.83	**20.89**	**1,17.13**
SUB TOTAL (A)	12,95.51	90.45	22.73	**13,63.23**	36.80	61.17	15.31	**82.66**	**12,80.57**
Note 2 - Capital Work in Progress									
Capital Work in Progress	-	28.49	-	**28.49**	-	-	-	**-**	**28.49**
SUB TOTAL (B)	-	28.49	-	**28.49**	-	-	-	**-**	**28.49**
Note 3 - Intangible Assets									
Computer Software	1,23.62	-	-	**1,23.62**	28.64	28.64	-	**57.28**	**66.34**
Goodwill	-	2,66.50	-	**2,66.50**	-	-	-	**-**	**2,66.50**
SUB TOTAL (C)	1,23.62	2,66.50	-	**3,90.12**	28.64	28.64	-	**57.28**	**3,32.84**
Total [A + B + C]	14,19.13	3,85.44	22.73	**17,81.84**	65.44	89.81	15.31	**1,39.94**	**16,41.90**

Note: Value of Freehold land includes undivided share of land (UDS) of value of Rs. 341.64 lakhs. (Previous year - Rs. 341.64 lakhs)

NOTES TO CONSOLIDATED BALANCE SHEET

Amount in Rs. Lakhs

Note	Particulars	March 31, 2018 Ind AS	March 31, 2017 Ind AS	April 1, 2016 Ind AS
4	**Investments in Equity Instruments**			
	Unquoted Investment - Associate - Non Trade			
	Transenergy Limited	**3,15.59**	2,97.36	2,89.67
	1,00,000 equity shares of Face Value Rs.100/- each			
	Quoted Investments - Others Non Trade			
	Sundaram Finance Limited	**478,60.58**	460,78.51	371,13.90
	28,53,600 equity shares of Face Value Rs.10/- each			
	Sundaram Finance Holdings Limited	**88,60.43**	-	-
	28,53,600 equity shares of Face Value Rs.5/- each			
	(alloted on demerger at no cost)			
	Unquoted Investments - Others Non Trade			
	Royal Sundaram General Insurance Company Ltd	**112,06.91**	82,61.66	58,96.75
	4,48,27,634 equity shares of Face Value Rs.10/- each			
	(Previous year 3,30,46,652 equity shares of Rs. 10/- each)			
	(1,17,80,982 equity shares of Rs.10/- each had been purchased during the year at a premium of Rs.15/- per share)			
	TOTAL	**682,43.51**	546,37.53	433,00.32
5	**Long-Term Loans & Advances**			
	Unsecured Advances - considered good			
	Rent and others advances	**86.51**	85.26	75.52
	TOTAL	**86.51**	85.26	75.52
CURRENT ASSETS				
6	**Inventories**			
	Stock in Trade	**51,61.84**	42,71.64	46,07.88
	Goods in Transit	**88.21**	2,38.49	2,58.23
	(Closing stock as on 31.3.2017 is stated net of Excise Duty of Rs.726.01 lakhs to make it comparable with the closing stock as on 31.3.2018)			
	TOTAL	**52,50.05**	45,10.13	48,66.11
7	**Current Investments**			
	Investments in Mutual Funds			
	HDFC FMP 370D July 2013 (3) - Growth -Series XXVI - Direct 3000000 Units Of Rs.10 /- each,	**-**	-	3,82.19
	Face Value Rs.300 Lakhs			

NOTES TO CONSOLIDATED BALANCE SHEET (Contd.)

Amount in Rs. Lakhs

Note	Particulars	March 31, 2018 Ind AS	March 31, 2017 Ind AS	April 1, 2016 Ind AS
	Sundaram Fixed Term Plan GU-1120 Days - Growth 5000000 Units of Rs.10/- each, Face value Rs.500 lakhs	-	6,01.99	5,52.27
	HDFC FMP 1128D Mar 2015 (1) - Growth -Series 33 10000000 Units of Rs.10/- each, Face value Rs.1000 lakhs	**12,74.77**	11,89.80	10,89.10
	HDFC FMP 370D June 2014 (2) - Growth -Series 31 3000000 Units of Rs.10 /- each, Face Value Rs.300 Lakhs	-	3,77.80	3,49.07
	Sundaram Fixed Term Plan Hm - Growth 3000000 Units of Rs.10 /- Each, Face Value Rs.300 Lakhs	**3,44.69**	3,22.69	-
	HDFC FMP 1099D Aug 2014 (1) - Growth -Series 32 5000000 Units of Rs.10/- each, Face value Rs.500 lakhs	-	6,31.28	5,81.82
	HDFC FMP 1430D Jul 2017 (1) - Growth -Series 38 Growth 15000000 Units of Rs.10/- each, Face value Rs.1500 lakhs	**15,48.12**	-	-
	SBI Debt Fund Series A 42 - 1111 Days - Growth 6000000 Units of Rs.10 /- each, Face Value Rs.600 Lakhs	-	7,57.92	6,93.52
	HDFC FMP 1113D Nov 2014 (1) - Growth -Series 32 5000000 Units of Rs.10/- each, Face value Rs.500 lakhs	-	6,11.65	5,61.54
	HDFC FMP 1115D March 2015 (1) - Series 33 - Growth 3000000 Units of Rs.10 /- each, Face Value Rs.300 Lakhs	**3,78.40**	3,53.23	3,23.41
	Sundaram Fixed Term Plan GY - Growth 10000000 Units of Rs.10 /- each, Face Value Rs.1000 Lakhs	**12,44.53**	11,61.91	10,62.51
	HDFC FMP 1105D Oct 2015 (1) - Series 34 - Growth 5000000 Units of Rs.10 /- each, Face Value Rs.500 Lakhs	**6,06.02**	5,65.88	5,16.70
	Sundaram Fixed Term Plan HC - Growth 2000000 Units of Rs.10 /- each, Face Value Rs.200 Lakhs	**2,39.83**	2,24.09	2,04.55
	Sundaram Fixed Term Plan HI - Growth 3000000 Units of Rs.10 /- each, Face Value Rs.300 Lakhs	**3,55.76**	3,32.78	3,03.97
	IDFC Corporate Bond Fund - Regular - Growth 957579.240 Units of Rs.10.4430 /- Each, Face Value Rs.100 Lakhs	**1,13.84**	1,06.98	-
	IDFC Corporate Bond Fund - Regular - Growth 930665.426 Units of Rs.10.7450 /- Each, Face Value Rs.100 Lakhs	**1,10.64**	1,03.97	-
	Birla Sun Life Short Term Fund - Regular - Growth 171297.113 Units of Rs.58.3781 /- Each, Face Value Rs.100 Lakhs	**1,13.82**	1,06.67	-
	Sundaram Flexible Fund-Flexible Income Plan-Growth 454477.283 Units of Rs.22.0033 /- Each, Face Value Rs.100 Lakhs	**1,12.48**	1,05.91	-
	Sundaram Flexible Fund-Flexible Income Plan-Growth 891055.143 Units of Rs.22.4453 /- Each, Face Value Rs.200 Lakhs	**2,20.54**	2,07.65	-

NOTES TO CONSOLIDATED BALANCE SHEET (Contd.)

Amount in Rs. Lakhs

Note	Particulars	March 31, 2018 Ind AS	March 31, 2017 Ind AS	April 1, 2016 Ind AS
	LIC MF Liquid Fund Direct Growth 29763.30 Units of Rs.3146.21/- each (Previous year 27140.843 Units of Rs.2947.571 each)	**9,38.00**	8,00.39	-
	SBI Premier Liquid Fund Direct Growth Current year Nil. (Previous year 29516.164 Units of Rs.2551.1445 each)	**-**	7,53.35	-
	SBI Magnum Insta Cash Fund Regular Growth Current year Nil. (Previous year 5579.628 Units of Rs.3584.4686 each)	**-**	2,00.09	-
	SBI Magnum Insta Cash Fund Regular Growth 4719.36 Units of Rs.3835.88 and 3675.10 Units of Rs.3836.63 each (Previous year 864.688 Units of Rs.3585.4686 each)	**3,22.61**	31.01	-
	Birla Sun Life Cash Plus - Growth 50937.74 Units of Rs.278.77, 256896.99 Units of Rs.278.82 and 35865.56 Units of Rs.278.82 each (Previous year 421153.225 Units of Rs.261.1876 each)	**9,60.01**	11,00.51	-
	Sundaram Money Fund - Growth 1392038.47 Units of Rs.36.58 each (Previous year 2917161.369 Units of Rs. 34.2799 each)	**5,09.97**	10,00.44	-
	HDFC Cash Management Fund - Savings Plan - Growth Current year Nil. (Previous year 2798.828 Units of Rs.3394.2784 each)	**-**	95.04	-
	HDFC Cash Management Fund - Growth 1271.16 Units of Rs3618.74, 16671.16 Units of Rs.3619.30 and 1187.83 Units of Rs.3620.04 each (Previous year 29461.343 Units of Rs.3394.2784 each)	**6,93.36**	10,00.46	-
	HDFC Cash Management Fund - Growth Current year Nil. (Previous year 2975.068 Units of Rs.3394.8801 each)	**-**	1,01.02	-
	Sundaram Alternate OPP Series High Yield Secured Debt Fund (Balance uncalled contribution - Rs. 750 lakhs)	**7,41.15**	-	-
	TOTAL	**108,28.54**	128,44.51	66,20.65

NOTES TO CONSOLIDATED BALANCE SHEET (Contd.)

Amount in Rs. Lakhs

Note	Particulars	March 31, 2018 Ind AS	March 31, 2017 Ind AS	April 1, 2016 Ind AS
8	**Trade Receivables - Unsecured - considered good**			
	More than six months	**45.99**	36.70	37.39
	Others	**66,84.07**	57,61.38	55,26.94
	TOTAL	**67,30.06**	57,98.08	55,64.33
9	**Cash & Cash Equivalents**			
	Balances with Banks	**3,19.35**	1,46.65	1,27.71
	Cheques and Drafts on hand	**5,13.61**	5,02.54	4,65.68
	Cash on hand	**26.10**	27.18	27.56
	Balances with Banks for Unclaimed / Unpaid Dividends	**1,06.95**	1,09.02	1,42.63
	Others - Guarantee Deposit	**15.96**	14.20	14.00
	- Remittances in Transit	**5,56.49**	5,30.97	6,01.72
	Short Term Deposits with Banks	**7,62.00**	1,01.00	41,83.00
	TOTAL	**23,00.46**	14,31.56	55,62.30
10	**Short-term Loans & Advances**			
	Unsecured			
	Advances recoverable in Cash or in kind or for value to be received	**3,35.39**	2,82.07	3,53.86
	Interest accrued on Short Term Deposits	**1.33**	0.07	7.94
	Advances to Employees and Others	**20.90**	27.23	28.80
	Deposit with Governments and others	**6.51**	6.41	6.16
	TOTAL	**3,64.13**	3,15.78	3,96.76
11	**Current Tax Assets (net)**			
	Advance Tax and T.D.S. (Net of Provision for tax)	**40.14**	1,55.29	5.04
	Provision for Tax balance as on -			
	31st March 2018 - Rs. 7727.29 lakhs			
	31st March 2017 - Rs. 6371.78 lakhs			
	01st April 2016 - Rs. 5058.84 lakhs			
	TOTAL	**40.14**	1,55.29	5.04
12	**Other Current Assets**			
	Prepaid Expenses	**5.63**	14.53	24.90
	GST / VAT and CST	**20.23**	7,78.46	45.15
	TOTAL	**25.86**	7,92.99	70.05

NOTES TO CONSOLIDATED BALANCE SHEET (Contd.)

Amount in Rs. Lakhs

Note	Particulars	March 31, 2018 Ind AS	March 31, 2017 Ind AS	April 1, 2016 Ind AS
13	**EQUITY**			
	Equity Share Capital			
	Issued, Subscribed & Paid-up Capital	**8,31.96**	8,31.96	8,31.96
	Equity shares of Rs. 10/- each			
	The Company has only one class of equity shares having a par value of Rs. 10/- each. Each member is entitled to vote in proportion to their holdings.			
	Details of shareholder holding more than 5% shares in the company			
	M/s T V Sundaram Iyengar & Sons Private Limited	**1819432**	1819432	1819432
		21.87%	21.87%	21.87%
	M/s Sundaram Finance Limited	**-**	1540784	1540784
		-	18.52%	18.52%
	M/s Sundaram Finance Holdings Limited	**1540784**	-	-
		18.52%	-	-
14	**LIABILITIES**			
	Deferred Tax Liability (net)			
	Deferred Tax Liability - On depreciation and Fair Value changes on Investments	**6,70.60**	7,58.34	4,60.81
	Deferred Tax Assets	**(41.25)**	(56.37)	(54.25)
	TOTAL	**6,29.35**	7,01.97	4,06.56
15	**Long Term Provisions**			
	Provision for Employee Benefits	**49.88**	40.76	34.64
	TOTAL	**49.88**	40.76	34.64
16	**Borrowings**			
	Secured Loans	**-**	-	-
	Cash Credit	**19,26.50**	12,05.84	13,49.08
	(Secured by hypothecation of book debts, stock and other current assets)			
	TOTAL	**19,26.50**	12,05.84	13,49.08

NOTES TO CONSOLIDATED BALANCE SHEET (Contd.)

Amount in Rs. Lakhs

Note	Particulars	March 31, 2018 Ind AS	March 31, 2017 Ind AS	April 1, 2016 Ind AS
17	**Trade Payable**			
	Total outstanding dues of micro enterprises and small enterprises	**-**	-	-
	Total outstanding dues of creditors other than micro enterprises and small enterprises	**42,13.87**	42,35.69	35,76.14
	TOTAL	**42,13.87**	42,35.69	35,76.14
18	**Other Current Liabilites**			
	For expenses	**3,82.25**	3,46.00	2,73.25
	GST / VAT and CST	**-**	2,20.99	2,08.56
	Other payables	**1,32.13**	1,96.35	1,72.95
	Unpaid interim dividend	**-**	-	45.30
	Unclaimed dividends	**1,06.95**	1,09.02	97.33
	TOTAL	**6,21.33**	8,72.36	7,97.39

Notes to Consolidated Statement of Profit and Loss

Amount in Rs. Lakhs

Note	Particulars	Year ended March 31, 2018	Year ended March 31, 2017
19	**Revenue from operations**		
	Sales - Less Returns (Net)		
	Sale of Products	**478,20.05**	518,02.13
	Sale of Services	**0.24**	0.72
	Other Operating Revenue	**88.54**	87.23
	(Previous year's sale includes Excise Duty and Sales tax of Rs. 49,25 lakhs for the period from July 2016 to March 2017)		
	TOTAL	**479,08.83**	518,90.08

Notes to Consolidated Statement of Profit and Loss (Contd.)

Amount in Rs. Lakhs

Note	Particulars	Year ended March 31, 2018	Year ended March 31, 2017
20	**Other income**		
	Dividend Income		
	- Long Term Investments in Equity Shares	**1,85.48**	1,71.21
	- Current Investments	**98.54**	0.95
	Profit on Sale/Fair value Change of Mutual Funds(Net)	**6,05.88**	9,35.06
	Interest Income from Bank Deposits and Others	**35.21**	13.77
	Profit on Sale of Assets	**2.51**	0.50
	Other non operating income	**2.42**	16.86
	TOTAL	**9,30.04**	11,38.35
21	**Purchase of Stock-in-Trade**		
	Purchase Less Returns (Net)	**415,49.97**	453,25.19
	(Excise Duty component on GST Transition has been given effect)		
	TOTAL	**415,49.97**	453,25.19
22	**Changes In Inventories - Stock-in-Trade**		
	Opening Stock (net of Excise Duty) *	**42,71.64**	46,07.88
	Closing Stock	**51,61.84**	49,97.65
	* for 2017-2018		
	(Increase)/Decrease in inventories	**(8,90.20)**	(3,89.77)
23	**Employee benefits expense**		
	Salaries, Bonus and other allowances	**17,98.38**	15,92.54
	Company's contribution to Provident fund, Gratuity and other funds	**1,55.02**	1,30.89
	Staff Welfare Expenses	**91.77**	86.09
	TOTAL	**20,45.17**	18,09.52
24	**Depreciation and amortization expense**		
	Depreciation of property, plant and equipment	**61.17**	52.87
	Amortization of intangible assets	**28.64**	28.64
	TOTAL	**89.81**	81.51

Notes to Consolidated Statement of Profit and Loss (Contd.)

Amount in Rs. Lakhs

Note	Particulars	Year ended March 31, 2018	Year ended March 31, 2017
25	**Administrative and Other expenses**		
	Audit Fees:		
	as Auditors	**8.25**	6.33
	for Tax Audit	**1.50**	1.44
	for Certification	**1.50**	1.44
	out of pocket expenses	**-**	0.16
	Power and fuel	**35.25**	32.70
	Rent	**2,42.02**	2,10.02
	Repairs to Buildings	**58.94**	54.82
	Repairs to Plant & Equipments	**4.86**	5.37
	Corporate Social Responsibility Expenses / Donations	**78.66**	78.30
	Insurance	**11.70**	11.53
	Rates, Taxes and Licences	**15.38**	13.74
	Loss on Sale of Assets	**1.19**	0.43
	Administrative and Other expenses	**12,10.78**	12,05.34
	TOTAL	**16,70.03**	16,21.62

26. General

The group operates only in one business segment. Viz “Sale and Distribution of Automotive Spares”.

Related Party Disclosure

1. Related Parties:

   a. Entity having significant influence by shareholding:

      T V Sundaram Iyengar & Sons Private Limited

   b. Key Management Personnel:

      Sri. N.Krishnan, Managing Director, India Motor Parts and Accessories Ltd

      Sri. Alkesh M Patel, Whole Time Director, CAPL Motor Parts Pvt Limited

   c. Relative of Key Management Personnel:

      Sri Manubhai Patel – Father of Sri Alkesh M Patel

   d. Post Employees Benefit Plan Trust

      India Motor Parts and Accessories Employees’ Provident Fund Trust

2. The disclosure of related party transactions during the year and balances as on 31/03/2018 are as follows.

Nature of Transaction	Entity having significant influence by shareholding		Key Management Personnel		Relative of Key Management Personnel	
	2017-18	2016-17	**2017-18**	2016-17	**2017-18**	2016-17
Sales of Goods	**11.17**	12.60	**0.00**	0.00	**0.00**	0.00
Purchase of Goods	**0.00**	0.00	**0.00**	0.00	**0.00**	0.00
Receiving Services	**11.88**	21.68	**0.00**	0.00	**2.00**	0.00
Payable Balance	**0.00**	0.00	**65.48**	63.07	**0.00**	0.00
Remuneration	**0.00**	0.00	**1,65.73**	1,52.47	**0.00**	0.00

Contribution to Group Employee Provident Fund Trust – Rs. 33.68 lakhs
(Previous year – 28.09 lakhs)

3. Disclosures required under the "Micro, Small and Medium Enterprises Development Act, 2006"

	Particulars	**2017-18**	2016-17
a)	Principal amount and the interest due to Suppliers under the Act	**Nil**	Nil
b)	Interest paid to Suppliers in terms of Section 16 of the Act, along with payment made beyond the appointed day	**Nil**	Nil
c)	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 Act	**Nil**	Nil
d)	Interest accrued and remaining unpaid at the end of the year	**Nil**	Nil
e)	Further interest remaining due and payable even in the succeeding years, until such date, when interest dues above are actually paid in the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Act	**Nil**	Nil

This information has been given in respect of such vendors to the extent they could be identified as "Micro, Small and Medium Enterprises" on the basis of information available with the Group on which the Auditors have relied upon.

4. Basic and diluted Earnings Per Share (EPS) of Face Value of Rs.10/- each is calculated as under:

Particulars		**2017-18**	2016-17
Profit after Tax	Rs. in Lakhs	**31,37.21**	32,22.31
Total Equity Shares outstanding at the end of the year	Nos.	**8319575**	8319575
Earnings per share (Basic and Diluted)	Rs.	**37.71**	38.73
Face value per share	Rs.	**10**	10

Rs. in Lakhs

5a. Contingent Liability not provided for — Nil — Nil

5b. The amount of Capital commitment pending as on 31st March 2018 is Rs.80.60 lakhs (previous year Rs. Nil)

6. Employee benefits

Defined Contribution Plans:

During the year, the Company has recognized the following amounts in the Profit and Loss Statement, which are included in Employees benefits expenses in Note:

	2017-2018 Rs in Lakhs	2016-2017 Rs in Lakhs
Contribution to Superannuation Fund	**15.59**	14.03
Contribution to Pension Fund	**46.40**	44.93
Contribution to Employees' State Insurance – ESI	**37.61**	22.96
Contribution to Provident Fund	**33.68**	28.09

Defined Benefit Plans:

1 Change in the Present Value of Defined Benefit Obligation (DBO)

		As at 31st March, 2018 Funded Gratuity Rs. In Lakhs	As at 31st March, 2017 Funded Gratuity Rs. In Lakhs
1.	Present Value of Defined Benefit Obligation at the beginning of the Period	**3,08.80**	2,60.38
2.	Service Cost		
	a. Current Service Cost	**18.69**	19.36
	b. Past Service Cost	**-**	-
	c. (Gain) / Loss on Curtailments	**-**	-
	d. (Gain) / Loss on Settlements		
3.	Interest Expense	**24.70**	20.83
4.	Remeasurements		
	a Effect of Changes in Demographic Assumptions	**-**	-
	b Effect of Changes in Financial Assumptions	**37.44**	-
	c Effect of Experience Adjustments	**(11.39)**	26.67
5.	Cashflows		
	a Benefit Payments	**-**	-
	(i) From the Plan	**(8.63)**	(18.44)
	(ii) Directly from the Employer	**-**	-
	b Settlement Payments from the Plan	**-**	-
	c Participant Contributions	**-**	-
6.	Effect of Business Combinations / Disposals	**-**	-
7.	Effect of Changes in Foreign Exchange Rates	**-**	-
8.	Present Value of Defined Benefit Obligation at the end of the Period	**3,69.61**	3,08.80

		As at 31st March, 2018 Funded Gratuity Rs. In Lakhs	As at 31st March, 2017 Funded Gratuity Rs. In Lakhs
2	**Change in the Fair Value of Plan Assets**		
1.	Fair Value of Plan Assets at the beginning of the Period	**3,20.09**	2,96.75
2.	Interest Income on Plan Assets	**25.98**	23.72
3.	Cashflows		
	a Benefit Payments		
	(i) From the Plan	**(8.63)**	(18.44)
	(ii) Directly from the Employer	**-**	-
	b Settlement Payments from the Plan	**-**	-
	c Participant Contributions	**-**	-
	d Total Employer Contributions		
	(i) Employer Contributions	**18.00**	17.99
	(ii) Employer Direct Benefit Payments	**-**	-
4.	Remeasurements		
	a. Actual Return on Plan Assets (Less 4.2 above)	**(0.84)**	0.07
5.	Effect of Business Combinations / Disposals	**-**	-
6.	Effect of Changes in Foreign Exchange Rates	**-**	-
7.	Fair Value of Plan Assets at the end of the Period	**3,54.60**	3,20.09
3	**Components of Defined Benefit Cost**		
1.	Service Cost		
	a Current Service Cost	**18.69**	19.36
	b Past Service Cost	**-**	-
	c (Gain) / Loss on Curtailments	**-**	-
	d (Gain) / Loss on Settlements	**-**	-
	e Total Service Cost	**18.69**	19.36
2.	Net Interest Expense		
	a Interest Expense on DBO	**24.70**	20.83
	b Interest Income on Plan Assets	**(25.98)**	(23.72)
	c Interest Income on Reimbursement Rights	**-**	-
	d Interest Income on Asset Ceiling	**-**	-
	e Total Net Interest Cost	**(1.28)**	(2.89)

		As at 31st March, 2018 Funded Gratuity Rs. In Lakhs	As at 31st March, 2017 Funded Gratuity Rs. In Lakhs
3.	Remeasurements		
	a Effect of Changes in Demographic Assumptions	**-**	-
	b Effect of Changes in Financial Assumptions	**37.44**	-
	c Effect of Experience Adjustments	**(11.39)**	26.67
	d Actual Return on Plan Assets (Less 4.2 above)	**0.84**	(0.07)
	e Actual Return on Reimbursement Rights (Less 5.2 above)	**-**	-
	f Actual Change in Asset Ceiling (Less 6.2 above)	**-**	-
	g Total Remeasurements	**26.89**	26.60
4.	Defined Benefit Cost included in Profit & Loss Account	**17.41**	16.47
5.	Defined Benefit Cost included in Other Comprehensive Income	**26.89**	26.60
4	**Reconciliation of Net Liability (Asset)**		
1.	Net Liability (Asset) at the beginning of the Period	**(11.30)**	(36.37)
2.	Defined Benefit Cost included in Profit & Loss Account	**17.41**	16.47
3.	Defined Benefit Cost included in Other Comprehensive Income	**26.89**	26.60
4.	Cash flows		
	a Total Employer Contributions		
	(i) Employer Contributions	**18.00**	17.99
	(ii) Employer Direct Benefit Payments	**-**	-
	b Employer Contributions towards Reimbursement Rights	**-**	-
	c Reimbursements to Employer	**-**	-
5.	Effect of Business Combinations / Disposals	**-**	-
6.	Effect of Changes in Foreign Exchange Rates	**-**	-
7.	Net Liability (Asset) at the end of the Period	**15.00**	(11.30)
5	**Defined Benefit Obligation**		
1	Defined Benefit Obligation by Participant Status		
	a Actives	**3,69.61**	2,97.86
	b Vested Deferreds	**-**	-
	c Retiree Beneficiaries	**-**	-
	d Total	**3,69.61**	2,97.86

		As at 31st March, 2018 Funded Gratuity Rs. In Lakhs	As at 31st March, 2017 Funded Gratuity Rs. In Lakhs
6	**Significant Actuarial Assumptions**		
1.	Financial Assumptions		
	a Discount Rate (Single Rate for ALL Years)	**7.72%**	8.00%
	b Salary Escalation Rate (Duration Based)		
	From Year 1 To Year 1	**8.00%**	6.00%
	From Year 2 To Year 2	**8.00%**	6.00%
	From Year 3 To Year 3	**8.00%**	6.00%
	From Year 4 To Year 37	**8.00%**	6.00%
2.	Demographic Assumptions		
	a Pre Retirement Mortality Rate - IALM (2006-08) Ultimate	**100%**	100%
	b Post Retirement Mortality Rate - LIC Annuitants (1996-98)	**100%**	100%
	c Attrition Rate (Age Based)		
	From Year 18 To Year 20	**15.00%**	15.00%
	From Year 21 To Year 30	**13.00%**	13.00%
	From Year 31 To Year 40	**13.00%**	13.00%
	From Year 41 To Year 55	**12.00%**	12.00%
3.	Sensitivity Analysis		
	1. Discount Rate - 1%	**3,89.15**	3,27.83
	2. Discount Rate + 1%	**3,51.79**	3,01.35
	3. Escalation Rates - 1%	**3,52.49**	3,01.89
	4. Escalation Rates + 1%	**3,88.04**	3,27.02
	5. Mortality x 95%	**3,69.58**	3,13.95
	6. Mortality x 105%	**3,69.64**	3,14.07
	7. Attrition x 95%	**3,70.06**	3,13.58
	8. Attrition x 105%	**3,69.16**	3,14.41
	9. Rs.2,000,000 Benefit Ceiling	**3,77.69**	3,20.43
	10. No Benefit Ceiling	**4,67.91**	3,95.39
4.	Maturity Profile of the DBO and Expected Cashflows in the following Period		
1.	Estimated Term / Weighted Average Duration of the DBO	**7.249**	6.405
2.	Expected Total Benefit Payments		
	a. Year 1	**53.22**	77.81
	b. Year 2	**47.14**	41.45
	c. Year 3	**43.15**	39.69
	d. Year 4	**53.82**	35.34
	e. Year 5	**43.55**	45.22
	f. Next 5 years	**2,16.93**	1,40.81
3.	Expected Employer Contributions	-	-
4.	Expected Employer Contributions towards Reimbursement Rights	-	-

7. ADDITIONAL DISCLOSURE REQUIRED UNDER SCHEDULE III OF COMPANIES ACT, 2013.

Financial Year 2017-18

Rs. In lakhs

Name of the Entity	Net Assets, i.e., total assets minus total liabilities		Share in Profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit	Amount	As % of Consolidated Other Comprehensive Income	Amount	As % of Consolidated Total Comprehensive Income	Amount
Parent	99.57%	876,92.41	98.79%	30,99.24	100.00%	106,15.61	99.72%	137,14.85
Subsidiary								
CAPL Motor Parts Private Limited	0.01%	11.01	0.35%	11.01	-	-	0.08%	11.01
Non Controlling Interest in Subsidiary	0.06%	51.22	0.04%	1.22	-	-	0.01%	1.22
Associate								
Transenergy Limited	0.36%	315.59	0.82%	25.74	-	-	0.19%	25.74
	100.00%	880,70.23	100.00%	31,37.21	100.00%	106,15.61	100.00%	137,52.82

Financial Year 2016-17

Parent	99.60%	745,70.84	99.53%	32,07.12	100.00%	107,65.15	99.89%	139,72.27
Associate								
Transenergy Limited	0.40%	2,97.36	0.47%	15.19	-	-	0.11%	15.19
	100.00%	748,68.20	100.00%	32,22.31	100.00%	107,65.15	100.00%	139,87.46

8. Financial instruments and fair values

A. Accounting classifications and fair values

The following table shows the carrying amounts and fair values of financial assets

March 31, 2018 (Rs. In Lakhs)

	Carrying amount (Cost)				
	Mandatorily at FVTPL - Others	Other financial assets - amortized cost	Other financial assets - recognized through OCI	Total carrying amount (Cost)	Fair value
Financial assets					
Equity Invesments					
- Associate	-	1,63.75	-	1,63.75	3,15.59
- Others	-	-	85,15.33	85,15.33	679,27.92
Mutual fund investments	98,59.44	-	-	98,59.44	108,28.54
Trade receivables	-	67,30.06	-	67,30.06	67,30.06
Cash and cash equivalents	-	23,00.46	-	23,00.46	23,00.46
Loans	-	4,50.64	-	4,50.64	4,50.64
Financial Liabilities					
Borrowings	-	19,26.50	-	19,26.50	19,26.50
Trade payables	-	42,13.87	-	42,13.87	42,13.87

March 31, 2017 (Rs. In Lakhs)

	Carrying amount (Cost)				
	Mandatorily at FVTPL - Others	Other financial assets - amortized cost	Other financial assets - recognized through OCI	Total carrying amount (Cost)	Fair value
Financial assets					
Equity Invesments					
- Associate	-	1,63.75	-	1,63.75	2,97.36
- Others	-	-	55,70.09	55,70.09	543,40.17
Mutual fund investments	116,80.00	-	-	116,80.00	128,44.51
Trade receivables	-	57,98.08	-	57,98.08	57,98.08
Cash and cash equivalents	-	14,31.56	-	14,31.56	14,31.56
Loans	-	4,01.04	-	4,01.04	4,01.04
Financial Liabilities					
Borrowings	-	12,05.84	-	12,05.84	12,05.84
Trade payables	-	42,35.69	-	42,35.69	42,35.69

April 1, 2016 (Rs. In Lakhs)

	Carrying amount (Cost)				
	Mandatorily at FVTPL - Others	Other financial assets - amortized cost	Other financial assets - recognized through OCI	Total carrying amount (Cost)	Fair value
Financial assets					
Equity Invesments					
- Subsidiary	-	-	-	-	-
- Associate	-	1,63.75	-	1,63.75	2,89.67
- Others	-	-	52,70.57	52,70.57	430,10.65
Mutual fund investments	60,00.00	-	-	60,00.00	66,20.65
Trade receivables	-	55,64.33	-	55,64.33	55,64.33
Cash and cash equivalents	-	55,62.30	-	55,62.30	55,62.30
Loans	-	4,72.28	-	4,72.28	4,72.28
Financial Liabilities					
Borrowings	-	13,49.08	-	13,49.08	13,49.08
Trade payables	-	35,76.14	-	35,76.14	35,76.14

Fair value hierarchy

The fair value hierarchy is based on inputs to valuation techniques that are used to measure fair value that are either observable or unobservable and consists of the following three levels:

Level 1 hierarchy - Includes Financial Instruments measured using quoted prices in the active market.

Level 2 hierarchy - The Fair value of Financial Instruments that are not traded in an active market, is determined using valuation techniques which maximise the use of observable market data.

Level 3 hierarchy - includes Financial Instruments for which one or more of the significant inputs are not based on observable market data. This is applicable for unlisted securities.

B. Fair value hierarchy (Rs. In Lakhs)

	Level 1	Level 2	Level 3
As at March 31, 2018			
Financial assets :			
Equity shares	567,21.01	-	112,06.91
Mutual fund investments	108,28.54	-	-
As at March 31, 2017			
Financial assets :			
Equity shares	460,78.51	-	82,61.66
Mutual fund investments	128,44.51	-	-
As at April 01, 2016			
Financial assets :			
Equity shares	371,13.90	-	58,96.75
Mutual fund investments	66,20.65	-	-

C. Financial risk management

The Company's business activities are exposed to liquidity risk and credit risk. The Risk management policies have been established to identify and analyse the risks faced by the Company, to set and monitor appropriate risk limits and controls, periodically review and reflect the changes in the policy accordingly.

a) Management of Liquidity risk

Liquidity risk is the risk that the Company will face in meeting its obligations associated with its financial liabilities. The Company's approach in managing liquidity is to ensure that it will have sufficient funds to meet its liabilities. In doing this, management considers both normal and stressed conditions.

The Company regularly monitors the rolling forecasts and the actual cash flows to service the financial liabilities on a day-to-day basis through cash generation from business and by having adequate banking facilities.

The following table shows the maturity analysis of the Company's financial liabilities based on contractually agreed undiscounted cash flows along with its carrying value as at the Balance sheet date.

Rs. In Lakhs

	31st March 2018	31st March 2017	1st April 2016
Payable within one year			
Trade payable	**42,13.87**	42,35.69	35,76.14
Borrowings - Cash Credit	**19,26.50**	12,05.84	13,49.08

b) Management of Credit risk

Credit risk is the risk of financial loss to the Company if the other party to the financial assets fails to meet its contractual obligations.

a) Trade receivables:

Concentration of credit risk with respect to trade receivables are limited as the customers are reviewed, assessed and monitored regularly on a monthly basis with pre determined credit limits assesed based on their payment capacity. Our historical experience of collecting receivables demonstrates that credit risk is low. Hence, trade receivables are considered to be a single class of financial assets.

b) Other financial assets:

The Company has exposure in Cash and cash equivalents and term deposits with banks. The Company's maximum exposure to credit risk as at 31st March, 2018 is the carrying value of each class of financial assets as on that date.

N KRISHNAN
Managing Director

S PRASAD
Director

As per our Report of even date attached
For **BRAHMAYYA & CO**
Chartered Accountants
Firm Registration Number : 000511S

S RAMASUBRAMANIAN
Chief Financial Officer

S KALYANARAMAN
Secretary

L RAVI SANKAR
Partner
Membership No: 25929

Chennai
30th May, 2018

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Corporate Governance:

The Company's Philosophy on Corporate Governance is to ensure transparent functioning of the Company in the conduct of its business. Management's goal is to enhance Shareholder value and stakeholders' interests through sound business decisions, prudent financial management and high standards of ethics in the Organization.

2.1 Board of Directors:

The Board has nine members out of which eight are Non-executive Directors. The Board has one Executive Director, Sri N Krishnan as the Managing Director.

The composition of the Board is in compliance with Listing regulations and the Companies Act 2013.

All Directors and Senior Management Personnel have affirmed compliance with the code of Conduct approved and adopted by the Board of Directors.

2.2. Attendance at Board Meeting and last Annual General Meeting

During the financial year 2017-18, 5 Board Meetings were held on 26th May 2017, 27th July , 2017, 11th September 2017, 21st November 2017 and 14th February , 2018.

Details of attendance at Board Meetings, Annual General Meeting, other directorships, committee chairmanship / membership held by the Directors are given below:

Name of the Director	Attendance		No. of other Directorship & Committee membership/chairmanship in other public limited companies in India (as on 31.03.2018)		
	Board Meetings	AGM	Other Directorship	Committee Membership	Committee Chairmanship
Promoter Directors					
Sri S Ram Non-Executive Chairman (DIN 18309)	5	Yes	6	1	1
Sri Ananth Ramanujam Non-Executive Director (DIN 61970)	4	Yes	1	-	-
Independent Non-Executive Directors					
Sri S Ravindran (DIN 45076)	5	Yes	2	1	-
Sri S Prasad (DIN 63667)	5	Yes	5	2	4
Sri Rasesh R Doshi (DIN 538059)	4	Yes	1	1	-

Sri S Venkatesan (DIN 19155)	5	Yes	1	-	-
Sri T N P Durai (DIN 655615)	5	Yes	-	-	-
Non-Executive Director					
Ms Shobhana Ramachandhran (DIN 273837)	4	Yes	8	2	-
Executive Director					
Sri N Krishnan Managing Director (DIN 41381)	5	Yes	-	-	-

Only Audit Committee, Stakeholders Relationship Committee are considered for this purpose.

3. Audit Committee:

The Audit Committee reviews the quarterly financial results, adequacy of internal control systems, annual financial statements, compliance to listing and other legal requirements relating to financial statements, related party transactions, management discussion and analysis. Heads of Accounts and Internal Audit, Statutory Auditors are invitees to the Committee Meetings.

During the financial year 2017-18, 4 Audit Committee meetings were held on 25th May 2017, 27th July 2017, 20th November 2017 and 13th February 2018. The composition and attendance particulars are as follows:

Name	Position	No. of Meetings attended
Sri S Prasad	Chairman	4
Sri S Ravindran	Member	4
Sri N Krishnan	Member	4
Sri Rasesh R Doshi	Member	4

The Company Secretary is the Secretary of the Committee.

Familiarisation Programme

The Company has a program to familiarise Independent Directors with regard to their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business model of the Company etc. and the same is available on the website of the Company at www.impal.net/investor.htm

4. Nomination and Remuneration Committee:

The Composition of this committee consists of 3 Directors out of which majority are Independent Directors, including the Chairman of the Committee.

The terms of reference of the committee is as under :

Identify persons who are qualified to become Directors and who may be appointed to senior management in accordance with the criteria laid down; recommend to the Board their appointment and removal and carry out evaluation of every Director's performance.

Formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

During the financial year 2017-18, 1 meeting was held on 26th May 2017. The composition and attendance particulars are as follows:

Name	Position	No. of Meetings attended
Sri S Ravindran	Chairman	1
Sri S Prasad	Member	1
Sri S Ram	Member	1

5. Remuneration to Directors:

Directors of the Company are paid a sitting fee of Rs.6000/- each for every meeting of the Board and Committees of the Board and separate meeting of Independent Directors.

Remuneration to Non Executive Directors

The Non-Executive Directors are remunerated by way of commission for each financial year within the ceiling of 1% of the net profits of the Company as approved by the shareholders. The details of remuneration paid and the number of shares held by the Non- Executive Directors are as follows: -

Name of the Director	Sitting Fee (Rs.)	Commission (Rs.)	No. of shares held (as at 31.03.2018	Relationship with Other Directors
Sri S Ram	36000	50000	19900[1]	
Sri Ananth Ramanujam	24000	50000	1312[2]	
Sri S Ravindran	66000	100000	800	
Sri S Prasad	66000	100000	960	
Ms Shobhana Ramachandhran	24000	50000	63275	Nil
Sri Rasesh R Doshi	54000	100000	8656[3]	
Sri T N P Durai	36000	50000	6928	
Sri S Venkatesan	36000	50000	6100[4]	

Number of shares held jointly with others [1]122618 [2]57248 [3]1920 [4]1776

Managing Director

The Managing Director has been appointed on contractual terms for a period of five years from 05th July 2017. The remuneration approved by shareholders comprises of salary, allowances, commission and perquisites. The quantum of commission payable to the Managing Director is decided by the Board of Directors for each financial year within the ceiling approved by the General Body. The remuneration is within the limits prescribed under Schedule V to the Companies Act, 2013. Details of remuneration paid to Managing Director are as under: -

(Rs in Lakhs)

Nature of Payment	Sri N Krishnan, Managing Director	Relationship with Other Directors
Salary	77.52	
Commission	65.48	
Sitting Fees	0.54	Nil
Contribution to Provident Fund & other funds	12.31	
Perquisites	6.38	

6. Stakeholders Relationship Committee:

The Stakeholders Relationship Committee was constituted to attend to shareholders and investors complaints. The Committee consists of Sri S Venkatesan and Sri N Krishnan as its members. Sri S Venkatesan is the Chairman of the Committee.

Sri S Kalyanaraman, Company Secretary is the compliance officer. During the year under review, no investor complaints were received.

7. General Body Meetings:

a) Details of location and time of the last three Annual General Meetings

Year	Location	Date and time
61st AGM (2014-15)	Music Academy 168, TTK Road, Chennai –14.	August 19,2015 11.00 a.m.
62nd AGM (2015-16)	Music Academy 168, TTK Road, Chennai –14	August 29,2016 11.00 a.m.
63rd AGM (2016-17)	Music Academy 168, TTK Road, Chennai –14.	September 04,2017 11.00 a.m.

b) Details of Special Resolutions passed in previous three Annual General Meetings (AGM):

NIL

There was no Special Resolution passed through Postal Ballot during the year under review.

8. Means of Communication:

- The quarterly unaudited/ audited annual financial results of the Company is being published in English Daily and in a vernacular (Tamil) newspaper in the prescribed format.
- Quarterly results, Annual results including the Annual Report, shareholding pattern are displayed on our Company's website www.impal.net in accordance with the listing agreement with the National Stock Exchange.

9. Disclosures:

- There were no materially significant related party transactions with the Company's Promoters, Directors, the Management or Relatives, which may have a potential conflict of interest with the Company at large.

- There have been no instances of non-compliance by the Company on any matters relating to capital market, nor has any penalty / strictures been imposed on the Company by the Stock Exchange or SEBI or any other Statutory authority on such matters.
- The Company has a Whistle Blower Mechanism in place and no personnel has been denied access to the audit committee. The Whistle Blower Policy is available in the Company's website at www.impal.net/investor.htm
- All the mandatory requirements specified under Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been complied with.
- The company does not have any material subsidiary.
- Policy on related party transaction is available in the Company's website at www.impal.net/investor.htm
- The Company does not deal with any commodity activities and hence disclosure of commodity price risks and commodity hedging activities does not arise.

10. Equity Shares in Suspense Account

As per the Regulation 34(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Company reports that ---

Particulars	Number of Shareholders	Total Shares in Demat Suspense Account
Unclaimed shares at the beginning of the year (01.04.2017)	143	25578
Less: shares claimed during the year	5	316
Less: shares transferred to IEPF suspense account	-	9551
Unclaimed shares at the end of the year (31.03.2018)	138	15711

The company further states that the voting rights on these unclaimed shares shall remain frozen till the rightful owner claims the shares.

During the year 316 shares were transferred from the above suspense account to a shareholder and 9551 shares were transferred to IEPF Suspense Account.

11. General Shareholder Information:

a	64th Annual General Meeting - Date and Time - Venue	 23rd August 2018 – 11.00 a.m. The Music Academy, 168,T T K Road, Chennai 600 014
b	Financial Calendar (Tentative)	
	Annual General Meeting	23rd August , 2018
	First quarter results ended June 30, 2018	August , 2018
	Second quarter results ending September 30 2018	November, 2018
	Third quarter results ending December 31, 2018	February, 2019
	Audited results for the year ending March 31, 2019	May, 2019

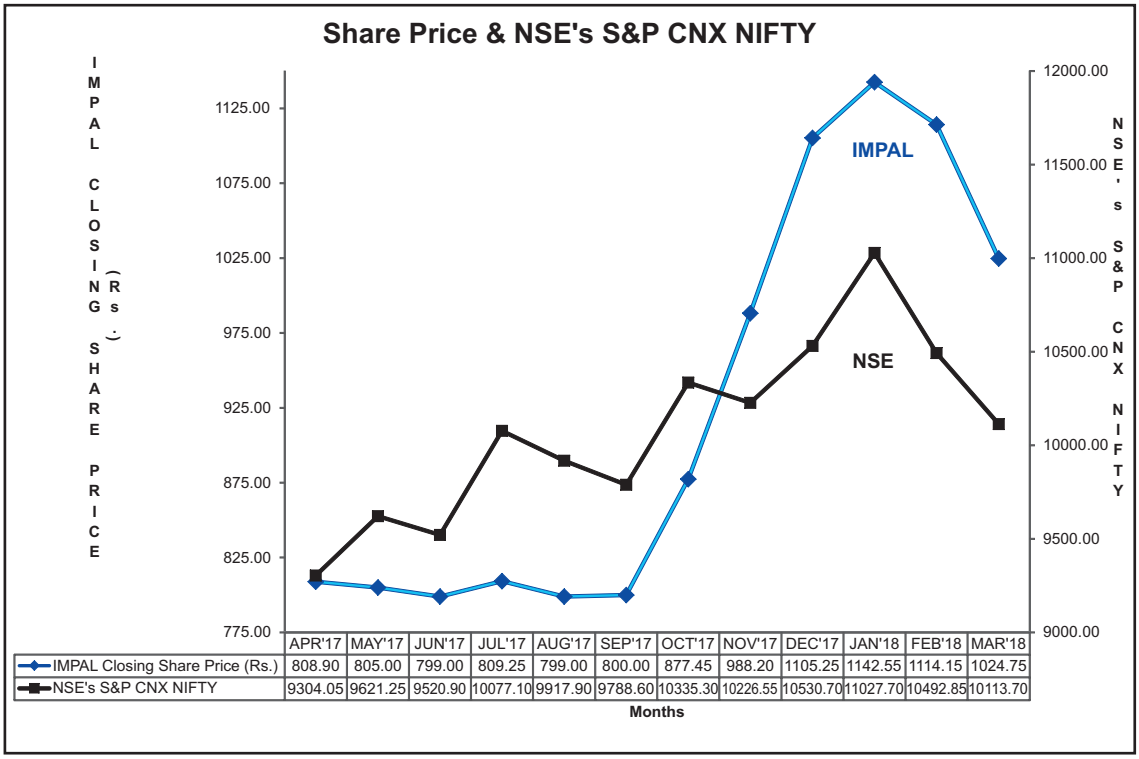
c	Period of Book Closure	From 14.08.2018 to 23.08.2018 (Both days inclusive)
d	Dividend paid on	20th June, 2018 – Interim Dividend
e	Listing on Stock Exchanges	National Stock Exchange of India Limited (NSE)
f	Stock Code a. Trading Symbol b. Demat ISIN Numbers in NSDL & CDSL	 NSE - IMPAL INE547E01014

g. The Company has paid the listing fee up to the year 2018-19 to National Stock Exchange of India Ltd and Annual Custodial Fees to National Securities Depository Ltd & Central Depository Services (India) Ltd.

h. Market Price Data (Rs.)

MONTH		APR–17	MAY-17	JUN-17	JUL-17	AUG-17	SEP-17	OCT-17	NOV-17	DEC-17	JAN-18	FEB-18	MAR-18
NSE	HIGH	853.00	847.00	835.00	850.00	819.00	818.40	900.00	1099.80	1212.00	1449.00	1193.00	1143.95
	LOW	785.10	770.50	780.50	780.00	785.00	790.00	795.15	866.00	922.00	1051.00	960.00	1016.00

i. Share price performance in comparison to based indices: -



	APR'17	MAY'17	JUN'17	JUL'17	AUG'17	SEP'17	OCT'17	NOV'17	DEC'17	JAN'18	FEB'18	MAR'18
IMPAL Closing Share Price (Rs.)	808.90	805.00	799.00	809.25	799.00	800.00	877.45	988.20	1105.25	1142.55	1114.15	1024.75
NSE's S&P CNX NIFTY	9304.05	9621.25	9520.90	10077.10	9917.90	9788.60	10335.30	10226.55	10530.70	11027.70	10492.85	10113.70

j. Share Transfer Systems / Registrar and Transfer Agents:

M/s Cameo Corporate Services Limited, Chennai, is Registrar and Transfer Agent for the Company providing connectivity with the NSDL and CDSL for demat services. They also process the share transfer and related services. The share transfer and other requests are processed within 15 days from the date of receipt subject to documents being complete in all respects.

Members are requested to send all their communications & documents pertaining to both shares in physical form and dematerialized form to the Registrar at the following address:

M/S CAMEO CORPORATE SERVICES LIMITED UNIT: IMPAL V Floor, 'Subramanian Building' #1, Club House Road Chennai – 600 002 Phone: 044-28460390 (5 Lines) Fax: 044-28460129 Email: investor@cameoindia.com	Contact Person: Sri R D Ramasamy Designation: Director Sri D Narasimhan Designation: Joint Manager

k. (i) Distribution of Shareholding pattern as on March 31, 2018

No of Shares	Shareholders		No of Shares	
	Number	%	Number	%
Up to 500	6494	80.40	766238	9.21
501-1000	926	11.46	658850	7.92
1001-2000	416	5.15	566299	6.81
2001-5000	136	1.68	405245	4.87
5001-10000	48	0.59	347605	4.18
10001 & Above	58	0.72	5575338	67.01
Total	**8078**	**100.00**	**8319575**	**100.00**

(ii) Pattern of Shareholding as on March 31, 2018

S.No	Particulars	No. of shares held	% of total
1	Promoters	2555446	30.72
2	Non Residents (NRI)	95865	1.15
3	Corporate Bodies	1674285	20.12
4	FPI	706064	8.49
5	Public	3287915	39.52
	Total	**8319575**	**100.00**

l. Dematerialisation of shares:

The trading in equity shares of the company is permitted only in dematerialised form. As of March 31, 2018 about 90.96% of total outstanding Shares have been dematerialised. Out of 57,64,129 equity shares held by the shareholders other than the promoters, 50,11,909 equity shares (forming 86.95% of the non promoters shareholding) have been dematerialised up to 31st March 2018.

m. The Company has not issued GDRs / ADRs / Warrants or any convertible instruments.

n. Address for Investor Correspondence for any queries, grievances and complaints:

S Kalyanaraman	Tel: +91 44 28591433
Company Secretary & Compliance Officer	Fax: +91 44 28523009
India Motor Parts & Accessories Limited	E-mail: skalyan@impal.net
'Sundaram Towers' 3rd Floor	
# 46, Whites Road, Royapettah, Chennai – 600 014.	
Designated email i.d. for investor complaints	secy@impal.net

N Krishnan
Managing Director

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

The Members of
INDIA MOTOR PARTS AND ACCESSORIES LIMITED
Chennai.

We have examined the compliance of the conditions of Corporate Governance by India Motor Parts and Accessories Limited, Chennai for the year ended on 31st March, 2018, as stipulated in Regulations 17 to 27 of Chapter IV of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of the conditions of corporate governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance stipulated in the above mentioned Listing Agreement and the above SEBI Regulations.

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.

For **BRAHMAYYA & Co**
Chartered Accountants
Firm Regn. No.000511S

L.Ravi Sankar
Partner
Membership No. 025929

Place: Chennai.
Date: 30th May 2018

Distribution Network



Branches : ❒ AGRA ❒ AHMEDABAD ❒ ASANSOL ❒ AURANGABAD ❒ BANGALORE ❒ BHILWARA ❒ BHUBANESWAR ❒ CALICUT ❒ CHANDIGARH ❒ CHENNAI ❒ COCHIN ❒ COIMBATORE ❒ CUTTACK ❒ DANKUNI ❒ DHANBAD ❒ ERODE ❒ GANDHIDHAM ❒ GUWAHATI ❒ GUWAHATI II ❒ HALDWANI ❒ HISAR ❒ HUBLI ❒ HYDERABAD ❒ INDORE ❒ JAIPUR ❒ JALANDHAR ❒ JAMMU ❒ JAMSHEDPUR ❒ JODHPUR ❒ KADAPA ❒ KANPUR ❒ KOLHAPUR ❒ KOLKATA ❒ KOTA ❒ KOTTAYAM ❒ LUDHIANA ❒ MADURAI ❒ MANGALORE ❒ MUMBAI ❒ MUZAFFARPUR ❒ NAGPUR ❒ NEW DELHI ❒ PATNA ❒ PUNE ❒ POONAMALLEE ❒ RAIPUR ❒ RAJKOT ❒ RANCHI ❒ REDHILLS ❒ SALEM ❒ SAMBALPUR ❒ SHIVAMOGGA ❒ SILIGURI ❒ SILCHAR ❒ SURAT ❒ TRICHY ❒ TIRUNELVELI ❒ THIRUVANANTHAPURAM ❒ UDAIPUR ❒ VARANASI ❒ VELLORE ❒ VIJAYAPURA ❒ VIJAYAWADA ❒ VISAKHAPATNAM