

INDIA MOTOR PARTS & ACCESSORIES LIMITED

**IMPAL**

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2021 - 2022

68th ANNUAL REPORT

## BOARD OF DIRECTORS

Sri S RAM	<b>Chairman</b>
Sri ANANTH RAMANUJAM	
Sri SRIVATS RAM	
Sri S PRASAD	
Sri RASESH R DOSHI	
Sri S VENKATESAN	
Sri T N P DURAI	
Ms SRIYA CHARI	
Sri N KRISHNAN	<b>Managing Director</b>
Sri MUKUND S RAGHAVAN	<b>Deputy Managing Director</b>

## COMMITTEES OF THE BOARD

### Audit Committee

Sri S PRASAD	<b>Chairman</b>
Sri S VENKATESAN	
Sri RASESH R DOSHI	
Sri MUKUND S RAGHAVAN	

### Stakeholders Relationship Committee

Sri S VENKATESAN	<b>Chairman</b>
Sri ANANTH RAMANUJAM	
Sri MUKUND S RAGHAVAN	

### Nomination & Remuneration Committee

Sri S VENKATESAN	<b>Chairman</b>
Sri S RAM	
Sri S PRASAD	

### Corporate Social Responsibility Committee

Sri T N P DURAI	<b>Chairman</b>
Ms SRIYA CHARI	
Sri S PRASAD	
Sri N KRISHNAN	

### Risk Management Committee

Sri N KRISHNAN	<b>Chairman</b>
Sri MUKUND S RAGHAVAN	
Sri RASESH R DOSHI	
Sri S RAMASUBRAMANIAN	

## CHIEF FINANCIAL OFFICER

Sri S RAMASUBRAMANIAN

## COMPANY SECRETARY

Sri S KALYANARAMAN (Upto 31.05.2022)  
Sri ADITYA SHARMA (From 01.06.2022)

## EXECUTIVES

Sri L SRINIVASAN, Sr. Vice President (Marketing)  
Sri P VENUGOPALAN, Vice President (Marketing)  
Sri V KANNAN, Vice President (Marketing)

## AUDITORS

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

## SECRETARIAL AUDITORS

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

## BANKERS

ICICI BANK LIMITED

## REGISTERED & CORPORATE OFFICE

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

Contents	Page No.
Financial Highlights	2
Board’s Report to the Shareholders	3
Auditors’ Report	32
Balance Sheet	43
Profit & Loss Statement	44
Cash Flow Statement	47
Notes	49
Consolidated Financial Statements	
Auditors’ Report	80
Balance Sheet	88
Profit & Loss Statement	89
Cash Flow Statement	92
Notes	94
Report on Corporate Governance	125

## INDIA MOTOR PARTS & ACCESSORIES LIMITED

### FINANCIAL HIGHLIGHTS

Particulars	IGAAP			Ind AS				
	2000-01	2010-11	2015-16	2017-18	2018-19	2019-20	2020-21	2021-22
Share Capital (₹ In Crores)	2.08	4.16	8.32	8.32	8.32	12.48	12.48	<b>12.48</b>
Reserves & Surplus (₹ In Crores) (Refer Note No. 1 below)	39.66	130.33	223.21	870.24	1001.55	922.73	1420.14	<b>1210.04</b>
Net Worth (₹ In Crores)	41.74	134.49	231.53	878.56	1009.87	935.21	1432.62	<b>1222.52</b>
Sales (₹ In Crores) (Refer Note No. 2 below)	178.93	427.99	500.60	474.62	510.17	517.06	516.73	<b>626.27</b>
Profit Before Tax (₹ In Crores)	10.40	41.54	37.86	43.65	57.08	60.02	65.49	<b>71.31</b>
Profit After Tax (₹ In Crores)	6.37	28.51	26.70	31.06	40.40	48.90	50.28	<b>56.81</b>
Dividend %	80	170	90	110	180	100	100	<b>130</b>
Dividend Amount (₹ In Crores)	1.66	7.07	7.48	9.15	14.97	12.48	12.48	<b>16.22</b>
Earnings per Share (₹)	30.63	68.55	32.10	37.34	48.57	39.18	40.28	<b>45.52</b>
Book Value per Share (₹)	200.67	323.32	278.30	1055.96	1213.79	749.37	1147.93	<b>979.58</b>

#### Note:

- Reserves include impact of fair value of our investments.
- Sales upto 30.6.2017 include incoming taxes of ED and CST estimated at 15%. In GST era, Sales figures are without incoming taxes.

## BOARD'S REPORT

Your Directors are pleased to present the **68th Annual Report** together with Audited Accounts for the year ended 31st March, 2022. The summarized financial results of the Company are presented hereunder:

### FINANCIAL HIGHLIGHTS: STANDALONE

(₹ in Crores)

Particulars	31.03.2022	31.03.2021
Profit before tax	<b>71.31</b>	65.49
<b>Less:</b> Provision for taxation (including deferred tax)	<b>14.50</b>	15.21
Profit after Tax	<b>56.81</b>	50.28
<b>Add :</b> Balance in P&L Account brought forward from previous year	<b>63.41</b>	43.13
Profit available for appropriation before dividend	<b>120.22</b>	93.41
Dividend for the year 2020-21 paid in September 2021	<b>12.48</b>	-
Profit available for appropriation	<b>107.74</b>	93.41
Appropriations		
Transfer to General Reserve	<b>0.00</b>	30.00
Dividend Proposed for the year 2021-22	<b>16.22</b>	-
Surplus Balance in Profit & Loss Account	<b>91.52</b>	63.41

### Management Discussion and Analysis Report

The company achieved a sales of Rs.626.27 crores, during the year under review, a growth of approximately 21% over last year. Opening of new branches, in smaller towns with retail focus, helped your company to increase penetration in the market and improve sales. Commodity price inflation and its consequent effect on components, contributed partly to the increased sales value. During the difficult period of lockdowns and disruption in supplies, your company has been able to achieve sales during the year in spite of sporadic lockdowns in different parts of the country in the early part of the year.

In addition, strict monitoring of inventories and collection of outstanding enabled the company to withstand the periods of lockdowns without adversely affecting profits or cash flow.

#### Outlook:

We expect the trading conditions for the company will not be adversely affected to the extent it did last year, due to extended pandemic. We expect increased vaccination efforts, will enable better normalcy in the coming months.

Some manufacturers of passenger cars are planning to restrict their production due to supply chain constraints. This will result in passenger car customers deferring purchase of new vehicles and continue to maintain their old vehicles. This will help in demand for spares in passenger cars and light commercial vehicle segments.

The agricultural economy is expected to continue to grow with a normal monsoon.

## INDIA MOTOR PARTS & ACCESSORIES LIMITED

### Investments:

In the last financial year, your company made investment in the shares of Brakes India Private Limited.

### Dividend:

During the year under review the Company declared an interim dividend of Rs. 13/- Per share (130%) on the paid up capital of Rs.12.48 crores for the year 2021-22. The Dividend Distribution Policy is hosted website of the company– [www.impal.net](http://www.impal.net).

### Subsidiary:

Our subsidiary CAPL Motor Parts Private Limited, had a good performance during the year under review. Its Accounts has been consolidated and forms part of the Consolidated Financial Statements. On a Standalone basis, CAPL Motor Parts Private Limited reported a turnover of Rs. 18.50 crores against Rs. 13.79 crores of the previous year 2020-21. During the year under review, CAPL Motor Parts Private Limited disbursed a dividend of Rs.1.20/- per share on the paid-up capital of Rs.5,00,00,000. Your Company has received a dividend of Rs. 54,00,000/- on its shareholdings.

### Internal Control Systems:

The Company has adequate Internal Control Systems with appropriate policies and procedures covering all areas of operations commensurate with the size of its business. Company's Internal Audit Department monitors and evaluates the adequacy of internal control systems of the Company. Senior Management and Audit Committee periodically review the internal audit findings as well as the effectiveness of the internal control measures.

### IT systems

The on-line application software hosted on a "cloud" environment with sufficient firewalls and safeguards built-in ensured 100% availability of data and access from remote locations. This has helped and is helping the Company to carry out its regular business without interruption even during pandemic disruptions.

### Consolidated Financial Statements

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 the subsidiary M/s CAPL Motor Parts Private Limited is hosted in our website – [www.impal.net](http://www.impal.net)

## **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.

## **Risk Management**

As statutorily required the Company constituted the Risk Management Committee, and had framed the Risk Management Policy. During the year 2 meetings were held.

## **Directors**

Shareholders at the 67th Annual General Meeting held on 8th September, 2021 appointed Sri. Srivats Ram (DIN: 00063415) as Director effective, 08th March 2021.

Sri N Krishnan (DIN: 00041381) has been re-appointed as Managing Director for a further period of 3 years with effect from 5th July, 2022, subject to approval of the shareholders.

Sri Mukund S Raghavan (DIN: 03411396), Executive Director has been appointed as Deputy Managing Director for a period of 5 years with effect from 18th May, 2022, subject to approval of the shareholders. Sri Mukund S Raghavan is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

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

The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 that the Independent Directors of the Company meet the criteria of the Independence laid down in Section 149 (6) of the Companies Act, 2013.

## **Annual Board Evaluation**

The Board has made a formal evaluation of its own performance and that of its committees and individual directors as required under Section 134(3) (p) of the Companies Act, 2013.

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. The criteria for evaluation and the remuneration policy of the Company is attached vide Annexures "B" & "C".

## **Related Party Transactions**

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

## **INDIA MOTOR PARTS & ACCESSORIES LIMITED**

Since, the transaction is in the ordinary course of business and is at arm's length, 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.

The policy on Related Party Transactions as approved by the Board is available on the Company's Website [www.impal.net/investor.htm](http://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. Necessary details are provided in Annexure "D".

### **Business Responsibility Report**

Business Responsibility Report is attached vide Annexure "E".

### **Secretarial Audit**

The Report of the Secretarial Auditor is attached vide Annexure "F".

### **Disclosure under the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013.**

The Company has set up an Internal Complaints Committee (ICC) to redress complaints. No complaints were received during the year 2021-22.

### **Corporate Governance**

A detailed report on corporate governance, is attached forming part of this report.

### **Auditors**

Messrs. Brahmayya & Company, Chartered Accountants, Chennai (Firm Registration No.000511S), were appointed as Statutory Auditors of the Company from the conclusion of 63rd Annual General Meeting to 68th Annual General Meeting. The Audit Committee and the Board recommends appointing M/s Brahmayya & Co, Chartered Accountants Chennai, as the Auditors of the Company for an additional term of 5 years, from the conclusion of 68th Annual General Meeting upto the conclusion of 73rd Annual General Meeting. A certificate under Section 141 of the Companies Act, 2013 has been received from them. Accordingly, the subject for re-appointment of Auditors forms part of the Notice of the ensuing Annual General Meeting.

### **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.

## Extract of Annual Return

Annual Return in **Form MGT-7** is posted on the website of the Company at [www.impal.net/investor.htm](http://www.impal.net/investor.htm)

## Particulars of Employees

There is no employee, particulars of whom are to be furnished under Section 197 read with Rule 5 (2) (i) and (ii) :

- (i) & (ii) The ratio of average remuneration of Non-Whole Time Directors with that of the median remuneration of the employees for the financial year is 0.29 times and that of the Executive Director (inclusive of commission) is 60 times and Managing Director (inclusive of Commission) is 91 times.
- (iii) The number of permanent employees on the rolls of the Company as on 31st March 2022 is 826.
- (iv) Percentage increase in median remuneration of staff for the financial year, 9.88% for staff and 11.81% for Key Managerial Personnel.
- (v) The Company affirms that remuneration is as per the existing Remuneration Policy.

## Statutory Statements

There are no material changes and commitments, affecting the financial position of the Company between the end of the financial year of the Company and the date of the report.

There are no significant material orders passed by the Regulators / Courts which impacts the going concern status of the Company and its future operations.

Your Company has no activity relating to conservation of energy or technology absorption. The Company did not have any foreign exchange earnings or outgo.

Your Company has not accepted any public deposits since 2002.

The Company has not given any loans or guarantees.

Investments made by the Company are part of the notes to the financial statements.

## 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, 2022, and the profit of the Company for that year;



## INDIA MOTOR PARTS & ACCESSORIES LIMITED

- 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.

### Acknowledgement

Your Directors thank all our suppliers and customers for their continued support and co-operation during the year under review.

State Bank of India has been our bankers since inception of the Company until April 2022. Recent RBI regulations have imposed impediment to our Company in having banking arrangement with non-relationship bankers for transferring the proceeds of our collection from the branches to Head Office. Moreover, the Company has not utilized our CC limits for over 17 – 18 years excepting during the year 2020 for a few months on account of the pandemic. The Board wishes to place on record its appreciation and thank State Bank of India for their unstinted support for the last 67 years. We also take this opportunity to welcome our new bankers, ICICI Bank and would like to thank them for their 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

Place : Chennai  
Date : 28th May, 2022

**S Ram**  
*Chairman*

### 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
	₹ in lakhs
5. Share Capital	₹ 500.00
6. Reserves & Surplus	₹ 335.45
7. Total Assets	₹ 1068.50
8. Total Liabilities	₹ 233.05
9. Investments	₹ 78.74
10. Turnover	₹ 1850.45
11. Profit before Taxation	₹ 165.20
12. Provision for Taxation	₹ 42.67
13. Profit after Taxation	₹ 122.53
14. Proposed Dividend	12% (Interim Dividend – Paid)
15. % of Shareholding	90%
<b>Notes:</b> 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

**INDIA MOTOR PARTS & ACCESSORIES LIMITED**

**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 Private Limited
1. Latest Audited Balance Sheet Date	31.03.2022
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 ₹ 100/- per share	₹ 163.75 lakhs
Extend of Holding %	36.45 % 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	₹ 1012.06 lakhs
6. Profit / Loss for the year:	
i. Considered in Consolidation	₹ 337.52 lakhs
ii. Not Considered in Consolidation	₹ 588.47 lakhs

- Names of associates or joint ventures which are yet to commence operations – Not Applicable
- Names of associates or joint ventures which have been liquidated or sold during the year - Not Applicable

**N KRISHNAN**  
Managing Director  
DIN: 00041381

**S PRASAD**  
Director  
DIN: 00063667

As per our Report of even date attached  
for **Brahmayya & Co**  
Chartered Accountants  
Firm Registration No:000511S

**MUKUND S RAGHAVAN**  
Deputy Managing Director  
DIN: 03411396

**S RAMASUBRAMANIAN**  
Chief Financial Officer

**S KALYANARAMAN**  
Secretary

**L RAVI SANKAR**  
Partner  
Membership No:25929

Chennai  
28th May, 2022

### 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 up gradation 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 Macroeconomic, Microeconomic Industry trends and in - depth knowledge of Automobile 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

## 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 Regulation 19 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**” 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, 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:
  - (a) 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.

**ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2021-22****1. Brief outline on CSR Policy of the Company.**

CSR Policy of the Company is available in our website under the following link:  
<http://www.impal.net/investor.htm>.

**2. Composition of CSR Committee**

Sl No	Name of Director	Designation/ Nature of Directorship	Number of meeting of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Sri T N P Durai	Chairman -Non Executive Independent Director	3	3
2	Sri S Prasad	Member- Non-Executive Independent Director		
3	Ms Sriya Chari	Member- Non-Executive Independent Director		
4	Sri N Krishnan	Member- Managing Director		

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

The required information is available in our website under the following link:  
<http://www.impal.net/investor.htm>.

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

Not Applicable

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

(₹ in lakhs)

Sl. No.	Financial Year	Amount available for set-off from preceding financial years	Amount required to be setoff for the financial year, if any
1	2021-2022	52.29	26.00

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

₹ 5519.89 lakhs

- 7. (a)** Two percent of average net profit of the company as per Section 135(5) : ₹ 110.40 lakhs  
**(b)** Surplus arising out of the CSR projects or programmes or activities of the previous financial years.  
 Nil  
**(c)** Amount required to be set off for the financial year, if any : ₹ 26.00 lakhs  
**(d)** Total CSR obligation for the financial year (7a+7b-7c). : ₹ 84.40 lakhs

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

(₹ in lakhs)

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

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

(₹ in lakhs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project		Project duration	Amount allocated for the project	Amount spent in the current financial year	Amount transferred to Unspent CSR Account for the project as per Section 135(6)	Mode of Implementation - Direct (Yes/No).	Mode of Implementation Through Implementing Agency
				State	District						
Nil											

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

(₹ in lakhs)

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/No).	Location of the project.		Amount spent for the project	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
1	Promoting Education by providing financial assistance to deserving and meritorious students and also educational institutions which work for this cause	Education	Yes	Tamil Nadu	Chennai	20.00	No	Lakshmi Charities	CSR00005940
2		Education	Yes	Tamil Nadu	Chennai	8.00	No	Swami Vivekananda Rural Development Society	CSR00001905
3		Education	Yes	Tamil Nadu	Chennai	4.00	No	Ramakrishna Mission Students Home	CSR00006101
4		Education	Yes	Tamil Nadu	Chennai	2.50	No	Bhuvana Foundation	CSR00004245
5		Education	Yes	Tamil Nadu	Mayiladuthurai	2.00	No	D B T R National Trust	CSR00021193
6		Education	Yes	Tamil Nadu	Chennai	5.00	No	Anandam	CSR00000963



**INDIA MOTOR PARTS & ACCESSORIES LIMITED**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
				State	District			Name	CSR Registration Number
7	Promoting preventive and general health care and sanitation	Health	Yes	Tamil Nadu	Ranipet	1.50	No	Swami Vivekananda Rural Development Society	CSR00001905
8		Health	Yes	Tamil Nadu	Chennai	2.00	No	Petralthan Pillaya Trust	CSR00004539
9		Health	Yes	Tamil Nadu	Chennai	4.00	No	Sundaram Aarogyam & Vitality Endowment Foundation (SAVE Foundation)	CSR00004826
10		Health	Yes	Maharashtra	Mumbai	3.00	No	Cuddles Foundation	CSR00001473
11		Health	Yes	Tamil Nadu	Chennai	3.00	No	Resource Group for Education and Advocacy for Community Health (REACH)	CSR00023388
12		Health	Yes	Tamil Nadu	Chennai	2.00	No	Madras ENT Research Foundation Charitable Trust	CSR00020504
13		Health	Yes	Tamil Nadu	Chennai	3.00	No	Chennai Vision Charitable Trust	CSR00024158
14		Health	Yes	Assam	Silchar	10.00	No	Cachar Cancer Hospital & Research Centre, Silchar, Assam	CSR00003079
15		Health	Yes	Tamil Nadu	Coimbatore	5.00	No	Idhayangal Charitable Trust	CSR00003135
16		Health	Yes	Tamil Nadu	Chennai	5.00	No	Madras Dyslexia Association	CSR00000202
17	Health	Yes	Tamil Nadu	Madurai	3.00	No	Sri Rama Trust	CSR00024125	
18	Protection of National Heritage, Art and Culture	Art & Culture	Yes	Tamil Nadu	Chennai	3.00	No	Sundaram Charities	CSR000006397
	<b>TOTAL</b>					<b>86.00</b>			

**(d) Amount spent in Administrative Overheads**

Nil

**(e) Amount spent on Impact Assessment, if applicable**

Nil

**(f) Total amount spent for the Financial Year (8b+8c+8d+8e)**

₹ 86.00 Lakhs

**(g) Excess amount for set off, if any**

(₹ in lakhs)

Sl. No.	Particular	Amount
(i)	Two percent of average net profit of the company as per section 135(5)	84.40*
(ii)	Total amount spent for the Financial Year	86.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	1.60
(iv)	Surplus arising out of the CSR projects or programs or activities of the previous financial years, if any	0.00
(v)	Amount available for set off over the next three succeeding financial years [(iii)-(iv)]	27.89

\* Amount arrived after setting off Rs. 26.00 lakhs pursuant to third proviso of Section 135(5) of the Companies Act, 2013.

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

(₹ in lakhs)

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

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

(₹ in lakhs)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project	Amount spent on the project in the reporting Financial Year	Cumulative amount spent at the end of reporting Financial Year	Status of the project - Completed /Ongoing
Nil								

## INDIA MOTOR PARTS & ACCESSORIES LIMITED

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

(a) Date of creation or acquisition of the capital asset(s).	NOT APPLICABLE
(b) Amount of CSR spent for creation or acquisition of capital asset	
(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc	
(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).	

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5). Not Applicable

**N Krishnan**  
DIN; 00041381  
Managing Director

**T N P Durai**  
DIN; 0655615  
Chairman - CSR Committee

Place : Chennai  
Date : 28th May, 2022

**Business Responsibility Report for the Financial Year 2021-22****Section A: General Information about the Company**

1. Corporate Identity Number (CIN) : L65991TN1954PLC000958
2. Name of the Company : India Motor Parts & Accessories Limited
3. Registered address : 46, Whites Road, Royapettah, Chennai 600 014
4. Website : www.impal.net
5. E-mail id : secy@impal.net
6. Financial Year reported : 2021-22
7. Sector(s) that the Company is engaged in (industrial activity code-wise)  
As per National Industrial Classification - 2008:  
Section G /Division 45 / Group 453 - Sale and Distribution of Motor Vehicle Parts and Accessories
8. List three key products that the Company- provides (as in balance sheet)  
Whole sale and retail distribution of Automotive Spare Parts includes
  - A. Brake Parts & Brake Fluid
  - B. Steering Parts and Linkages
  - C. Hex & Socket
9. Total number of locations where business activity is undertaken by the Company
  - i. Number of International Locations (Provide details of major 5) - NIL
  - ii. Number of National Locations - 79 locations
10. Markets served by the Company - National

**Section B: Financial Details of the Company (as on 31.03.2022)**

1. Paid up Capital (INR) : ₹ 12.48 cr.
2. Total Turnover (INR) : ₹ 626.27 cr.
3. Total profit after taxes (INR) : ₹ 56.81 cr.
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) :  
The Company's total spending on CSR is 2.02% of the average profit after taxes of the previous three financial years.
5. List of activities in which expenditure in 4 above has been incurred:-
  - A. Education
  - B. Health
  - C. Art & Culture

## INDIA MOTOR PARTS & ACCESSORIES LIMITED

### Section C: Other Details

1. Does the Company have any Subsidiary Company/ Companies?  
Yes. – CAPL Motor Parts Private Limited
2. Do the Subsidiary Company / Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)  
  
Business Responsibility initiatives of the Parent Company are generally followed by the subsidiary company to the extent possible.
3. Do any other entity / entities (e.g. suppliers, distributors etc.) that the Company does business with participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity / entities? [Less than 30%, 30%-60%, More than 60%]  
  
No.

### Section D: BR Information

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

DIN	00041381
Name	Sri N Krishnan
Designation	Managing Director

- b) Details of the BR head

SI No	Particulars	Details
1	DIN (Number if applilcable)	03411396
2	Name	Sri Mukund S Raghavan
3	Designation	Executive Director (Deputy Managing Director w.e.f. 18/05/2022)
4	Telephone No	044 - 28523326
5	E Mail Id	mukund@impal.net

2. Principle-wise (as per NVGs) BR Policy / policies (Reply in Y / N)
  - a) Details of Compliance (Reply in Y/N)

Sl. No.	Questions	Business Ethics	Product Responsibility	Wellbeing of Employees	Stakeholder Engagement	Human Rights	Environment	Public Policy	CSR	Customer Relations
		P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy / policies for....	Y	NA	Y	Y	Y	N	N	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y		Y	Y	Y			Y	Y
3	Does the policy conform to any national / international standards? If yes,specify? (50 words)	N		N	N	Y			Y*	Y
4	Has the policy been approved by the Board? If yes, has it been signed by MD / owner / CEO / appropriate Board Director?	Y		Y	Y	Y			Y	Y
5	Does the company have a specified committee of the Board/Director/Official to oversee the implementation of the policy?	Y		Y	Y	Y	NA	NA	Y	Y
6	Indicate the link for the policy to be viewed online?	www.imal.net								
7	Has the policy been formally communicated to all relevant internal and external stakeholders	Y		Y	Y				Y	Y
8	Does the company have in-house structure to implement the policy / policies	Y		Y	Y				Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy / policies to address stakeholders' grievances related to the policy / policies?	Y	-	Y	Y	-	-		NA	Y
10	Has the company carried out independent audit / evaluation of the working of this policy by an internal or external agency?	Y		Y	N				Y	Y

\* As per Provisions of the Companies Act, 2013

(b) If answer to S. No. 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

	The company has not understood the Principles	-	-	-	-	-	-	-	-	-
	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	-	-	-	-	-	-	-	-	-
	The company does not have financial or manpower resources available for the task	-	-	-	-	-	-	-	-	-
	It is planned to be done within next 6 months	-	-	-	-	-	-	-	-	-
	It is planned to be done within the next 1 year	-	-	-	-	-	#	#	-	-
	Any other reason (please specify)	-	-	-	-	-	-	-	-	-

# Considering the nature of company's business, these Principles have limited applicability. The Company complies with Regulations governing its operations and has taken initiatives to promote inclusive growth and environmental sustainability.

## INDIA MOTOR PARTS & ACCESSORIES LIMITED

### 3. Governance related to BR

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

Annually

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

Yes. The requirement of publishing Business Responsibility Report is applicable for the year 2021-22 and is published in the Annual Report, [www.impal.net](http://www.impal.net)

### Section E: Principle-wise performance

#### Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

- Does the policy relating to ethics, bribery and corruption cover only the company? Yes / No. Does it extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

Yes. The Policy covers the company, and its subsidiary CAPL Motor Parts Private Limited

- How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.

From	Received and resolved during the year 2021-22
Shareholders	2
Customers	Nil
Employees	Nil

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

1.	List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.	Not Applicable
2.	For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):	
	i. Reduction during sourcing / production / distribution achieved since the previous year throughout the value chain?	
	ii. Reduction during usage by consumers (energy, water) has been achieved since the previous year?	
3.	Does the company have procedures in place for sustainable sourcing (including transportation)?  If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.	

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Yes, we procure consumables from the local & small producers, including communities surrounding the place of work.

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

Yes. Products delivered in Master / Shipper cartons by Manufacturers are recycled and used for aggregating despatches to customers wherever possible.

### Principle 3: Businesses should promote the wellbeing of all employees

1. Please indicate the Total number of employees: 826
2. Please indicate the Total number of employees hired on temporary / contractual / casual basis: 10
3. Please indicate the Number of permanent women employees: 5

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

The Company does not have any employees with disability.

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

Yes

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

16%

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

Sl No	Category	No of complaints filed during the financial year	No of complaints pending as on end of the financial year
1	Child labour / forced labour / involuntary labour	NIL	
2	Sexual harassment		
3	Discriminatory employment		



## INDIA MOTOR PARTS & ACCESSORIES LIMITED

8. What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?
- A. Permanent Employees - 307 (37%) out of 826
  - B. Permanent Women Employees - Nil
  - C. Casual / Temporary / Contractual Employees - 43 (5%) out of 826
  - D. Employees with Disabilities - No

**Note:** Due to pandemic all trainings as detailed above were conducted through online mode.

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

1. Has the company mapped its internal and external stakeholders? Yes/No - Yes
2. Out of the above, has the company identified the disadvantaged, vulnerable & marginalized stakeholders.  
Yes
3. Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalized stakeholders. If so, provide details thereof, in about 50 words or so.

Yes, the Company's CSR policy drives initiatives towards the benefit of the disadvantaged, vulnerable and marginalized stakeholders. As part of its CSR the Company spends on educating students and on health care belonging to disadvantaged, vulnerable and marginalized people living below the poverty line.

**Principle 5: Businesses should respect and promote human rights**

1. Does the policy of the company on human rights cover only the company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?  
This is covered under our Policies on Business Responsibility Report
2. How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?

Sl No	Particulars	No of complaints
1	Received	2
2	Resolved	2 (100%)

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

1. Does the policy related to Principle 6 cover only the company or extends to the Group / Joint Ventures / Suppliers / Contractors / NGOs / others.  
Not Applicable
2. Does the company have strategies / initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.  
Not Applicable

3. Does the company identify and assess potential environmental risks? Y / N - Not Applicable
4. Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?  
No
5. Has the company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y / N. If yes, please give hyperlink for web page etc. - No
6. Are the Emissions / Waste generated by the company within the permissible limits given by CPCB / SPCB for the financial year being reported?- Not Applicable.
7. Number of show cause / legal notices received from CPCB / SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year - Not Applicable.

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

1. Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:  
  
South India Chamber of Commerce & Industry and at the Regional level, and where our Branches are located, we are members of the local affiliated Motor Parts and Dealers Association. For example, Chennai Branch is affiliated to Madras Motor Parts Dealers Association and Kolkata Branch is affiliated to Kolkata Motor Parts Dealers Association. They in turn are affiliated to the Mother Organisation - Federation of All India Automobile Spare Parts Dealer Association.
2. Have you advocated / lobbied through above associations for the advancement or improvement of public good? Yes / No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others) - No.

**Principle 8: Businesses should support inclusive growth and equitable development**

1. Does the company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? If yes details thereof.  
  
We support on a continuous basis several projects on Health care, Education, Environment and Preservation of Heritage.
  1. On Health care for many years we have been contributing
    - A. To a Community Hospital, which caters to the needs of preventive health care of the general public which includes people living in marginalized section of the society.
    - B. To Foundations which provides health care in TB and Cancer
  2. On Education for many years we have been contributing
    - A. To a Charitable Organisation, which gives scholarship to meritorious students from the marginalized section of the society, to enable them to pursue their higher studies
    - B. To a Society which provides free education to the downtrodden students living in villages. Under this, the Company has adopted Single Teacher Schools located in remote village schools in Tamilnadu.

## INDIA MOTOR PARTS & ACCESSORIES LIMITED

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

External NGOs.

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

Visits are carried out by the Company Secretary on a yearly basis.

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

The Company during the year under review has spent an amount of Rs. 86,00,000 (Rupees Eighty-Six Lakhs Only) towards the community development projects as part of its CSR initiatives.

Information(s) of projects undertaken has been provided in the Annual Report on CSR, forms part of the Board's Report.

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

Yes. We are carrying out regular visits and also get regular reports from NGOs about their activities.

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

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

Nil.

2. Does the company display product information on the product label, over and above what is mandated as per local laws? Yes / No / N.A. / Remarks (additional information)

Not Applicable.

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

No.

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

While there is no formal process to evaluate this, we deduce this from the pending warranty complaints that is yet to be disposed off by the Manufacturers or by our branches at the periodical level. Dealers do return defective products occasionally / when required to us, these are entered into our register. The Warranty register is subjected to Internal Audit teams when they visit the branches for the Internal Audit twice a year. The register is perused in detail and we deduce any delay in resolving the warranty complain as a measure of customer satisfaction.

**Form No. MR-3****SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31.03.2022**

[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 and Regulation 24A(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,  
The Members,  
**INDIA MOTOR PARTS & ACCESSORIES LIMITED**  
CIN: L65991TN1954PLC000958  
No.46 Whites Road, Chennai – 600 014.

I, M. Damodaran, Managing Partner of M Damodaran & Associates LLP, Practicing Company Secretaries, 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 thereon.

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 **31.03.2022** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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 31.03.2022 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):- (to the extent applicable)
  - (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, 2018;

## INDIA MOTOR PARTS & ACCESSORIES LIMITED

- (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;
- (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR');
- (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) 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) Secretarial Standards (SS-1) for Board Meeting and Secretarial Standards (SS-2) for General Meeting 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, Circulars, 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 Directors, 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 leasts even 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

- a. passed an Ordinary Resolution through postal ballot on 26th December, 2021 under sections 196, 197 and 203 read with Schedule V to the Companies Act, 2013, for Revision in percentage of Commission, payable to Sri Mukund S Raghavan, (DIN 03411396), Executive Director, from the existing limit of upto 0.5% to upto 1% of Net Profits of the Company for each financial year, with effect from 1st April, 2021 for the remaining tenure of office, upto 06.02.2024.

### For M DAMODARAN & ASSOCIATES LLP

M. DAMODARAN  
Managing Partner

Membership No.: 5837

COP. No.: 5081

FRN: L2019TN006000

PR 1374/2021

ICSI UDIN: 005837D000401980

Place : Chennai

Date : 27.05.2022

(This report is to be read with my letter of even date which is annexed as Annexure 1 and forms an integral part of this report)

**Disclaimer Certificate**

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

My Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For M DAMODARAN & ASSOCIATES LLP**

M. DAMODARAN  
Managing Partner  
Membership No.: 5837  
COP. No.: 5081  
FRN: L2019TN006000  
PR 1374/2021  
ICSI UDIN: F005837D000401980

Place : Chennai  
Date : 27.05.2022

**Secretarial Compliance Report of  
India Motor Parts & Accessories Limited for the year ended 31.03.2022**

(Pursuant to Regulation 24A of the Securities and Exchange Board of India  
(Listing Obligations and Disclosure Requirements) Regulations, 2015 read with  
SEBI Circular No. CIR/CFD/CMD1/27/2019 dated February 08, 2019)

I M. Damodaran, Managing Partner of M Damodaran & Associates LLP Practicing Company Secretaries, Chennai have examined:

- a) all the documents and records made available to us and explanation provided by India Motor Parts & Accessories Limited ("the listed entity"),
- b) the filings/ submissions made by the listed entity to the stock exchanges,
- c) website of the listed entity,
- d) any other document/ filing, as may be relevant, which has been relied upon to make this certification,

for the year ended 31.03.2022 in respect of compliance with the provisions of:

- a) the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
- b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

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

- a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR')
- b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
- c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 – Not Applicable.
- e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 – Not Applicable.
- f) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 - Not Applicable.
- g) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 – Not Applicable.
- h) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013 – Not Applicable.
- i) Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021. – Not Applicable
- j) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- k) 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;

- l) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.
- m) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not Applicable.
- n) Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - Not Applicable

and circulars/ guidelines issued thereunder:

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

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

Sr.No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
	NIL		

- b) There was no appointment/re-appointment of Statutory Auditor of the Company during the period. Hence, the compliance of SEBI circular CIR/CFD/CMD1/114/2019 dated 18th October, 2019 is not applicable.
- c) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued there under insofar as it appears from my examination of those records.
- d) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges - (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:

Sr.No	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if any.
	Not Applicable			

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

Sr.No	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year ended 31st March, 2021	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
	Not Applicable			

**For M DAMODARAN & ASSOCIATES LLP**

M. DAMODARAN  
Managing Partner

Membership No.: 5837  
COP. No.: 5081  
FRN: L2019TN006000

PR 1374/2021  
ICSI UDIN: F005837D000402024

Place : Chennai  
Date : 27.05.2022



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

**Report on the Audit of the Standalone Financial Statements**

**1. Opinion**

We have audited the standalone Ind AS financial statements of India Motor Parts & Accessories Limited (“the Company”), which comprise the Balance Sheet as at March 31, 2022, and the statement of Profit and Loss (including Other Comprehensive Income), statement of changes in Equity and statement of Cash Flows for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 (the Act) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and Profit and Other Comprehensive loss, changes in Equity and its Cash Flows for the year ended on that date.

**2. Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the standalone Ind AS financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**3. Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

## INDEPENDENT AUDITORS' REPORT ( Contd.)

### 4. Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance Report and Shareholder's Information, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### 5. Responsibility of Management for Standalone 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 financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

### 6. Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

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

- a) Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- e) Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

## 7. Report on Other Legal and Regulatory Requirements

- i) As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**" to this report a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- ii) As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss including the statement of Other Comprehensive Income, Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on March 31, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act read with schedule V to the Act.
  - h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements.

## INDIA MOTOR PARTS & ACCESSORIES LIMITED

- (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
- (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- (iv) (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (c) Based on the audit procedures that we have considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations as provided under (a) and (b) above, contain any material misstatement.
- (v) (a) The final dividend paid by the company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act, 2013 to the extent it applies to payment of dividend.
- (b) The interim dividend declared by the company during the year is in accordance with section 123 of the Companies Act, 2013 to the extent it applies to declaration of dividend. However, the said dividend was not paid on the date of this report.

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

**L. Ravi Sankar**  
Partner

Membership No. 025929  
UDIN: 22025929AJUAPH3948

Place: Chennai.  
Date: May 28,2022

## ANNEXURE - A TO THE AUDITORS' REPORT

### Referred to in Paragraph 7 of Our Report of Even Date

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property plant and equipment.

The Company has maintained proper records showing full particulars of intangible assets.

- (b) The Property Plant and Equipment were 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 Property Plant and Equipment. According to the information and explanation given to us, no material discrepancies were noticed on such verification.
- c) The Title deeds of all the immovable properties owned by the company are held in the name of the Company.
- d) The Company has not revalued any of its Property, Plant and Equipment and Intangible Assets during the year.
- e) No proceedings have been initiated during the year or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- (ii) (a) 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.
- b) The Company has been sanctioned working capital limits in excess of five crore rupees in aggregate from banks or financial institutions during the year on the basis of security of current assets of the company. The quarterly returns/statements filed by the company are in agreement with the books of account of the company.
- (iii) The Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. In our opinion and according to the information and explanation given to us, the investments made during the year are not prejudicial to the company's interest. Accordingly, reporting under clause 3(iii)(a) to 3(iii)(f) 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 of the Companies Act, 2013 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.

## INDIA MOTOR PARTS & ACCESSORIES LIMITED

- (v) According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the relevant rules made thereunder. Accordingly, reporting under clause 3 (v) of the Order does not arise.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act, 2013. Accordingly, reporting under clause 3(vi) of the order does not arise.
- (vii)(a) The Company is regular in depositing undisputed statutory dues including goods and service tax, provident fund, employees' state insurance, income 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 these statutory dues outstanding as at March 31, 2022 for a period of more than six months from the date they became payable.
  - b) There were no statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes.
- (viii) According to the information and explanation given to us, the company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961, as income during the year. Accordingly, reporting under clause 3(viii) of the order does not arise.
- (ix) a) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year. Accordingly, reporting under clause 3(ix)(a) of the order does not arise.
  - b) According to the information and explanations given to us, the company has not been declared wilful defaulter by any bank or financial institution or government or any government authority. Accordingly, reporting under clause 3(ix)(b) of the order does not arise.
  - c) In our opinion and according to the information and explanations given to us, the Company has not taken any term loans during the year. Accordingly, reporting under clause 3(ix)(c) of the order does not arise.
  - d) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the company, the Company did not raise any funds during the year. Accordingly, reporting under clause 3(ix)(d) of the order does not arise.
  - e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or associate companies. Accordingly, reporting under clause 3(ix)(e) of the order does not arise.
  - f) According to the information and explanations given to us, the company has not raised loans during the year on the pledge of securities held in its subsidiaries or associate companies. Accordingly, reporting under clause 3(ix)(f) of the order does not arise.

- (x) a) In our opinion and according to the information and explanations given to us, the Company has neither raised during the year any money by way of initial public offer or further public offer (including debt instruments). Accordingly, reporting under clause 3(x)(a) of the order does not arise.
- b) In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares/ fully or partly or optionally convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the order does not arise.
- (xi) a) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the course of our audit.
- b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) Based on the information and explanations given to us and based on the representations to us, there are no whistle blower complaints received during the year.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company as per provisions of the Companies Act, 2013. Accordingly, reporting under clause 3(xii)(a),(b),(c) of the Order does not arise.
- (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 Companies Act where applicable and details of such transactions have been disclosed in the standalone Ind AS financial statements as required by the applicable accounting standards.
- (xiv) a) In our opinion and based on our examination, the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- b) We have considered the internal audit reports of the company for the period under audit.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company during the year, the Company has not entered into non-cash transactions with directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the company. Accordingly, reporting under clause 3(xv) of the order does not arise.
- (xvi) a) According to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly reporting under clause 3(xvi)(a), (b), (c) of the order does not arise.
- b) Based on the information and explanation given to us and the representation received by us, there is no Core Investment Company as a part of the Group. Accordingly reporting under clause 3(xvi) (d) of the order does not arise.



## INDIA MOTOR PARTS & ACCESSORIES LIMITED

- (xvii) The Company has not incurred cash losses during the current year covered by our audit and the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors of the Company during the year. Accordingly reporting under clause 3(xviii) of the order does not arise.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.
- (xx) a) In respect of other than ongoing projects. there are no unspent amounts for the year that are required to be transferred to a fund specified in schedule VII of the Companies Act, 2013.
- b) There are no unspent amounts for the year in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act.

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

**L. Ravi Sankar**  
Partner

Membership No. 025929  
UDIN: 22025929AJUAPH3948

Place : Chennai.  
Date : May 28, 2022

## **ANNEXURE - B TO THE AUDITORS' REPORT:**

### **Referred to in Paragraph 7 of Our Report of Even Date**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of India Motor Parts & Accessories Limited ("the Company") as of March 31, 2022 in conjunction with our audit of the standalone 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 standalone 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 March 31, 2022, 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  
UDIN No: 22025929AJUAPH3948

Place: Chennai.  
Date: May 28, 2022

## BALANCE SHEET AS AT 31ST MARCH, 2022

Amount in ₹ Crores

Particulars	Notes	March 31, 2022	March 31, 2021
<b>I. ASSETS</b>			
<b>(1) Non - Current Assets</b>			
(a) Property, Plant and Equipment	1	13.97	13.90
(b) Other Intangible assets	2	-	-
(c) Financial Assets			
(i) Investment - Equity Instruments	3 (a)	998.75	1226.52
(ii) Investment - Fixed Maturity Plan Mutual Funds	3 (b)	40.44	0.00
Total Non - Current Assets		<u>1053.16</u>	<u>1240.42</u>
<b>(2) Current Assets</b>			
(a) Inventories	4	68.03	49.87
(b) Financial Assets			
(i) Current Investments	5	122.41	182.86
(ii) Trade Receivables (Refer Note 35)	6	88.60	74.93
(iii) Cash and Cash Equivalents	7A	12.24	29.10
(iv) Bank Balances other than cash and cash equivalents	7B	1.65	36.27
(v) Other current financial assets	8	2.33	2.42
(c) Current Tax Assets (net)	9	2.50	0.86
(d) Other Current assets	10	3.05	3.79
Total Current Assets		<u>300.81</u>	<u>380.10</u>
<b>TOTAL ASSETS</b>		<u><b>1353.97</b></u>	<u><b>1620.52</b></u>
<b>II. EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
(a) Equity Share Capital	11	12.48	12.48
(b) Other Equity	12	1210.04	1420.14
Total Equity		<u>1222.52</u>	<u>1432.62</u>
<b>LIABILITIES</b>			
<b>(2) Non - Current Liabilities</b>			
(a) Deferred tax liabilities (Net)	13	45.20	97.98
(b) Provisions	14	8.51	8.58
Total Non - Current Liabilities		<u>53.71</u>	<u>106.56</u>
<b>(3) Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	15	5.33	-
(ii) Trade Payables			
(A) Total outstanding dues of micro enterprise and small enterprises		-	-
(B) Total outstanding dues of creditors other than micro enterprise and small enterprises (Refer Note 38)	16	59.58	72.54
(iii) Other Financial Liabilities	17	3.36	3.18
(b) Other Current Liabilities	18	9.36	5.53
(c) Provisions	19	0.11	0.09
Total Current Liabilities		<u>77.74</u>	<u>81.34</u>
Total Liabilities		<u>131.45</u>	<u>187.90</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>1353.97</b></u>	<u><b>1620.52</b></u>

Significant Accounting Policies **A**

The accompanying notes are an integral part of the financial statements

**N KRISHNAN**  
Managing Director  
DIN: 00041381

**S PRASAD**  
Director  
DIN: 00063667

As per our Report of even date attached  
for **Brahmayya & Co**  
Chartered Accountants  
Firm Registration No:000511S

**MUKUND S RAGHAVAN**  
Deputy Managing Director  
DIN: 03411396

**S RAMASUBRAMANIAN**  
Chief Financial Officer  
Chennai  
28 May, 2022

**S KALYANARAMAN**  
Secretary

**L RAVI SANKAR**  
Partner  
Membership No:25929

## INDIA MOTOR PARTS & ACCESSORIES LIMITED

### STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2022 Amount in ₹ Crores

Particulars	Notes	March 31, 2022	March 31, 2021
<b>REVENUE</b>			
Revenue from operations	20	627.80	517.82
Other income	21	15.27	22.30
<b>Total Income</b>		<b>643.07</b>	540.12
<b>EXPENSES</b>			
Purchase of Stock-in-Trade	22	539.53	418.69
Changes in inventories - Stock-in-Trade	23	(17.48)	11.58
Employee benefits expense	24	29.27	25.84
Finance cost		0.08	0.02
Depreciation and amortization expense	25	0.78	0.85
Other expenses	26	19.58	17.65
<b>Total expenses</b>		<b>571.76</b>	474.63
<b>Profit before tax</b>		<b>71.31</b>	65.49
Current tax		(16.89)	(12.70)
Deferred tax - Reversal		1.85	(2.51)
Reversal of Tax Provision relating to earlier years (net)		0.54	-
<b>Total Income tax expense</b>		<b>(14.50)</b>	(15.21)
<b>Profit after tax for the year</b>		<b>56.81</b>	50.28
Other comprehensive income			
(i) Item that will not be reclassified to Profit or Loss			
a) Equity Instruments through other comprehensive income		(306.06)	490.62
b) Re-measurement (loss) / gains on defined benefit plans		0.70	0.10
c) Income tax effect on items that will not be reclassified to profit or loss		50.93	(43.59)
<b>Other Comprehensive income/(loss) for the year, net of tax</b>		<b>(254.43)</b>	447.13
<b>Total comprehensive income for the year</b>		<b>(197.62)</b>	497.41
<b>Earnings per Equity Share</b>			
Basic earnings per share (In rupees)		45.52	40.28
Diluted earnings per share (In rupees)		45.52	40.28

Significant Accounting Policies

**A**

The accompanying notes are an integral part of the financial statements

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28 May, 2022

**S KALYANARAMAN**  
Secretary

Membership No:25929

**STATEMENT OF CHANGES IN EQUITY**

PARTICULARS	Amount ₹ Crores
(a) Equity share capital	
Balance as at April 01, 2020	12.48
Changes in equity share capital during the previous year	0.00
Balance as at March 31, 2021	12.48
Changes in equity share capital during the current year	0.00
<b>Balance as at March 31, 2022</b>	<b>12.48</b>

**(b) Other equity**

Amount in ₹ Crores

Particulars	Reserves and Surplus			Items of Other Comprehensive Income			Total
	Capital Reserves	General Reserves	Retained Earnings	Gains / (losses) from equity investments through OCI	Remeasurement of Defined Benefit Obligations		
<b>Balance at 31st March 2020</b>	<b>3.79</b>	<b>275.00</b>	<b>43.13</b>	<b>601.01</b>	<b>(0.20)</b>	<b>922.73</b>	
Profit for the year ended 31st March 2021	0.00	0.00	50.28	0.00	0.00	50.28	
Other Comprehensive Income for the year	0.00	0.00	0.00	447.05	0.08	447.13	
<b>Total Comprehensive Income for the year</b>	<b>0.00</b>	<b>0.00</b>	<b>50.28</b>	<b>447.05</b>	<b>0.08</b>	<b>497.41</b>	
Transfer to General Reserve	0.00	30.00	(30.00)	0.00	0.00	0.00	
Sub-Total	0.00	30.00	20.28	447.05	0.08	497.41	

**INDIA MOTOR PARTS & ACCESSORIES LIMITED**

<b>Balance at 31st March 2021</b>	<b>3.79</b>	<b>305.00</b>	<b>63.41</b>	<b>1048.06</b>	<b>(0.12)</b>	<b>1420.14</b>
Profit for the year ended 31st March 2022	0.00	0.00	56.81	0.00	0.00	56.81
Other Comprehensive Income for the year	0.00	0.00	0.00	(254.95)	0.52	(254.43)
<b>Total Comprehensive Income for the year</b>	<b>0.00</b>	<b>0.00</b>	<b>56.81</b>	<b>(254.95)</b>	<b>0.52</b>	<b>(197.62)</b>
Dividends paid	0.00	0.00	(12.48)	0.00	0.00	(12.48)
Sub-Total	0.00	0.00	44.33	(254.95)	0.52	(210.10)
<b>Balance at 31st March 2022</b>	<b>3.79</b>	<b>305.00</b>	<b>107.74</b>	<b>793.11</b>	<b>0.40</b>	<b>1210.04</b>

The accompanying notes are an integral part of the financial statements

**N KRISHNAN**  
Managing Director  
DIN: 00041381

**MUKUND S RAGHAVAN**  
Deputy Managing Director  
DIN: 03411396

**S RAMASUBRAMANIAN**  
Chief Financial Officer

Chennai  
28 May, 2022

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Secretary

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Firm Registration No:000511S

**L RAVI SANKAR**  
Partner  
Membership No:25929

## CASH FLOW STATEMENT

₹ in Crores

Particulars	2021-22	2020-21
<b>(1) Cash flow from Operating Activities</b>		
<b>(a) Net Profit Before tax</b>	<b>71.31</b>	<b>65.49</b>
Adjustments for:		
Depreciation	0.78	0.85
Dividend Income	(5.97)	(4.62)
Interest Income from Bank Deposits and others	(3.51)	(4.47)
Loss on Sale of Assets (Net)	0.01	0.01
Profit on Sale of Investments / Changes in Fair Value	(5.71)	(13.17)
<b>(b) Operating Profit before Working Capital Changes</b>	<b>56.91</b>	44.09
Adjustment for:		
Decrease/ (Increase) in Trade Receivables	(13.67)	1.40
Decrease / (Increase) in Loans & Advances	0.89	4.53
Decrease / (Increase) in Inventories	(18.16)	11.78
(Decrease) / Increase in Trade Payable and other liabilities	(11.31)	39.41
<b>(c) Cash Generated from Operations</b>	<b>14.66</b>	101.21
Less: Direct Taxes Paid (Net)	(17.99)	(11.42)
Net Cash flow from Operating Activities	<b>(3.33)</b>	89.79
<b>(B) Cash flow from Investing Activities</b>		
Sale of Fixed Assets	0.03	0.01
Proceeds from Sale/ Redemption of Mutual Fund Investments	708.12	523.46
Dividend received	5.97	4.62
Proceeds from maturity of deposits with bank and others	34.54	0.00
Deposits with Bank and others	0.00	(34.54)
Interest Income from Bank Deposits and others	3.74	4.56
Purchase of Fixed Assets	(0.88)	(0.20)
Purchase of Equity Shares	(78.54)	(50.80)
Consideration received for sale of a Property	3.01	0.00
Proceeds from sale and investment in NCD	0.00	10.07
Purchase of Mutual Fund Investments	(682.37)	(528.49)
Net Cash used in Investing Activities	<b>(6.38)</b>	(71.31)



**INDIA MOTOR PARTS & ACCESSORIES LIMITED**
**CASH FLOW STATEMENT (Contd.)**

₹ in Crores

Particulars	2021-22	2020-21	
<b>(C) Cash flow from Financing Activities</b>			
Cash Credit - Borrowings	5.33		(13.58)
Dividend Paid	(12.48)		-
Net Cash flow from Financing Activities		(7.15)	(13.58)
<b>(D) Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b>		(16.86)	4.90
Cash & Cash Equivalent at beginning of the year		29.10	24.20
Cash & Cash Equivalent at the end of the year		12.24	29.10
Items forming part of cash and cash equivalents			
Balances with Banks	1.07		3.92
Cheques and Drafts on hand	7.65		5.65
Cash on hand	0.34		0.29
Remittances in Transit	3.18		3.89
Short Term Deposits with Banks	0.00	12.24	15.35

**N KRISHNAN**  
 Managing Director  
 DIN: 00041381

**MUKUND S RAGHAVAN**  
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 Chief Financial Officer  
 Chennai  
 28 May, 2022

**S PRASAD**  
 Director  
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**S KALYANARAMAN**  
 Secretary

As per our Report of even date attached  
 for **Brahmayya & Co**  
 Chartered Accountants  
 Firm Registration No:000511S

**L RAVI SANKAR**  
 Partner  
 Membership No:25929

## Note A

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### NOTES ON ACCOUNTS

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#### 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 a public limited company and its shares are listed in National Stock Exchange. 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 and in compliance, in all material aspects, 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.

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.

#### 1. Revenue Recognition

Revenue is measured in accordance with Ind AS 115 as applicable at the fair value of the consideration received or receivable and net of returns, trade allowances, rebates, discounts and amounts collected on behalf of third parties. It excludes Goods and Service tax.

##### i. Sale of Products:

Revenue from sale of products is recognized, when the company satisfies performance obligation by transferring promised goods to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts returns and Goods and Service Tax.

##### ii. Revenue from Services:

Revenue from Services is recognized 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 income 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 recognized 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 Goods and Service Tax, to the extent credit of the GST is availed of.

Depreciation and amortization:

1. 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.
2. 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.

#### 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. Leases

Effective April 01, 2019, the company has adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on April 01, 2019 using the modified retrospective approach method without restating comparatives.

Ind AS 116 requires lessees to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The company assesses the expected lease term on a lease-by-lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised.

The company has elected to use the exemptions provided by the standard on lease contracts for which the lease term ends within 12 months as of the date of initial application, and lease contracts for which the underlying asset is of low value.

For short-term/ cancellable /low value leases, the company recognizes the lease payments as an expense in the Statement of Profit and Loss

#### 5. 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.

#### 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.

## NOTES ON ACCOUNTS (Contd.)

### 7. Employee Benefits

#### A) Short Term Employee Benefits:

Short Term Employee 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 Government administered provident fund scheme in accordance with the Provident Fund rules.

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.

### 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 recognized 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 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.

### NOTES ON ACCOUNTS (Contd.)

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 cashflow characteristics of the asset. There are two measurement categories in to which the Company classifies its debt instruments.

##### 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. These changes are accumulated within the equity till the same is derecognized / disposed off.

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.

## NOTES ON ACCOUNTS (Contd.)

### d. De recognition of financial assets

A financial asset is de recognized when the Company has transferred the rights to receive cash flows from the financial asset.

### Financial Liabilities

### i. Classification, subsequent measurement and derecognition of financial liabilities

#### a. 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.

#### 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 and Contingent Liabilities

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.

Contingent liabilities exist when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required or the amount cannot be reliably estimated. Contingent liabilities are appropriately disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

## 11. Cash and cash equivalents and cash flow statement:

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. Cash flows are reported using the indirect method, whereby profit/ (loss) before extraordinary items and tax is appropriately classified for the effects of transactions of non-cash nature and any deferrals or accruals of past or future receipts or payments. In cash flow statement, cash and cash equivalents include cash in hand, balances with banks in current accounts and short term deposits.

## 12. Earnings Per Share:

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

**INDIA MOTOR PARTS & ACCESSORIES LIMITED**

Amount in ₹ Crores									
Description	Gross Block				Depreciation			Net Block	
	As at 01.04.2021	Additions	Deductions	As at 31.03.2022	As at 01.04.2021	For the Year	Deductions	As at 31.03.2022	As at 31.03.2022
<b>Note 1 - Property, Plant &amp; Equipment</b>									
Freehold Land (Refer note)	6.34	0.00	0.00	6.34	0.00	0.00	0.00	0.00	6.34
Leasehold land & Building	0.44	0.00	0.00	0.44	0.06	0.00	0.00	0.06	0.38
Building	4.75	0.00	0.00	4.75	0.73	0.17	0.00	0.90	4.02
Plant & Equipments	0.47	0.40	0.18	0.69	0.12	0.20	0.17	0.15	0.35
Others - Electrical Fittings	0.04	0.01	0.00	0.05	0.01	0.00	0.00	0.01	0.03
Office Equipments	0.99	0.01	0.01	0.99	0.57	0.02	0.00	0.59	0.42
Furniture & Fixtures	1.69	0.30	0.02	1.97	0.52	0.17	0.02	0.67	1.17
Vehicles	1.63	0.16	0.07	1.72	0.44	0.22	0.06	0.60	1.19
<b>SUB TOTAL (A)</b>	<b>16.35</b>	<b>0.88</b>	<b>0.28</b>	<b>16.95</b>	<b>2.45</b>	<b>0.78</b>	<b>0.25</b>	<b>2.98</b>	<b>13.90</b>
<b>Note 2 - Intangible Assets</b>									
Computer Software	1.24	0.00	0.00	1.24	1.24	0.00	0.00	1.24	0.00
<b>SUB TOTAL (C)</b>	<b>1.24</b>	<b>0.00</b>	<b>0.00</b>	<b>1.24</b>	<b>1.24</b>	<b>0.00</b>	<b>0.00</b>	<b>1.24</b>	<b>0.00</b>
<b>Total [A + B + C]</b>	<b>17.60</b>	<b>0.88</b>	<b>0.28</b>	<b>18.19</b>	<b>3.70</b>	<b>0.78</b>	<b>0.26</b>	<b>4.22</b>	<b>13.97</b>

Note: (i) Value of Freehold land includes undivided share of land (UDS) of value of ₹ 3.42 Crores. (Previous year - ₹ 3.42 Crores)

## Notes to Balance Sheet

Note	Particulars	Amount in ₹ Crores	
		March 31, 2022	March 31, 2021
<b>3(a) Investments</b>			
<b>(a) Investments in Equity Instruments</b>			
	<b>Investments at Cost</b>		
	Unquoted Investment - Subsidiary - Non Trade		
	CAPL Motor Parts Private Limited	<b>4.50</b>	4.50
	45,00,000 equity shares of Face Value ₹ 10/- each		
	Unquoted Investment - Associate - Non Trade		
	Transenergy Private Limited	<b>1.64</b>	1.64
	1,00,000 equity shares of Face Value ₹ 100/- each		
	Quoted Investments - Others - Non Trade		
	Investments designated at Fair Value Through Other Comprehensive Income		
	Sundaram Finance Limited	<b>562.39</b>	745.07
	(28,98,600 equity shares of Face Value Rs.10/- each)		
	Sundaram Finance Holding Limited	<b>31.60</b>	21.69
	45,60,219 (PY - 28,53,600) equity shares of Face Value Rs.5/- each		
	(17,06,619 equity shares of Face value of Rs. 5/- each acquired by way of right issue during the year)		
	Wheels India Limited	<b>56.27</b>	49.71
	(10,98,655 equity shares of Face Value Rs.10/- each)		
	Unquoted Investments - Others - Non Trade		
	Royal Sundaram General Insurance Co. Ltd	<b>270.17</b>	388.30
	(3,27,75,522 equity shares of Face Value ₹ 10/- each)		
	Brakes India Private Limited	<b>56.82</b>	0.00
	(36,874 equity shares of Face Value Rs.100/ each purchased during the year)		
	<b>Investments in Debentures</b>		
	<b>Investments designated at Fair Value through Profit and Loss</b>		
	8.15% Non Convertible Debentures of Sundaram Home Finance Ltd.	<b>15.36</b>	15.61
	During the year 2020-21 the Company has sold debentures of ₹ 10 Crores (100 units @ Face Value of ₹ 10,00,000/- each)		
	<b>TOTAL</b>	<b>998.75</b>	1226.52
	Aggregate amount of quoted investments and market value	<b>650.26</b>	816.47
	Aggregate amount of unquoted investments	<b>348.48</b>	410.05



## INDIA MOTOR PARTS & ACCESSORIES LIMITED

### Notes to Balance Sheet

Amount in ₹ Crores

Note	Particulars	March 31, 2022	March 31, 2021
<b>3(b)</b>	<b>Investments in Fixed Maturity Plan Mutual Funds</b>		
	<b>Investments at Amortized Cost</b>		
	SBI FMP SERIES 58 DIRECT - GROWTH (99,99,500.25 units at Face Value of Rs.10)	10.15	0.00
	SBI FMP SERIES 61 DIRECT - GROWTH (1,49,99,250.037 units at Face Value of Rs.10)	15.14	0.00
	SBI FMP SERIES 53 - DIRECT GROWTH (49,99,750.012 units at Face Value of Rs.10)	5.08	0.00
	SBI FMP SERIES 56 - DIRECT GROWTH (99,99,500.25 units at Face Value of Rs.10)	10.07	0.00
	<b>TOTAL</b>	<b>40.44</b>	<b>0.00</b>
	<b>CURRENT ASSETS</b>		
<b>4</b>	<b>Inventories</b>		
	Stock in Trade	<b>67.34</b>	49.86
	Goods in Transit / Stock in Transit	<b>0.69</b>	0.01
	<b>TOTAL</b>	<b>68.03</b>	<b>49.87</b>

## Notes to Balance Sheet

Amount in ₹ Crores

Particulars	Face Value Per Unit ₹	No of Units	AS ON	AS ON
			31.03.2022	31.03.2021
			Fair Value (₹ in Crores)	Fair Value (₹ in Crores)
<b>5 Current Investments</b>				
<b>Investments in Mutual Funds</b>				
HDFC FMP - SERIES 38 GROWTH	10.00	1,50,00,000	0.00	19.30
HDFC FMP - SERIES 40 - DIRECT - GROWTH	10.00	1,40,00,000	0.00	17.66
SUNDARAM FIXED TERM PLAN IJ - DIRECT - GROWTH	10.00	1,50,00,000	0.00	18.83
SUNDARAM FIXED TERM PLAN IS - DIRECT - GROWTH	10.00	1,60,00,000	20.10	19.28
HDFC FMP - SERIES 42 - DIRECT - GROWTH	10.00	1,00,00,000	13.41	12.85
HDFC FMP - SERIES 44 - DIRECT - GROWTH	10.00	50,00,000	6.29	6.04
SBI DEBT FUND SERIES C 48 - DIRECT - GROWTH	10.00	1,00,00,000	12.61	12.06
SBI DEBT FUND SERIES C 49 - DIRECT - GROWTH	10.00	2,50,00,000	31.32	29.99
SBI DEBT FUND SERIES C 50 - DIRECT - GROWTH	10.00	50,00,000	6.24	5.97
AXIS FIXED TERM PLAN - SERIES 104 - DIRECT- GROWTH	10.00	1,00,00,000	12.44	11.94
SUNDARAM CORPORATE BOND FUND -DIRECT-GROWTH	26.54	15,07,125	5.04	4.83
Sundaram Alternate OPP Series High Yield Secured Debt Fund Series I			1.35	11.54
Sundaram Alternate OPP Series High Yield Secured Debt Fund Series II			9.94	7.44
Sundaram Alternate OPP Series High Yield Secured Debt Fund Series III			3.67	0.00
Sundaram Money Fund - Direct Growth			0.00	5.13
<b>TOTAL</b>			<b>122.41</b>	<b>182.86</b>
Aggregate amount of unquoted investments			122.41	182.86
Investments carried at Amortized Cost			122.41	182.86

## INDIA MOTOR PARTS & ACCESSORIES LIMITED

### Notes to Balance Sheet

		Amount in ₹ Crores	
Note	Particulars	March 31, 2022	March 31, 2021
<b>6</b>	<b>Trade Receivables</b>		
	- Unsecured - considered good (Refer Note 35)	<b>88.60</b>	74.93
	<b>TOTAL</b>	<b>88.60</b>	74.93
<b>7A</b>	<b>Cash &amp; Cash Equivalents</b>		
	Cash on hand	<b>0.34</b>	0.29
	Balances with Banks	<b>1.07</b>	3.92
	Cheques and Drafts on hand	<b>7.65</b>	5.65
	Remittances in Transit	<b>3.18</b>	3.89
	Balances with bank in call and short-term deposits accounts (original maturity less than 3 months)	<b>0.00</b>	15.35
	<b>TOTAL</b>	<b>12.24</b>	29.10
<b>7B</b>	<b>Bank balances other than cash &amp; cash equivalents</b>		
	Balances with Banks for Unclaimed / Unpaid Dividends	<b>1.48</b>	1.54
	Others - Guarantee Deposit	<b>0.17</b>	0.19
	Short Term Deposits with Banks & Others	<b>0.00</b>	34.54
	<b>TOTAL</b>	<b>1.65</b>	36.27
<b>8</b>	<b>Other Current Financial Assets</b>		
	Security Deposit	<b>1.15</b>	1.01
	Advances to Employees and Others	<b>0.24</b>	0.18
	Deposit with Governments and others	<b>0.03</b>	0.05
	Interest Income accrued on Investments in Non Convertible Debenture and Alternate Investment Funds	<b>0.91</b>	1.18
	<b>TOTAL</b>	<b>2.33</b>	2.42

## Notes to Balance Sheet

Note	Particulars	Amount in ₹ Crores	
		March 31, 2022	March 31, 2021
<b>9</b>	<b>Current Tax Assets (net)</b>		
	Advance Tax and T.D.S. (Net of Provision for tax) (includes refunds due)	2.50	0.86
	<b>TOTAL</b>	<b>2.50</b>	<b>0.86</b>
<b>10</b>	<b>Other Current Assets</b>		
	Advances recoverable in Kind	2.47	3.55
	Prepaid Expenses	0.17	0.21
	Sundry Advances	0.01	0.03
	Others - Gratuity Fund	0.40	0.00
	<b>TOTAL</b>	<b>3.05</b>	<b>3.79</b>
	<b>EQUITY</b>		
<b>11</b>	<b>Equity Share Capital</b>		
	<b>a. Authorised Share Capital</b>		
	<b>Equity Shares</b>		
	2,00,00,000/- Equity Shares of ₹ 10/- each	20.00	20.00
	<b>b. Issued, Subscribed &amp; Paid-up Capital</b>		
	1,24,80,000/- Equity shares of ₹ 10/- each	12.48	12.48
	<b>c. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:</b>	<b>March 31, 2022</b>	<b>March 31, 2021</b>
	Equity Shares of ₹ 10/- each		
	Outstanding at the beginning of the year (No. of Shares)	12480000	12480000
	Outstanding at the beginning of the year ₹ Crores	12.48	12.48
	Changes in equity share capital during the year (No. of Shares)	-	-
	Change in equity Share Capital during the year ₹ Crores	0.00	0.00
	Outstanding at the end of the year (No. of Shares)	12480000	12480000
	Outstanding at the end of the year ₹ Crores	12.48	12.48

## INDIA MOTOR PARTS & ACCESSORIES LIMITED

### Notes to Balance Sheet

Amount in ₹ Crores

Note Particulars March 31, 2022 March 31, 2021

#### d. Rights, Preferences and restrictions

The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each member is entitled to one vote by e-voting (remote e-voting / e-voting at the meeting), every shareholder is entitled to vote in proportion to their holdings.

#### e. Details of shareholder holding more than 5% shares in the company

M/s T V Sundram Iyengar & Sons Private Limited (upto 3rd February 2022 )	-	2729148	-	21.87%
M/s Trichur Sundaram Santhanam & Family Private Limited (From 4th February 2022 )	2729148	-	21.87%	-
M/s Sundaram Finance Holdings Limited	2395314	2323705	19.19%	18.62%
M/s. Pari Washington India Master Fund Limited	888667	943667	7.12%	7.56%

f. During the year 2019-20, the company had allotted 41,60,000 Equity Shares of ₹ 10/- each as fully paid up by way of Bonus shares

g. Pursuant to the NCLT approval of the composite scheme of amalgamation and arrangement, involving, inter alia, T V Sundram Iyengar & Sons Private Limited ("TVSS"), Sundaram Industries Private Limited ("SIPL"), Southern Roadways Private Limited ("SRPL") and Trichur Sundaram Santhanam & Family Private Limited ("TSSFPL"), 27,29,148 equity shares of India Motor Parts and Accessories Limited ("IMPAL") representing 21.87% of the paid up capital of "IMPAL", held by "TVSS", have been transferred to "TSSFPL" on 04th February, 2022.

#### h. Disclosure of Shareholding of Promoters:

Promoters	No of Shares 2021-22	% of holding	No of Shares 2020-21	% of holding	% Change during the year
<b>Bodies Corporate</b>					
T V Sundram Iyengar & Sons Private Limited	-	-	2729148	21.87%	-21.87%
Trichur Sundaram Santhanam & Family Private Limited	2729148	21.87%	-	-	21.87%
<b>Individual</b>					
Sri S. Ram	29850	0.24%	29850	0.24%	0.00%
Sri. S. Viji	70986	0.57%	70986	0.57%	0.00%
Ms. Vijaya Rangarajan	141007	1.13%	141007	1.13%	0.00%
Sri R. Ramanujam	3516	0.03%	3516	0.03%	0.00%

## Notes to Balance Sheet

Amount in ₹ Crores

Note	Particulars	March 31, 2022	March 31, 2021
<b>12</b>	<b>Other Equity</b>		
	<b>Capital Reserves Opening and Closing Balance</b>	<b>A</b>	<b>3.79</b>
	<b>General Reserves</b>		
	<b>Opening Balance</b>	<b>305.00</b>	275.00
	<b>Add: Transfer from Retained Earnings</b>	<b>0.00</b>	30.00
	<b>Closing Balance</b>	<b>B</b>	<b>305.00</b>
	<b>Retained Earnings</b>		
	<b>Opening Balance</b>	<b>63.41</b>	43.13
	Add: Profit for the year	<b>56.81</b>	50.28
	Less: Transfer to General Reserve	<b>0.00</b>	(30.00)
	Less: Dividend	<b>(12.48)</b>	0.00
	<b>Closing Balance</b>	<b>C</b>	<b>107.74</b>
	The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the financial statements of the Company and also considering the requirements of the Companies Act, 2013. Thus, the amounts reported under retained earnings are not distributable in entirety.		
	Total Reserves and Surplus	A+B+C	<b>416.53</b>
	372.20		
	Other Comprehensive Income		
	Gains / (losses) from equity investments through OCI		
	Opening Balance	<b>1048.06</b>	601.01
	Change during the year (net)	<b>(254.95)</b>	447.05
	Closing Balance	<b>793.11</b>	1048.06
	The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the equity till the same is derecognised /disposed off.		
	Remeasurement of Defined Benefit Obligations		
	Opening Balance	<b>(0.12)</b>	(0.20)
	Change during the year (net)	<b>0.52</b>	0.08
	<b>Closing Balance</b>	<b>0.40</b>	(0.12)
	Re-measurements of defined benefit liability comprises actuarial gains and losses.		
	Total Other Equity	<b>1210.04</b>	1420.14

## INDIA MOTOR PARTS & ACCESSORIES LIMITED

### Notes to Balance Sheet

Amount in ₹ Crores

Note	Particulars	March 31, 2022	March 31, 2021
<b>LIABILITIES</b>			
<b>13</b>	<b>Deferred Tax Liability (net)</b>		
	Deferred Tax Liability	<b>47.18</b>	99.98
	Deferred Tax Assets	<b>(1.98)</b>	(2.00)
	<b>TOTAL</b>	<b>45.20</b>	97.98
<b>14</b>	<b>Long Term Provisions</b>		
	For Employee Benefits - Compensated Absences	<b>0.46</b>	0.53
	For Financial Covenants	<b>8.05</b>	8.05
	<b>TOTAL</b>	<b>8.51</b>	8.58
<b>15</b>	<b>Borrowings</b>		
	Loans repayable on Demand - Secured		
	Cash Credit from Bank (Secured by First Pari-passu charge on inventory and receivables of the Company.)	<b>5.33</b>	0.00
	<b>TOTAL</b>	<b>5.33</b>	0.00
<b>16</b>	<b>Trade Payable - Current</b>		
	(i) Total outstanding dues of micro enterprises and small enterprises	-	-
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	<b>59.58</b>	72.54
	*(Of the above, Trade payable to related parties - refer note no. 28.2)		
	<b>TOTAL</b>	<b>59.58</b>	72.54
<b>17</b>	<b>Other Financial Liabilities - Current</b>		
	Commission payable to Directors	<b>1.88</b>	1.36
	Gratuity payable	<b>0.00</b>	0.28
	Unclaimed dividends	<b>1.48</b>	1.54
	<b>TOTAL</b>	<b>3.36</b>	3.18

## Notes to Balance Sheet

Note	Particulars	Amount in ₹ Crores	
		March 31, 2022	March 31, 2021
<b>18</b>	<b>Other Current Liabilities</b>		
	For Expenses	2.69	2.99
	GST payable	1.27	0.13
	Other payables	2.39	2.41
	Advance Received for sale of Property	3.01	0.00
	<b>TOTAL</b>	<b>9.36</b>	<b>5.53</b>
<b>19</b>	<b>Short Term Provisions</b>		
	For Employee Benefits - Compensated Absences	0.11	0.09
	<b>TOTAL</b>	<b>0.11</b>	<b>0.09</b>

## Notes to Statement of Profit and Loss

Note	Particulars	Amount in ₹ Crores	
		Year ended March 31, 2022	Year ended March 31, 2021
<b>20</b>	<b>Revenue from operations</b>		
	Sales - Less Returns (Net)		
	Sale of Products / Services	626.27	516.73
	Other Operating Revenue	1.53	1.09
	<b>TOTAL</b>	<b>627.80</b>	<b>517.82</b>
<b>21</b>	<b>Other income</b>		
	Dividend Income	5.97	4.62
	Profit on Sale/Fair value Change of Mutual Funds and NCD	5.71	13.17
	Interest Income from Bank Deposits and Others	3.51	4.47
	Other non operating income	0.08	0.04
	<b>TOTAL</b>	<b>15.27</b>	<b>22.30</b>
<b>22</b>	<b>Purchase of Stock-in-Trade</b>		
	Purchase Less Returns (Net)	539.53	418.69
	<b>TOTAL</b>	<b>539.53</b>	<b>418.69</b>



## INDIA MOTOR PARTS & ACCESSORIES LIMITED

### Notes to Statement of Profit and Loss

		Amount in ₹ Crores	
Note	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>23</b>	<b>Changes In Inventories - Stock-in-Trade</b>		
	Opening Stock	49.86	61.44
	Closing Stock	67.34	49.86
	<b>(Increase)/Decrease in inventories</b>	<b>(17.48)</b>	11.58
<b>24</b>	<b>Employee benefits expense</b>		
	Salaries, Bonus and other allowances	25.45	22.65
	Company's contribution to Provident fund, gratuity and other funds	2.72	2.41
	Staff Welfare Expenses	1.10	0.78
	<b>TOTAL</b>	<b>29.27</b>	25.84
<b>25</b>	<b>Depreciation and amortization expense</b>		
	Depreciation of property, plant and equipment	0.78	0.76
	Amortization of intangible assets	0.00	0.09
	<b>TOTAL</b>	<b>0.78</b>	0.85
<b>26</b>	<b>Other expenses</b>		
	Audit Fees:		
	as Auditors	0.11	0.10
	for Tax Audit	0.04	0.03
	for GST and Other Certifications	0.03	0.10
	Power and fuel	0.32	0.29
	Rent	3.24	2.82
	Repairs to Buildings	0.68	0.68
	Repairs to Plant & Equipments	0.03	0.04
	Corporate Social Responsibility Expenses / Donations	0.89	1.50
	Insurance	0.15	0.17
	Rates, Taxes and Licences	0.12	0.18
	Loss on Sale of Assets	0.01	0.01
	Finance Charges	0.08	0.20
	Travelling Expenses	1.49	0.85
	Printing & Stationery	0.57	0.48
	Directors Sitting Fee	0.04	0.05
	Legal and Professional Charges	1.25	0.44
	Administrative and Other expenses	10.53	9.71
	<b>TOTAL</b>	<b>19.58</b>	17.65

## Notes to Standalone Financial Statement

### 27. General

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

#### 28.1. Related Party disclosures in accordance with INDAS 24:

a. Subsidiary:

CAPL Motor Parts Private Limited

b. By virtue of shareholding in India Motor Parts and Accessories Limited:

Trichur Sundaram Santhanam & Family Private Limited – From 04th February 2022

- Wheels India Limited
- Brakes India Private Limited

T V Sundram Iyengar & Sons Private Limited- up to 03rd February 2022

c. Subsidiaries of TV Sundram Iyengar & Sons Private Limited where transactions exist:

- Lucas TVS Limited
- Sundram Fasteners Limited
- Sundaram Industries Private Limited
- Southern Roadways Private Limited

d. Associate:

Transenergy Private Limited

e. Key Management Personnel:

Sri. N. Krishnan, Managing Director.

Sri Mukund S Raghavan, Deputy Managing Director.

f. Post-Employment Benefit Plan:

India Motor Parts and Accessories Employees' Provident Fund Trust (up to 31st March 2021)  
From 01st April 2021 transferred to Employees' Provident Fund Organisation.

India Motor Parts and Accessories Limited Gratuity Fund

## INDIA MOTOR PARTS & ACCESSORIES LIMITED

### Notes to Standalone Financial Statement

28.2. The disclosure of related party transactions during the year and balances as on 31/03/2022 are as follows.

₹ in Crores

Nature of Transaction	Subsidiary		By Virtue of Shareholding- T V Sundram Iyengar & Sons Private Limited (up to 3rd February 2022)		Subsidiaries of T V Sundram Iyengar & Sons Private Limited (up to 3rd February 2022)		By Virtue of Shareholding- Trichur Sundaram Santhanam & Family Private and its group Limited (From 4th February 2022)		Key Management Personnel	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Sales of Goods	0.13	0.04	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Purchase of Goods	0.09	0.04	0.00	0.00	90.03	103.02	46.94	0.00	0.00	0.00
Receiving Services	0.00	0.00	0.18	0.18	0.66	0.48	0.00	0.00	0.00	0.00
Rendering of Services	0.30	0.18	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Payable Balance	0.00	0.00	0.00	0.00	0.00	9.03	34.23	0.00	1.78	1.31
Receivable Balance	0.00	0.00	0.00	0.00	0.00	3.05	0.00	0.00	0.00	0.00
Remuneration	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	3.69	3.19
Dividend Received	0.54	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00

Contribution to Company's Employee Provident Fund Trust – Nil  
(Previous year – ₹ 0.51 Crores)

Contribution to Company's Gratuity Fund – ₹ 0.49 Crores  
(Previous Year – ₹ 0.57 Crores)

Outstanding / (Receivable) Company's Gratuity Fund – ₹ (0.40) Crores  
(Previous Year – ₹ 0.28 Crores)

Dividend received from CAPL Motor Parts Private Limited – ₹ 0.54 Crores  
(Previous year – Nil)

## Notes to Standalone Financial Statement

### 28.3. Disclosures required under the “Micro, Small and Medium Enterprises Development Act, 2006”

Particulars	2021-22	2020-21
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.

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

Particulars		2021-22	2020-21
Profit after Tax	₹ In Crores	56.81	50.28
Total Equity Shares outstanding at the end of the year	Nos.	12480000	12480000
Earnings per share (Basic and Diluted)	₹	45.52	40.28
Face value per share	₹	10	10

### 28.5. Other Particulars

₹ In Crores

28.5a. Contingent Liability not provided for as on 31st March 2022 is Rs. Nil (previous year Rs. Nil)

28.5b. The amount of Capital commitment pending as on 31st March 2022 is Rs. NIL (previous year Rs. NIL Crores)

### 28.6. 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 26.

	₹ in Crores	
	2021-2022	2020-2021
Contribution to Superannuation Fund	0.21	0.22
Contribution to Pension Fund	1.06	0.92
Contribution to Employees' State Insurance – ESI	0.32	0.28
Contribution to Provident Fund	0.61	0.51

## INDIA MOTOR PARTS & ACCESSORIES LIMITED

### Notes to Standalone Financial Statement

#### Defined Benefit Plans:

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

	<b>As at 31st March, 2022 Funded Gratuity ₹ In Crores</b>	As at 31st March, 2021 Funded Gratuity ₹ In Crores
1. Present Value of Defined Benefit Obligation at the beginning of the Period	<b>4.51</b>	4.18
2. Service Cost		
a. Current Service Cost	<b>0.51</b>	0.46
b. Past Service Cost	-	-
c. (Gain) / Loss on Curtailments	-	-
d. (Gain) / Loss on Settlements	-	-
3. Interest Expense	<b>0.27</b>	0.26
4. Remeasurements		
a. Effect of Changes in Demographic Assumptions	-	-
b. Effect of Changes in Financial Assumptions	<b>(0.08)</b>	0.05
c. Effect of Experience Adjustments	-	(0.15)
5. Cashflows		
a. Benefit Payments		
(i) From the Plan	<b>(0.22)</b>	(0.29)
(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	<b>4.99</b>	4.51

#### 2. Change in the Fair Value of Plan Assets

1. Fair Value of Plan Assets at the beginning of the Period	<b>4.23</b>	3.71
2. Interest Income on Plan Assets	<b>0.27</b>	0.25
3. Cashflows		
a. Benefit Payments		
(i) From the Plan	<b>(0.22)</b>	(0.29)
(ii) Directly from the Employer	-	-
b. Settlement Payments from the Plan	-	-
c. Participant Contributions	-	-

## Notes to Standalone Financial Statement

	<b>As at 31st March, 2022 Funded Gratuity ₹ In Crores</b>	As at 31st March, 2021 Funded Gratuity ₹ In Crores
d Total Employer Contributions		
(i) Employer Contributions	<b>0.49</b>	0.57
(ii) Employer Direct Benefit Payments	-	-
4. Remeasurements		
a. Actual Return on Plan Assets	<b>0.62</b>	-
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	<b>5.39</b>	4.23
<b>3 Components of Defined Benefit Cost</b>		
1. Service Cost		
a Current Service Cost	<b>0.51</b>	0.46
b Past Service Cost	-	-
c (Gain) / Loss on Curtailments	-	-
d (Gain) / Loss on Settlements	-	-
e Total Service Cost	<b>0.51</b>	0.46
2. Net Interest Expense		
a Interest Expense on DBO	<b>0.27</b>	0.26
b Interest Income on Plan Assets	<b>(0.27)</b>	(0.25)
c Interest Income on Reimbursement Rights	-	-
d Interest Income on Asset Ceiling	-	-
e Total Net Interest Cost	<b>0.00</b>	0.01
3. Remeasurements		
a Effect of Changes in Demographic Assumptions	-	-
b Effect of Changes in Financial Assumptions	<b>(0.08)</b>	0.05
c Effect of Experience Adjustments	<b>0.00</b>	(0.15)
d Actual Return on Plan Assets	<b>(0.62)</b>	0.00
e Actual Return on Reimbursement Rights	-	-
f Actual Change in Asset Ceiling	-	-
g Total Remeasurements	<b>(0.70)</b>	(0.10)
4. Defined Benefit Cost included in Profit & Loss Account	<b>0.51</b>	0.48
5. Defined Benefit Cost included in Other Comprehensive Income	<b>(0.70)</b>	(0.10)

## INDIA MOTOR PARTS & ACCESSORIES LIMITED

### Notes to Standalone Financial Statement

	<b>As at 31st March, 2022 Funded Gratuity ₹ In Crores</b>	As at 31st March, 2021 Funded Gratuity ₹ In Crores
<b>4 Reconciliation of Net Liability (Asset)</b>		
1. Net Liability (Asset) at the beginning of the Period	<b>(0.28)</b>	0.47
2. Defined Benefit Cost included in Profit & Loss Account	<b>(0.51)</b>	0.48
3. Defined Benefit Cost included in Other Comprehensive Income	<b>0.70</b>	(0.10)
4. Cash flows		
a Total Employer Contributions		
(i) Employer Contributions	<b>0.49</b>	0.57
(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	<b>0.40</b>	0.28
<b>5 Defined Benefit Obligation</b>		
1 Defined Benefit Obligation by Participant Status		
a Actives	<b>4.99</b>	4.51
b Vested Deferreds	-	-
c Retiree Beneficiaries	-	-
d Total	<b>4.99</b>	4.51
<b>6 Significant Actuarial Assumptions</b>		
1. Financial Assumptions		
a Discount Rate (Single Rate for ALL Years)	<b>6.55%</b>	6.17%
b Salary Escalation Rate (Duration Based)		
From Year 1 To Year 1	<b>8.00%</b>	8.00%
From Year 2 To Year 2	<b>8.00%</b>	8.00%
From Year 3 To Year 3	<b>8.00%</b>	8.00%
From Year 4 To Year 37	<b>8.00%</b>	8.00%
Demographic Assumptions		
a Pre Retirement Mortality Rate - IALM (2006-08) Ultimate	<b>100%</b>	100%
b Post Retirement Mortality Rate - LIC Annuitants (1996-98)	<b>100%</b>	100%
c Attrition Rate (Age Based)		

## Notes to Standalone Financial Statement

	<b>As at 31st March, 2022 Funded Gratuity ₹ In Crores</b>	As at 31st March, 2021 Funded Gratuity ₹ In Crores
From Year 18 To Year 20	<b>15.00%</b>	15.00%
From Year 21 To Year 30	<b>13.00%</b>	13.00%
From Year 31 To Year 40	<b>13.00%</b>	13.00%
From Year 41 To Year 55	<b>12.00%</b>	12.00%
<b>7 Sensitivity Analysis</b>		
1. Discount Rate - 0.5%	<b>5.10</b>	4.61
2. Discount Rate + 0.5%	<b>4.89</b>	4.42
3. Escalation Rates - 0.5%	<b>4.89</b>	4.42
4. Escalation Rates + 0.5%	<b>5.09</b>	4.61
5. Mortality x 95%	<b>4.99</b>	4.51
6. Mortality x 105%	<b>4.99</b>	4.51
7. Attrition x 95%	<b>5.00</b>	4.53
8. Attrition x 105%	<b>4.98</b>	4.50
9. ₹ 1,000,000 Benefit Ceiling	<b>4.79</b>	4.37
10. No Benefit Ceiling	<b>5.97</b>	5.60
<b>8 Maturity Profile of the DBO and Expected Cashflows in the following Period</b>		
1. Estimated Term / Weighted Average Duration of the DBO	<b>0.06</b>	0.06
2. Expected Total Benefit Payments	-	-
a. Year 1	<b>0.85</b>	0.97
b. Year 2	<b>1.04</b>	0.82
c. Year 3	<b>0.97</b>	0.72
d. Year 4	<b>0.46</b>	0.47
e. Year 5	<b>0.76</b>	0.40
f. Next 5 years	<b>1.42</b>	1.49
3. Expected Employer Contributions	-	-
4. Expected Employer Contributions towards Reimbursement Rights	-	-
<b>9 Plan Assets</b>		
1. Fair value of plan assets		-
a. Assets held by Insurance Company	<b>100.00%</b>	100.00%
2. Fair value of plan assets with a quoted market price		
a. Assets held by Insurance Company	<b>100.00%</b>	100.00%



## INDIA MOTOR PARTS & ACCESSORIES LIMITED

### Notes to Standalone Financial Statement

#### 28.7. Income taxes

##### A. Amounts recognized in profit or loss

₹ In Crores

	Year ended 31st March 2022	Year ended 31st March 2021
<b>Current tax</b>		
Current period (a)	16.89	12.70
Changes in estimates related to prior years (b)	(0.54)	-
<b>Deferred tax (c)</b>		
Attributable to -		
Origination and reversal of temporary differences	(1.85)	2.51
<b>Tax expense of continuing operations (a) + (b) + (c)</b>	<b>14.50</b>	<b>15.21</b>

##### B. Income tax recognized in other comprehensive income

₹ In Crores

31st March 2022			
	Before tax	Tax (expense) benefit	Net of tax
Change in Fair Value of Equity instruments	(306.06)	51.11	(254.95)
Re-measurements of defined benefit liability / (asset)	0.70	(0.18)	0.52
31st March 2021			
	Before tax	Tax (expense) benefit	Net of tax
Change in Fair Value of Equity instruments	490.62	(43.57)	447.05
Re-measurements of defined benefit liability / (asset)	0.10	(0.02)	0.08

##### C. Reconciliation of Tax expenses

₹ In Crores

	31st March 2022	31st March 2021
<b>Profit before tax</b>	<b>71.31</b>	65.49
Tax using the Company's domestic tax rate :	17.95	16.48
<b>Effect of:</b>		
Tax effect on Interest and Dividend Income	(1.17)	(1.09)
Tax Effect on Capital Gains	(1.34)	(3.08)
Tax Impact on CSR	0.22	0.38
Depreciation impact	(0.01)	0.01
Others	0.16	0.00
Tax pertaining to earlier years	0.54	0.00
Deferred Tax	(1.85)	2.51
<b>Total</b>	<b>(3.45)</b>	<b>(1.27)</b>
Tax expenses recognized	14.50	15.21

## Notes to Standalone Financial Statement

### D. Deferred Tax Liability / (Asset) in relation to:

₹ In Crores

Particulars	Balance at April 01, 2021	Recognised in Profit & Loss	Recognised in Other Comprehensive Income	Balance at March 31, 2022
Property Plant and Equipment	0.57	0.01		<b>0.58</b>
Investments measured at Fair Value through Profit and Loss	4.64	(1.88)		<b>2.76</b>
Employee Benefits	(0.16)	0.02		<b>(0.14)</b>
Investments measured at Fair Value through Other Comprehensive Income	94.74		(51.08)	<b>43.66</b>
Financial Covenants	(1.84)			<b>(1.84)</b>
Defined Benefit Obligation - Gratuity	0.03		0.15	<b>0.18</b>
<b>Total</b>	<b>97.98</b>	<b>(1.85)</b>	<b>(50.93)</b>	<b>45.20</b>

Particulars	Balance at April 01, 2020	Recognised in Profit & Loss	Recognised in Other Comprehensive Income	Balance at March 31, 2021
Property Plant and Equipment	0.59	(0.02)		<b>0.57</b>
Investments measured at Fair Value through Profit and Loss	2.10	2.54		<b>4.64</b>
Employee Benefits	(0.15)	(0.01)		<b>(0.16)</b>
Investments measured at Fair Value through Other Comprehensive Income	51.18		43.56	<b>94.74</b>
Financial Covenants	(1.84)			<b>(1.84)</b>
Defined Benefit Obligation - Gratuity	(0.01)		0.04	<b>0.03</b>
<b>Total</b>	<b>51.87</b>	<b>2.51</b>	<b>43.60</b>	<b>97.98</b>

### 29. Disclosure on Accounting for revenue from customers in accordance with IND AS 115

#### Disaggregated revenue information

(₹ In Crores)

A	Type of goods and service	31st March 2022	31st March 2021
	a) Sale of products / services	<b>626.27</b>	516.73
	b) Other operating revenues	<b>1.53</b>	1.09
	Total operating revenue	<b>627.80</b>	517.82
B	Timing of revenue recognition	At a point of time	Over a period of time
	Sale of products and other operating income - at a point of time	<b>627.80</b>	517.82
	Sale of products and other operating income - over a period of time	<b>Nil</b>	Nil

## INDIA MOTOR PARTS & ACCESSORIES LIMITED

### Notes to Standalone Financial Statement

<b>C</b>	<b>Contract Balances</b>		
	Contract Assets	Nil	Nil
	Contract Liabilities	Nil	Nil
<b>D</b>	<b>Revenue recognised in relation to contract liabilities</b>	Nil	Nil
<b>E</b>	<b>Reconciliation of revenue recognised in the statement of profit and loss with the contracted price</b>		
	Revenue at contracted prices	626.27	516.73
	Revenue from contract with customers	626.27	516.73
	Difference	0.00	0.00
<b>F</b>	<b>Unsatisfied or partially satisfied performance obligation</b>	Nil	Nil

#### 30. Disclosure on Accounting for adoption in accordance with IND AS 116

All Rent payments being in the nature of short term/cancellable leases, charged off in the Statement of Profit and Loss

#### 31. Financial instruments

A. The carrying value and fair value of financial instruments by categories as at March 31, 2022 and March 31, 2021 is as follows:

₹ In Crores

Particulars	As at March 31, 2022		As at March 31, 2021	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial Assets</b>				
<b>Amortized Cost</b>				
Trade Receivables	88.60		74.93	
Cash and Cash Equivalents	12.24		29.10	
Bank Balances other than cash and cash equivalents	1.65		36.27	
Other Current Financial Assets	2.33		2.42	
Investments in Fixed Maturity Plan Mutual Funds		40.44		0.00
<b>Fair Value through Other Comprehensive Income</b>				
Investment in Equity Shares	6.14	992.61	6.14	1,220.38
<b>Fair Value through Profit and Loss</b>				
Investment in Mutual Funds		122.41		182.86

## Notes to Standalone Financial Statement

Particulars	As at March 31, 2022		As at March 31, 2021	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial Liabilities</b>				
Amortized Cost				
Borrowings	5.33		0.00	
Trade Payables	59.58		72.54	
Other Financial Liabilities	9.36		3.18	

Trade Receivables, Trade Payables, Cash and Cash equivalents, Cash Credits, other financial assets and liabilities are stated at amortised cost which approximates their fair values.

### B. 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.

₹ In Crores

	Level 1	Level 2	Level 3
<b>As at March 31, 2022</b>			
Financial Assets			
Investment in Equity Shares	650.26	0.00	326.99
Investment in Non-Convertible Debentures	0.00	15.36	0.00
Investments in Mutual Funds	122.41	0.00	0.00
<b>As at March 31, 2021</b>			
Financial Assets :			
Investment in Equity Shares	816.47	0.00	388.30
Investment in Non-Convertible Debentures	0.00	15.61	0.00
Investments in Mutual Funds	182.86	0.00	0.00

**Notes to Standalone Financial Statement**

**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.

**₹ In Crores**

	<b>As at March 31, 2022</b>	As at March 31, 2021
<b>Payable within one year</b>		
Trade payable	<b>59.58</b>	72.54
Borrowings - Cash Credit	<b>5.33</b>	0.00

**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 and others. The Company's maximum exposure to credit risk as at 31st March, 2022 is the carrying value of each class of financial assets as on that date.

## Notes to Standalone Financial Statement

### 32. Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

The capital structure of the company consists of the following:

Particulars	₹ In Crores	
	As at March 31, 2022	As at March 31, 2021
Total equity attributable to the equity shareholders of the company	1222.52	1432.62
As percentage of total capital %	99.57	100.00
Current Borrowings	5.33	0.00
As a percentage of total capital	0.43	0.00
Total Capital (Borrowings and Equity)	1227.85	1432.62

The Company is predominantly equity financed which is evident from the capital structure table. Further, the Company has generally been a net cash surplus Company with cash and bank balances along with investment which is predominantly investment in liquid and short term mutual funds and equity shares.

### 33. Dividend:

The Board of Directors have declared an interim dividend of Rs.13/- (130%) per equity share of Rs.10/- each for the Financial Year 2021-22. The record date is fixed as 10/06/2022 for this purpose and the dividend will be paid on or before 20/06/2022. The dividend would result in cash outflow of Rs.16.22 Crores during the current year.

### 34. Corporate Social Responsibility:

	₹ In Crores	
	As at March 31, 2022	As at March 31, 2021
a) Gross amount required to be spent by the company during the year	1.10	0.98
b) Amount approved by the Board to be spent during the year	0.86	1.50
c) Amount spent during the year for the purpose other than construction / acquisition of asset	0.86	1.50

Notes to Standalone Financial Statement

35. Trade Receivables ageing schedule

2021-2022

₹ in Crores

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - considered good	88.26	0.24	0.10	0.00	0.00	88.60

2020-2021

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables - considered good	74.76	0.17	0.00	0.00	0.00	74.93

36. Trade Payables ageing schedule

2021-2022

₹ in Crores

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	
(i) MSME	0.00	0.00	0.00	0.00	0.00	0.00
(ii) Others	59.58	0.00	0.00	0.00	0.00	59.58
(iii) Disputed dues - MSME	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed dues - Others	0.00	0.00	0.00	0.00	0.00	0.00

2020-2021

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total	
(i) MSME	0.00	0.00	0.00	0.00	0.00	0.00
(ii) Others	72.54	0.00	0.00	0.00	0.00	72.54
(iii) Disputed dues - MSME	0.00	0.00	0.00	0.00	0.00	0.00
(iv) Disputed dues - Others	0.00	0.00	0.00	0.00	0.00	0.00

## Notes to Standalone Financial Statement

### 37. Disclosure of Ratios

Key Ratios	As at March 31, 2022	As at March 31, 2021	Variance %
Current Ratio (Current assets / Current liabilities)	3.87	4.67	-17%
Return on Equity Ratio (Net Profit after taxes / Average Shareholder's Equity)	4.28	4.25	1%
Inventory Turnover (Sales / Average inventory)	10.62	9.27	15%
Trade Receivable Turnover Ratio (Net credit sales / Average Accounts Receivable)	7.50	6.69	12%
Trade Payable Turnover Ratio (Purchase / Average Trade Payable)	8.17	7.85	4%
Net Capital Turnover Ratio (Net Sales/ Working Capital)*	2.40	1.77	36%
Net Profit Ratio (Net Profit / Net Sales)	9.07	9.73	-7%
Return On Capital Employed ** (EBIT / Capital Employed)	5.59	4.26	31%

\* Increased due to business growth.

\*\* Due to reduction in fair value of long term equity instruments.

**N KRISHNAN**  
Managing Director  
DIN: 00041381

**S PRASAD**  
Director  
DIN: 00063667

As per our Report of even date attached  
for **Brahmayya & Co**  
Chartered Accountants  
Firm Registration No:000511S

**MUKUND S RAGHAVAN**  
Deputy Managing Director  
DIN: 03411396

**L RAVI SANKAR**  
Partner

**S RAMASUBRAMANIAN**  
Chief Financial Officer

**S KALYANARAMAN**  
Secretary

Membership No:25929

Chennai  
28 May, 2022



## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF INDIA MOTOR PARTS & ACCESSORIES LIMITED

#### Report on the Audit of the Consolidated Ind AS financial statements

##### 1. Opinion

We have audited the accompanying Consolidated Ind AS financial statements of **India Motor Parts & Accessories Limited** ("the Parent Company"), its subsidiary (together referred to as the "Group") and its associate which comprise the Consolidated Balance Sheet as at March 31, 2022, and the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of changes in Equity and Consolidated Cash Flow Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "Consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on the financial statements of the subsidiary and associate, 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, of their consolidated state of affairs as at March 31, 2022, of consolidated profit and other comprehensive loss, consolidated changes in equity and its consolidated cash flows for the year then ended.

##### 2. Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS financial statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

##### 3. Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

##### 4. Information Other than the Financial Statements and Auditor's Report Thereon

The Parent Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Parent Company's Annual Report but does not include the Consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the Consolidated Ind AS Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Ind AS Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Ind AS Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## **5. Responsibilities of Management for the Consolidated Ind AS financial statements**

The Parent Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in term of the requirements of the Companies Act, 2013 that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive loss and consolidated cash flows of the Group including its Associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Parent Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the Group and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate are responsible for overseeing the financial reporting process of the Group and of its associate.

## **6. Auditor's Responsibilities for the Audit of the Consolidated Ind AS financial statements**

Our objectives are to obtain reasonable assurance about whether the Consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Ind AS financial statements.

## INDIA MOTOR PARTS & ACCESSORIES LIMITED

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

- a) Identify and assess the risks of material misstatement of the Consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate and to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
- e) Evaluate the overall presentation, structure and content of the Consolidated Ind AS financial statements, including the disclosures, and whether the Consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- f) Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate to express an opinion on the Consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the Consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Parent Company and such other entities included in the Consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all

relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

## 7. Other Matters

We did not audit the financial statements of the subsidiary, whose financial statements reflect total assets of Rs. 10.69 crores as at March 31, 2022, total income of Rs. 18.66 crores and net cash inflow amounting to Rs. 0.07 crores for the year ended on that date, as considered in the Consolidated Ind AS financial statements. The Consolidated Ind AS financial statements also include the Parent company's share of net profit of Rs. 3.38 crores for the year ended March 31, 2022, in respect of one associate, whose financial statements have not been audited by us. These financial statements of the subsidiary and associate company have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and associate, and our report in terms of sub-sections (3) of Section 143 of the Act, insofar as it relates to the aforesaid subsidiary and associate, is based solely on the reports of the other auditors.

Our opinion on the Consolidated Ind AS 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.

## 8. Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on the financial statements of subsidiaries and associate, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the afore said Consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements.

## INDIA MOTOR PARTS & ACCESSORIES LIMITED

- d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- e) On the basis of the written representations received from the directors of the Parent Company as on March 31, 2022 taken on record by the Board of Directors of the Parent Company and the reports of the statutory auditors of its subsidiary company and associate company incorporated in India, none of the directors of the Group and its associate company incorporated in India is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of internal financial controls over financial reporting of the Group 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 the requirements of section 197(16) of the Act, as amended:  
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Group to its directors during the year is in accordance with the provisions of section 197 of the Act read with schedule V to the Act.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Consolidated Ind AS Financial Statements has disclosed the impact of pending litigations on its financial position in its Consolidated Ind AS financial statements.
  - (ii) The Group and its associate 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 Parent Company and there were no amounts which were required to be transferred to the Investor Education and Protection Fund by its Subsidiary and its Associate incorporated in India during the year ended March 31, 2022.
- (iv) (a) The respective Managements of the company and its subsidiary and associate which are companies incorporated in India, whose financial statements have been audited under the Companies Act, have represented to us and the other auditors of such subsidiary and associate respectively that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiary and associate to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiary and associate ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The respective Managements of the company and its subsidiary and associate which are incorporated in India, whose financial statements have been audited under the

Companies Act, have represented to us and the other auditors of such subsidiary and associate respectively that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiary and associate from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiary and associate shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

- (c) Based on the audit procedures that we have considered reasonable and appropriate in the circumstances performed by us and the auditors of the subsidiary and associate which are companies incorporated in India whose financial statements have been audited under the Companies Act, nothing has come to our or other auditors notice that has caused us or other auditors to believe that the representations as provided under (a) and (b) above, contain any material misstatement.
  - (v) (a) The final dividend paid by the parent company and subsidiary company during the year in respect of the same declared for the previous year is in accordance with section 123 of the Companies Act 2013 to the extent it applies to payment of dividend.
    - b) The interim dividend declared by the parent company during the year is in accordance with section 123 of the Companies Act, 2013 to the extent it applies to declaration of dividend. However, the said dividend was not paid on the date of this report.
2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, according to the information and explanations given to us, and based on the CARO reports issued by us for the Parent Company and reports of subsidiary company and associate company issued by the respective auditors included in the consolidated financial statements, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in the CARO reports.

For **Brahmayya & Co.**  
Chartered Accountants  
Firm Regn No. 00511S

**L.Ravi Sankar**  
Partner

Place : Chennai  
Date : May 28, 2022

Membership No.025929  
UDIN No:22025929AJUAPR1589



**“Annexure - A” to the Auditors’ Report**

**Referred to in Paragraph 8 of Our Report of Even Date**

**Report on the Internal Financial Controls over Financial Reporting with reference to aforesaid Consolidated Ind AS Financial Statements under Clause (i) of Sub-Section 3 of Section 143 of the Companies, Act, 2013 (“the Act”)**

In conjunction with our audit of the Consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2022, we have audited the internal financial controls over financial reporting of India Motor Parts & Accessories Limited (hereinafter referred to as “the Parent Company”) and its subsidiary company and associate company, which are companies incorporated in India, as of that date.

**Management’s Responsibility for Internal Financial Controls**

The respective Board of Directors of the Parent company, its subsidiary companies, its associate companies which are companies incorporated in India, are 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 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 the respective 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.

**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”) issued by the ICAI 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 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, 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 and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors referred to in the Other Matters paragraph below, the Parent Company, its subsidiary company and associate company, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2022, 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.

## Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to one subsidiary company and one associate company which are incorporated in India, is based on the corresponding report of the auditors of such company incorporated in India.

For **Brahmayya & Co.**  
Chartered Accountants  
Firm Regn No. 00511S

**L.Ravi Sankar**  
Partner

Place : Chennai  
Date : May 28, 2022

Membership No. 025929  
UDIN No: 22025929AJUAPR1589



# INDIA MOTOR PARTS & ACCESSORIES LIMITED

## CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2022

Amount in ₹ Crores

Particulars	Notes	March 31, 2022	March 31, 2021
<b>I. ASSETS</b>			
<b>(1) Non - Current Assets</b>			
(a) Property, Plant and Equipment	1	14.03	13.99
(b) Other Intangible assets	2	2.67	2.67
(c) Financial Assets			
(i) Investment - Equity Instruments	3 (a)	1002.73	1227.92
(ii) Investment - Fixed Maturity Plan	3 (b)	41.70	-
Total Non - Current Assets		<u>1061.13</u>	<u>1244.58</u>
<b>(2) Current Assets</b>			
(a) Inventories	4	69.41	50.84
(b) Financial Assets			
(i) Current Investments	5	123.20	183.89
(ii) Trade Receivables ( Refer Note 35 )	6	91.29	77.07
(iii) Cash and Cash Equivalents	7A	12.58	29.37
(iv) Bank Balances other than cash and cash equivalents	7B	3.05	38.28
(v) Other current financial assets	8	2.37	2.52
(c) Current Tax Assets (net)	9	2.47	0.86
(d) Other Current assets	10	3.08	3.81
Total Current Assets		<u>307.45</u>	<u>386.64</u>
<b>TOTAL ASSETS</b>		<u><b>1368.58</b></u>	<u><b>1631.22</b></u>
<b>II. EQUITY AND LIABILITIES</b>			
<b>(1) Equity</b>			
(a) Equity Share Capital	11	12.48	12.48
(b) Other Equity	12	1221.55	1428.50
Total Equity		<u>1234.03</u>	<u>1440.98</u>
Non-Controlling interest		<u>0.83</u>	<u>0.77</u>
Total Equity		<u>1234.86</u>	<u>1441.75</u>
<b>LIABILITIES</b>			
<b>(2) Non - Current Liabilities</b>			
(a) Deferred tax liabilities (Net)	13	45.18	97.96
(b) Provisions	14	8.51	8.58
Total Non - Current Liabilities		<u>53.69</u>	<u>106.54</u>
<b>(3) Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	15	5.33	0.00
(ii) Trade Payables			
(A) Total outstanding dues of micro enterprise and small enterprises		-	-
(B) Total outstanding dues of creditors other than micro enterprise and small enterprises (Refer Note 36)	16	61.73	74.00
(iii) Other Financial Liabilities	17	3.36	3.18
(b) Other Current Liabilities	18	9.50	5.66
(c) Provisions	19	0.11	0.09
Total Current Liabilities		<u>80.03</u>	<u>82.93</u>
Total Liabilities		<u>133.72</u>	<u>189.47</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><b>1368.58</b></u>	<u><b>1631.22</b></u>

Significant Accounting Policies

A

The accompanying notes are an integral part of the financial statements

**N KRISHNAN**  
Managing Director  
DIN: 00041381

**S PRASAD**  
Director  
DIN: 00063667

As per our Report of even date attached  
for **Brahmayya & Co**  
Chartered Accountants  
Firm Registration No:000511S

**MUKUND S RAGHAVAN**  
Deputy Managing Director  
DIN: 03411396

**L RAVI SANKAR**  
Partner  
Membership No:25929

**S RAMASUBRAMANIAN**  
Chief Financial Officer  
Chennai  
28th May, 2022

**S KALYANARAMAN**  
Secretary

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

Amount in ₹ Crores

Particulars	Notes	March 31, 2022	March 31, 2021
<b>REVENUE</b>			
Revenue from operations	20	646.09	531.53
Other income	21	14.88	22.43
<b>Total Income</b>		<b>660.97</b>	<b>553.96</b>
<b>EXPENSES</b>			
Purchase of Stock-in-Trade	22	555.65	430.17
Changes in inventories - Stock-in-Trade	23	(17.88)	11.84
Employee benefits expense	24	29.79	26.23
Finance Cost		0.08	0.03
Depreciation and amortization expense	25	0.81	0.89
Other expenses	26	20.10	18.10
<b>Total expenses</b>		<b>588.55</b>	<b>487.26</b>
<b>Profit before tax</b>		<b>72.42</b>	<b>66.70</b>
Share of Profit / (Loss) from associate		3.38	1.78
Current tax		(17.31)	(13.00)
Deferred tax - Reversal		1.85	(2.51)
Reversal of Tax Provision relating to earlier years (net)		0.53	0.00
<b>Total Income tax expense</b>		<b>(14.93)</b>	<b>(15.51)</b>
<b>Profit after tax for the year</b>		<b>60.87</b>	<b>52.97</b>
Profit attributable to Owner's equity		60.75	52.89
Profit attributable to Non-Controlling Interest		0.12	0.08
Other comprehensive income			
(i) Item that will not be reclassified to Profit or Loss			
a) Equity Instruments through other comprehensive income		(306.06)	490.62
b) Re-measurement (loss) / gain on defined benefit plans		0.70	0.10
c) Income tax effect on items that will not be reclassified to profit or loss		50.93	(43.59)
Share of Other Comprehensive Income (net of tax) - Associate		0.22	0.00
<b>Other Comprehensive income/(loss) for the year, net of tax</b>		<b>(254.21)</b>	<b>447.13</b>
<b>Total comprehensive income for the year</b>		<b>(193.34)</b>	<b>500.10</b>
<b>Earnings per Equity Share</b>			
Basic earnings per share (In rupees)		48.68	42.44
Diluted earnings per share (In rupees)		48.68	42.44

Significant Accounting Policies

A

The accompanying notes are an integral part of the financial statements

**N KRISHNAN**  
Managing Director  
DIN: 00041381

**S PRASAD**  
Director  
DIN: 00063667

As per our Report of even date attached  
for **Brahmayya & Co**  
Chartered Accountants  
Firm Registration No:000511S

**MUKUND S RAGHAVAN**  
Deputy Managing Director  
DIN: 03411396

**S RAMASUBRAMANIAN**  
Chief Financial Officer  
Chennai  
28th May, 2022

**S KALYANARAMAN**  
Secretary

**L RAVI SANKAR**  
Partner  
Membership No:25929

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

Amount in ₹ Crores

Particulars	Amount
<b>(a) Equity share capital</b>	
Balance as at April 01, 2020	12.48
Changes in equity share capital during the previous year	0.00
Balance as at March 31, 2021	12.48
Changes in equity share capital during the current year	0.00
Balance as at March 31, 2022	<b>12.48</b>

**(b) Other equity**

Particulars	Capital Reserves	General Reserves	Retained Earnings	Comprehensive Income		Owner's equity	Non-Controlling Interest	Total
				Gains / (losses) from equity investments through OCI	Other Items of Other Comprehensive Income			
<b>Balance at 31st March 2020</b>	<b>4.69</b>	<b>275.25</b>	<b>45.15</b>	<b>601.01</b>	<b>(0.20)</b>	<b>925.90</b>	<b>0.69</b>	<b>926.59</b>
Profit for the year	0.00	0.00	52.89	0.00	0.00	52.89	0.08	52.97
Other Comprehensive Income for the year	0.00	0.00	0.00	447.05	0.08	447.13	0.00	447.13
<b>Total Comprehensive Income for the year</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>447.05</b>	<b>0.08</b>	<b>447.13</b>	<b>0.00</b>	<b>447.13</b>
Reserves arising on account of amalgamation in Associate Company	2.58	0.00	0.00	0.00	0.00	2.58	0.00	2.58
Transfer to General Reserve	0.00	30.00	(30.00)	0.00	0.00	0.00	0.00	0.00
Sub-Total	2.58	30.00	22.89	447.05	0.08	502.60	0.08	502.68

<b>Balance at 31st March 2021</b>	<b>7.27</b>	<b>305.25</b>	<b>68.04</b>	<b>1048.06</b>	<b>(0.12)</b>	<b>1428.50</b>	<b>0.77</b>	<b>1429.27</b>
Profit for the year	0.00	0.00	60.75	0.00	0.00	60.75	0.12	60.87
Other Comprehensive Income for the year	0.00	0.00	0.00	(254.73)	0.52	(254.21)	0.00	(254.21)
<b>Total Comprehensive Income for the year</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>(254.73)</b>	<b>0.52</b>	<b>(254.21)</b>	<b>0.00</b>	<b>(254.21)</b>
Reserves arising on account of amalgamation in Associate Company	(1.01)	0.00	0.00	0.00	0.00	(1.01)	0.00	(1.01)
Dividends paid	0.00	0.00	(12.48)	0.00	0.00	(12.48)	(0.06)	(12.54)
Sub-Total	(1.01)	0.00	48.27	(254.73)	0.52	(206.95)	0.06	(206.89)
<b>Balance at 31st March 2022</b>	<b>6.26</b>	<b>305.25</b>	<b>116.31</b>	<b>793.33</b>	<b>0.40</b>	<b>1221.55</b>	<b>0.83</b>	<b>1222.38</b>

**N KRISHNAN**  
Managing Director  
DIN: 00041381

**MUKUND S RAGHAVAN**  
Deputy Managing Director  
DIN: 03411396

**S RAMASUBRAMANIAN**  
Chief Financial Officer

Chennai  
28th May, 2022

**S PRASAD**  
Director  
DIN: 00063667

**S KALYANARAMAN**  
Secretary

As per our Report of even date attached for **Brahmayya & Co**  
Chartered Accountants  
Firm Registration No:000511S

**L RAVI SANKAR**  
Partner  
Membership No:25929

**INDIA MOTOR PARTS & ACCESSORIES LIMITED**
**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022**

Amount in ₹ Crores

Particulars	2021-2022	2020-2021
<b>(1) Cash flow from Operating Activities</b>		
(a) Net Profit Before tax	<b>72.42</b>	66.70
Adjustments for:		
Depreciation	<b>0.81</b>	0.89
Dividend Income	<b>(5.43)</b>	(4.62)
Interest Income from Bank Deposits and others	<b>(3.59)</b>	(4.56)
Loss on Sale of Assets	<b>0.01</b>	0.01
Profit on Sale of Investments / Changes in Fair Value	<b>(5.78)</b>	(13.21)
(b) Operating Profit before Working Capital Changes	<b>58.44</b>	45.21
Adjustment for:		
Decrease/ (Increase) in Trade Receivables	<b>(14.22)</b>	2.03
Decrease / (Increase) in Loans & Advances	<b>0.90</b>	4.56
Decrease / (Increase) in Inventories	<b>(18.57)</b>	12.03
(Decrease) / Increase in Trade Payable and other liabilities	<b>(10.59)</b>	39.28
(c) Cash Generated from Operations	<b>15.96</b>	103.11
Less: Direct Taxes Paid (Net)	<b>(18.33)</b>	(11.67)
Net Cash flow from Operating Activities	<b>(2.37)</b>	91.44
<b>(B) Cash flow from Investing Activities</b>		
Sale of Fixed Assets	<b>0.03</b>	0.01
Proceeds from Sale/ Redemption of Mutual Fund Investments	<b>730.79</b>	538.27
Dividend received	<b>5.97</b>	4.62
Proceeds from maturity of deposits with bank and others	<b>36.54</b>	0.00
Deposits with Bank and others	<b>(1.40)</b>	(36.54)
Interest Income from Bank Deposits and others	<b>3.86</b>	4.58
Purchase of Fixed Assets	<b>(0.89)</b>	(0.20)
Purchase of Equity Shares	<b>(78.54)</b>	(50.80)
Advance received for sale of Property	<b>3.01</b>	0.00
Proceeds from sale of Non Convertible Debenture	<b>0.00</b>	10.07
Purchase of Mutual Fund Investments	<b>(706.04)</b>	(543.35)
Net Cash used in Investing Activities	<b>(6.67)</b>	(73.34)

## CONSOLIDATED CASH FLOW STATEMENT (Contd.)

Amount in ₹ Crores

Particulars	2021-2022	2020-2021
<b>(C) Cash flow from Financing Activities</b>		
Cash Credit -Borrowings	5.33	(13.58)
Dividend Paid	(13.08)	-
Net Cash flow from Financing Activities	(7.75)	(13.58)
<b>(D) Net Increase / (Decrease) in Cash &amp; Cash Equivalents</b>	<b>(16.79)</b>	<b>4.52</b>
Cash & Cash Equivalent at beginning of the year	29.37	24.85
Cash & Cash Equivalent at the end of the year	12.58	29.37
Items forming part of cash and cash equivalents		
Balances with Banks	1.32	4.13
Cheques and Drafts on hand	7.74	5.71
Cash on hand	0.34	0.29
Remittances in Transit	3.18	3.89
Short Term Deposits with Banks	0.00	15.35
	12.58	29.37

**N KRISHNAN**  
Managing Director  
DIN: 00041381

**MUKUND S RAGHAVAN**  
Deputy Managing Director  
DIN: 03411396

**S RAMASUBRAMANIAN**  
Chief Financial Officer  
Chennai  
28th May, 2022

**S PRASAD**  
Director  
DIN: 00063667

**S KALYANARAMAN**  
Secretary

As per our Report of even date attached  
for **Brahmayya & Co**  
Chartered Accountants  
Firm Registration No:000511S

**L RAVI SANKAR**  
Partner  
Membership No:25929

**CONSOLIDATED NOTES ON ACCOUNTS**

**Note 1**

**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 2022.

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:

Name of the Entity	Relationship	Country of Incorporation	% of Holding and Voting power
CAPL Motor Parts Private Limited	Subsidiary	India	90.00%
Transenergy Private Limited	Associate	India	36.45%

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

**CONSOLIDATED NOTES ON ACCOUNTS (Contd.)****Non controlling Interest:**

During this Financial year 2021-22, 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.

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 115 as applicable at the fair value of the consideration received or receivable and net of returns, trade allowances, rebates, discounts and amounts collected on behalf of third parties. It excludes Goods and Service tax.

**i. Sale of Products:**

Revenue from sale of products is recognized, when the company satisfies performance obligation by transferring promised goods to the customer. Performance obligations are satisfied at the point of time when the customer obtains controls of the asset.

Revenue is measured based on transaction price, which is the fair value of the consideration received or receivable, stated net of discounts returns and Goods and Service Tax.

**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 income 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 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 Goods and Service Tax, to the extent credit of the GST is availed.



### CONSOLIDATED NOTES ON ACCOUNTS (Contd.)

Depreciation and amortization:

1. 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.
2. 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 Government administered provident fund scheme in accordance with the Provident Fund rules.

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.

**CONSOLIDATED NOTES ON ACCOUNTS (Contd.)****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.

**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.

CONSOLIDATED NOTES ON ACCOUNTS (Contd.)

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

i. 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 and Contingent Liabilities:**

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.

Contingent liabilities exist when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company, or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required or the amount cannot be reliably estimated. Contingent liabilities are appropriately disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

**11. Cash and cash equivalents and cash flow statement:**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value. Cash flows are reported using the indirect method, whereby profit/ (loss) before extraordinary items and tax is appropriately classified for the effects of transactions of non-cash nature and any deferrals or accruals of past or future receipts or payments. In cash flow statement, cash and cash equivalents include cash in hand, balances with banks in current accounts and short term deposits

**12. Earnings Per Share:**

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period.

Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

Description	Gross Block						Depreciation			Net Block	
	As at 01.04.2021	Additions	Deductions	As at 31.03.2022	As at 01.04.2021	For the Year	Deductions	As at 31.03.2022	As at 31.03.2021	As at 31.03.2022	
<b>Note 1 - Property, Plant &amp; Equipment</b>											
Freehold Land (Refer note)	6.34	0.00	0.00	6.34	0.00	0.00	0.00	0.00	6.34	6.34	
Leasehold land & Building	0.44	0.00	0.00	0.44	0.06	0.00	0.00	0.06	0.38	0.38	
Building	4.75	0.00	0.00	4.75	0.74	0.17	0.00	0.91	4.01	3.84	
Plant & Equipments	0.49	0.40	0.18	0.71	0.12	0.20	0.17	0.15	0.37	0.56	
Others - Electrical Fittings	0.04	0.01	0.00	0.05	0.01	0.00	0.00	0.01	0.03	0.04	
Office Equipments	1.02	0.02	0.01	1.03	0.59	0.02	0.01	0.61	0.43	0.42	
Furniture & Fixtures	1.76	0.30	0.02	2.04	0.55	0.18	0.02	0.71	1.21	1.33	
Vehicles	1.76	0.16	0.08	1.84	0.54	0.24	0.06	0.72	1.22	1.12	
<b>SUB TOTAL (A)</b>	16.60	0.89	0.29	17.20	2.61	0.81	0.26	3.17	13.99	14.03	

**Note 2 - Intangible Assets**

Computer Software	1.24	0.00	0.00	1.24	1.24	0.00	0.00	1.24	0.00	0.00
Goodwill	2.67	0.00	0.00	2.67	0.00	0.00	0.00	0.00	2.67	2.67
<b>SUB TOTAL (B)</b>	3.91	0.00	0.00	3.91	1.24	0.00	0.00	1.24	2.67	2.67
<b>Total [A + B]</b>	20.51	0.89	0.29	21.11	3.85	0.81	0.26	4.41	16.66	16.70

Note: Value of Freehold land includes undivided share of land (UDS) of value of ₹ 3.42 Crores. (Previous year - ₹ 3.42 Crores)

## INDIA MOTOR PARTS & ACCESSORIES LIMITED

### CONSOLIDATED NOTES TO FINANCIAL STATEMENTS (Contd.)

Amount in ₹ Crores

Note	Particulars	March 31, 2022	March 31, 2021
<b>3</b>	<b>Investments</b>		
<b>3(a)</b>	<b>Investments in Equity Instruments</b>		
	<b>Investments at Cost</b>		
	Unquoted Investment - Associate - Non Trade		
	Transenergy Private Limited	<b>10.12</b>	7.54
	1,00,000 equity shares of Face Value ₹ 100/- each		
	Quoted Investments - Others - Non Trade		
	Investments designated at Fair Value Through Other Comprehensive Income		
	Sundaram Finance Limited	<b>562.39</b>	745.07
	(28,98,600 equity shares of Face Value Rs.10/- each)		
	Sundaram Finance Holding Limited	<b>31.60</b>	21.69
	45,60,219 (PY - 28,53,600) equity shares of Face Value Rs.5/- each		
	(17,06,619 equity shares of Face value of Rs. 5/- each acquired by way of right issue during the year)		
	Wheels India Limited	<b>56.27</b>	49.71
	(10,98,655 equity shares of Face Value Rs.10/- each)		
	Unquoted Investments - Others - Non Trade		
	Royal Sundaram General Insurance Co. Ltd	<b>270.17</b>	388.30
	3,27,75,522 equity shares of Face Value ₹ 10/- each		
	Brakes India Private Limited	<b>56.82</b>	0.00
	(36,874 equity shares of Face Value Rs.100/ each purchased during the year)		
	<b>Investments in Debentures</b>		
	<b>Investments designated at Fair Value through Profit and Loss</b>		
	8.15% Non Convertible Debentures of Sundaram Home Finance Ltd.	<b>15.36</b>	15.61
	During the year 2020-21 the Company has sold debentures of ₹ 10 Crores (100 units @ Face Value of ₹ 10,00,000/- each)		
	<b>TOTAL</b>	<b>1002.73</b>	1227.92
	Aggregate amount of quoted investments and market value	<b>650.26</b>	816.47
	Aggregate amount of unquoted investments	<b>352.48</b>	411.45

Note	Particulars	March 31, 2022	March 31, 2021
<b>3(b)</b>	<b>Investments in Fixed Maturity Plan Mutual Funds</b>		
	<b>Investments at Amortized Cost</b>		
	SBI FMP SERIES 58 DIRECT - GROWTH (99,99,500.25 units at Face Value of Rs.10)	10.15	0.00
	SBI FMP SERIES 61 DIRECT - GROWTH (1,49,99,250.037 units at Face Value of Rs.10)	16.40	0.00
	SBI FMP SERIES 53 - DIRECT GROWTH (49,99,750.012 units at Face Value of Rs.10)	5.08	0.00
	SBI FMP SERIES 56 - DIRECT GROWTH (99,99,500.25 units at Face Value of Rs.10)	10.07	0.00
	<b>TOTAL</b>	<b>41.70</b>	<b>0.00</b>
	<b>CURRENT ASSETS</b>		
<b>4</b>	<b>Inventories</b>		
	Stock in Trade	<b>68.72</b>	50.83
	Goods in Transit / Stock in Transit	<b>0.69</b>	0.01
	<b>TOTAL</b>	<b>69.41</b>	<b>50.84</b>

## INDIA MOTOR PARTS & ACCESSORIES LIMITED

### CONSOLIDATED NOTES TO FINANCIAL STATEMENTS (Contd.)

Particulars	Face Value Per Unit ₹	No of Units	Amount in ₹ Crores	
			AS ON 31.03.2022 Fair Value (₹ in Crores)	AS ON 31.03.2021 Fair Value (₹ in Crores)
<b>5 Current Investments</b>				
<b>Investments in Mutual Funds</b>				
HDFC FMP - SERIES 38 GROWTH	10.00	1,50,00,000	0.00	19.30
HDFC FMP - SERIES 40 - DIRECT - GROWTH	10.00	1,40,00,000	0.00	17.66
SUNDARAM FIXED TERM PLAN IJ - DIRECT - GROWTH	10.00	1,50,00,000	0.00	18.83
SUNDARAM FIXED TERM PLAN IS - DIRECT - GROWTH	10.00	1,60,00,000	20.10	19.28
HDFC FMP - SERIES 42 - DIRECT - GROWTH	10.00	1,00,00,000	13.41	12.85
HDFC FMP - SERIES 44 - DIRECT - GROWTH	10.00	50,00,000	6.29	6.04
SBI DEBT FUND SERIES C 48 - DIRECT - GROWTH	10.00	1,00,00,000	12.61	12.06
SBI DEBT FUND SERIES C 49 - DIRECT - GROWTH	10.00	2,50,00,000	31.32	29.99
SBI DEBT FUND SERIES C 50 - DIRECT - GROWTH	10.00	50,00,000	6.24	5.97
AXIS FIXED TERM PLAN - SERIES 104 - DIRECT- GROWTH	10.00	1,00,00,000	12.44	11.94
SUNDARAM CORPORATE BOND FUND -DIRECT-GROWTH	26.54	15,07,125	5.04	4.83
Sundaram Alternate OPP Series High Yield Secured Debt Fund Series I			1.35	11.54
Sundaram Alternate OPP Series High Yield Secured Debt Fund Series II			9.94	7.44
Sundaram Alternate OPP Series High Yield Secured Debt Fund Series III			3.67	0.00
Sundaram Money Fund - Direct Growth			0.00	5.13
Sundaram Liquid Fund Direct Growth			0.79	1.03
<b>TOTAL</b>			<b>123.20</b>	<b>1,83.89</b>
Aggregate amount of unquoted investments			<b>123.20</b>	183.89
Investments carried at Amortized Cost			<b>123.20</b>	183.89

## CONSOLIDATED NOTES TO FINANCIAL STATEMENTS (Contd.)

Amount in ₹ Crores

Note	Particulars	March 31, 2022	March 31, 2021
<b>6</b>	<b>Trade Receivables</b>		
	- Unsecured - considered good ( Refer Note 35 )	<b>91.29</b>	77.07
	<b>TOTAL</b>	<b>91.29</b>	77.07
<b>7A</b>	<b>Cash &amp; Cash Equivalents</b>		
	Cash on hand	<b>0.34</b>	0.29
	Balances with Banks	<b>1.32</b>	4.13
	Cheques and Drafts on hand	<b>7.74</b>	5.71
	Remittances in Transit	<b>3.18</b>	3.89
	Balances with bank in call and short-term deposit accounts (original maturity less than 3 months)	<b>0.00</b>	15.35
	<b>TOTAL</b>	<b>12.58</b>	29.37
<b>7B</b>	<b>Bank balances other than cash &amp; cash equivalents</b>		
	Balances with Banks for Unclaimed / Unpaid Dividends	<b>1.48</b>	1.54
	Others - Guarantee Deposit	<b>0.17</b>	0.20
	Short Term Deposits with Banks & Others	<b>1.40</b>	36.54
	<b>TOTAL</b>	<b>3.05</b>	38.28
<b>8</b>	<b>Other Current Financial Assets</b>		
	Security Deposit	<b>1.16</b>	1.02
	Advances to Employees and Others	<b>0.24</b>	0.20
	Deposit with Governments and others	<b>0.03</b>	0.05
	Interest Income accrued on Investments in Non Convertible Debenture and Alternate Investment Funds	<b>0.94</b>	1.25
	<b>TOTAL</b>	<b>2.37</b>	2.52
<b>9</b>	<b>Current Tax Assets (net)</b>		
	Advance Tax and T.D.S. (Net of Provision for tax) (includes refunds due)	<b>2.47</b>	0.86
	<b>TOTAL</b>	<b>2.47</b>	0.86
<b>10</b>	<b>Other Current Assets</b>		
	Advances recoverable in Kind	<b>2.50</b>	3.57
	Prepaid Expenses	<b>0.17</b>	0.21
	Sundry Advances	<b>0.01</b>	0.03
	Others - Gratuity Fund	<b>0.40</b>	0.00
	<b>TOTAL</b>	<b>3.08</b>	3.81



## INDIA MOTOR PARTS & ACCESSORIES LIMITED

### CONSOLIDATED NOTES TO FINANCIAL STATEMENTS (Contd.)

Amount in ₹ Crores

Note	Particulars	March 31, 2022	March 31, 2021
	<b>EQUITY</b>		
<b>11</b>	<b>Equity Share Capital</b>		
	<b>a. Authorised Share Capital</b>		
	<b>Equity Shares</b>		
	2,00,00,000/- Equity Shares of ₹ 10/- each	<b>20.00</b>	20.00
	<b>b. Issued, Subscribed &amp; Paid-up Capital</b>		
	1,24,80,000/- Equity shares of ₹ 10/- each	<b>12.48</b>	12.48
	<b>c. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period:</b>	<b>March 31, 2022</b>	March 31, 2021
	Equity Shares of ₹ 10/- each		
	Outstanding at the beginning of the year (No. of Shares)	<b>1,24,80,000</b>	1,24,80,000
	Outstanding at the beginning of the year ₹ Crores	<b>12.48</b>	12.48
	Changes in equity share capital during the year (No. of Shares)	-	-
	Change in equity Share Capital during the year ₹ Crores	<b>0.00</b>	0.00
	Outstanding at the end of the year (No. of Shares)	<b>1,24,80,000</b>	1,24,80,000
	Outstanding at the end of the year ₹ Crores	<b>12.48</b>	12.48
	<b>d. Rights, Preferences and restrictions</b>		
	The Company has only one class of equity shares having a par value of Rs. 10/- per share. Each member is entitled to one vote by e-voting (remote e-voting / e-voting at the meeting), every shareholder is entitled to vote in proportion to their holdings.		
	<b>e. Details of shareholder holding more than 5% shares in the company</b>		
	M/s T V Sundram Iyengar & Sons Private Limited	-	2729148
	(upto 3rd February 2022 )	-	21.87%
	M/s Trichur Sundaram Santhanam & Family Private Limited	<b>2729148</b>	-
	(From 4th February 2022 )	<b>21.87%</b>	-
	M/s Sundaram Finance Holdings Limited	<b>2395314</b>	2323705
		<b>19.19%</b>	18.62%
	M/s. Pari Washington India Master Fund Limited	<b>888667</b>	943667
		<b>7.12%</b>	7.56%
	<b>f. During the year 2019-20, the company had allotted 41,60,000 Equity Shares of ₹ 10/- each as fully paid up by way of Bonus shares</b>		

## CONSOLIDATED NOTES TO FINANCIAL STATEMENTS (Contd.)

Amount in ₹ Crores

Note Particulars March 31, 2022 March 31, 2021

g. Pursuant to the NCLT approval of the composite scheme of amalgamation and arrangement, involving, inter-alia, T V Sundram Iyengar & Sons Private Limited (“TVSS”), Sundaram Industries Private Limited (“SIPL”), Southern Roadways Private Limited (“SRPL”) and Trichur Sundaram Santhanam & Family Private Limited (“TSSFPL”), 27,29,148 equity shares of India Motor Parts and Accessories Limited (“IMPAL”) representing 21.87% of the paid up capital of ‘IMPAL’, held by “TVSS”, have been transferred to “TSSFPL” on 04th February, 2022.

### h. Disclosure of Shareholding of Promoters

Promoters	No of Shares 2021-22	% of holding	No of Shares 2020-21	% of holding	% Change during the year
<b>Bodies Corporate</b>					
T V Sundram Iyengar & Sons Private Limited	-	-	2729148	21.87%	-21.87%
Trichur Sundaram Santhanam & Family Private Limited	2729148	21.87%	-	-	21.87%
<b>Individual</b>					
Sri S. Ram	29850	0.24%	29850	0.24%	0.00%
Sri. S. Viji	70986	0.57%	70986	0.57%	0.00%
Ms. Vijaya Rangarajan	141007	1.13%	141007	1.13%	0.00%
Sri R. Ramanujam	3516	0.03%	3516	0.03%	0.00%

Note Particulars March 31, 2022 March 31, 2021

### 12 Other Equity

Capital Reserves

Opening Balance 7.27 4.69

Add: Reserves arising on amalgamation of associate (1.01) 2.58

**Closing Balance A 6.26 7.27**

General Reserves

Opening Balance 305.25 275.25

Add: Transfer from Retained Earnings - 30.00

**Closing Balance B 305.25 305.25**

## INDIA MOTOR PARTS & ACCESSORIES LIMITED

### CONSOLIDATED NOTES TO FINANCIAL STATEMENTS (Contd.)

		Amount in ₹ Crores	
Note	Particulars	March 31, 2022	March 31, 2021
	Retained Earnings		
	Surplus/(Deficit) in the Profit and Loss b/f	68.04	45.15
	Add: Current Year profits/loss	60.75	52.89
	Less: Transfer to General Reserve	-	(30.00)
	Less: Dividend	(12.48)	-
	<b>Closing Retained Earnings</b>	<b>116.31</b>	<b>68.04</b>
	<p>The amount that can be distributed by the Company as dividends to its equity shareholders is determined based on the financial statements of the Company and also considering the requirements of the Companies Act, 2013. Thus, the amounts reported under retained earnings are not distributable in entirety.</p>		
	Total Reserves and Surplus	A+B+C	427.82
	Other Comprehensive Income		380.56
	Gains / (losses) from equity investments through OCI		
	Opening Balance	1048.06	601.01
	Change during the year (net)	(254.73)	447.05
	Closing Balance	793.33	1048.06
	<p>The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within the equity till the same is derecognised/disposed off.</p>		
	Remeasurement of Defined Benefit Obligations		
	Opening Balance	(0.12)	(0.20)
	Change during the year (net)	0.52	0.08
	<b>Closing Balance</b>	<b>0.40</b>	<b>(0.12)</b>
	<p>Re-measurements of defined benefit liability comprises actuarial gains and losses.</p>		
	<b>Total Other Equity</b>	<b>1221.55</b>	<b>1428.50</b>
	<b>LIABILITIES</b>		
<b>13</b>	<b>Deferred Tax Liability (net)</b>		
	Deferred Tax Liability	47.18	99.98
	Deferred Tax Assets	(2.00)	(2.02)
	<b>TOTAL</b>	<b>45.18</b>	<b>97.96</b>

## CONSOLIDATED NOTES TO FINANCIAL STATEMENTS (Contd.)

Note	Particulars	Amount in ₹ Crores	
		March 31, 2022	March 31, 2021
<b>14</b>	<b>Long Term Provisions</b>		
	For Employee Benefits - Compensated Absences	0.46	0.53
	For Financial Covenants	8.05	8.05
	<b>TOTAL</b>	<b>8.51</b>	<b>8.58</b>
<b>15</b>	<b>Borrowings</b>		
	Secured Loans		
	Cash Credit from Bank (Secured by First Pari-passu charge on inventory and receivables of the Company.)	5.33	0.00
	<b>TOTAL</b>	<b>5.33</b>	<b>0.00</b>
<b>16</b>	<b>Trade Payable - Current</b>		
	(i) Total outstanding dues of micro enterprises and small enterprises	-	-
	(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises(*)	61.73	74.00
	*(Of the above, Trade payable to related parties - refer note no.28.2)		
	<b>TOTAL</b>	<b>61.73</b>	<b>74.00</b>
<b>17</b>	<b>Other Financial Liabilities - Current</b>		
	Commission payable to Directors	1.88	1.36
	Gratuity payable	0.00	0.28
	Unclaimed dividends	1.48	1.54
	<b>TOTAL</b>	<b>3.36</b>	<b>3.18</b>
<b>18</b>	<b>Other Current Liabilities</b>		
	For expenses	2.74	3.03
	GST payable	1.33	0.17
	Other payables	2.42	2.46
	Advance received for sale of Property	3.01	0.00
	<b>TOTAL</b>	<b>9.50</b>	<b>5.66</b>
<b>19</b>	<b>Short Term Provisions</b>		
	Provision for Employee Benefits - Compensated Absences	0.11	0.09
	<b>TOTAL</b>	<b>0.11</b>	<b>0.09</b>

## INDIA MOTOR PARTS & ACCESSORIES LIMITED

### CONSOLIDATED NOTES TO FINANCIAL STATEMENTS (Contd.)

Note	Particulars	Amount in ₹ Crores	
		March 31, 2022	March 31, 2021
<b>20</b>	<b>Revenue from operations</b>		
	Sales - Less Returns		
	Sale of Products / Services	<b>644.56</b>	530.45
	Other Operating Revenue	<b>1.53</b>	1.08
	<b>TOTAL</b>	<b>646.09</b>	531.53
<b>21</b>	<b>Other income</b>		
	Dividend Income	<b>5.43</b>	4.62
	Profit on Sale/Fair value Change of Mutual Funds and NCD	<b>5.78</b>	12.29
	Interest Income from Bank Deposits and Others	<b>3.59</b>	5.49
	Other non operating income	<b>0.08</b>	0.03
	<b>TOTAL</b>	<b>14.88</b>	22.43
<b>22</b>	<b>Purchase of Stock-in-Trade</b>		
	Purchase Less Returns	<b>555.65</b>	430.17
	<b>TOTAL</b>	<b>555.65</b>	430.17
<b>23</b>	<b>Changes In Inventories - Stock-in-Trade</b>		
	Opening Stock	<b>50.83</b>	62.67
	Closing Stock	<b>68.72</b>	50.83
	<b>(Increase)/Decrease in inventories</b>	<b>(17.89)</b>	11.84
<b>24</b>	<b>Employee benefits expense</b>		
	Salaries, Bonus and other allowances	<b>25.94</b>	23.03
	Company's contribution to Provident fund, gratuity and other funds	<b>2.72</b>	2.41
	Staff Welfare Expenses	<b>1.13</b>	0.79
	<b>TOTAL</b>	<b>29.79</b>	26.23
<b>25</b>	<b>Depreciation and amortization expense</b>		
	Depreciation of property, plant and equipment	<b>0.81</b>	0.75
	Amortization of intangible assets	<b>0.00</b>	0.14
	<b>TOTAL</b>	<b>0.81</b>	0.89

## CONSOLIDATED NOTES TO FINANCIAL STATEMENTS (Contd.)

Amount in ₹ Crores

Note	Particulars	March 31, 2022	March 31, 2021
<b>26</b>	<b>Other expenses</b>		
	Audit Fees:		
	as Auditors	<b>0.12</b>	0.11
	for Tax Audit	<b>0.04</b>	0.03
	for Certification	<b>0.03</b>	0.10
	Power and fuel	<b>0.32</b>	0.30
	Rent	<b>3.30</b>	2.88
	Repairs to Buildings	<b>0.72</b>	0.71
	Repairs to Plant & Equipments	<b>0.05</b>	0.05
	Corporate Social Responsibility Expenses / Donations	<b>0.89</b>	1.50
	Insurance	<b>0.15</b>	0.17
	Rates, Taxes and Licences	<b>0.12</b>	0.19
	Loss on Sale of Assets	<b>0.01</b>	0.01
	Finance Charges	<b>0.08</b>	0.20
	Travelling Expenses	<b>1.49</b>	0.84
	Printing & Stationery	<b>0.57</b>	0.48
	Directors Sitting Fee	<b>0.04</b>	0.05
	Legal and Professional Charges	<b>1.25</b>	0.44
	Administrative and Other expenses	<b>10.92</b>	10.04
	<b>TOTAL</b>	<b>20.10</b>	18.10

**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS (Contd.)**

**27. General**

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

**28.1 Related Party disclosures in accordance with IND AS 24:**

**a. By virtue of shareholding in India Motor Parts and Accessories Limited:**

Trichur Sundaram Santhanam & Family Private Limited – From 04th February 2022

T V Sundram Iyengar & Sons Private Limited - up to 03rd February 2022

**b. Subsidiaries of TV Sundram Iyengar & Sons Private Limited where transactions exist - up to 3rd February 2022:**

- Lucas TVS Limited
- Sundram Fasteners Limited
- Sundaram Industries Private Limited
- Southern Roadways Private Limited

**c. Key Management Personnel:**

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

Sri. Mukund S Raghavan, Deputy Managing Director, India Motor Parts and Accessories Ltd

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

**d. Associate: Transenergy Private Limited**

**e. Post-Employment Benefit Plan:**

India Motor Parts and Accessories Employees' Provident Fund Trust (up to 31st March 2021)

From 01st April 2021 transferred to Employees' Provident Fund Organisation.

India Motor Parts and Accessories Limited Gratuity Fund

## CONSOLIDATED NOTES TO FINANCIAL STATEMENTS (Contd.)

### 28.2 The disclosure of related party transactions during the year and balances as on 31/03/2022 are as follows.

₹ in Crores

Particulars	By Virtue of Shareholding- T V Sundram Iyengar & Sons Private Limited (up to 3rd February, 2022)		Subsidiaries of T V Sundram Iyengar & Sons Private Limited (up to 3rd February, 2022)		By Virtue of Shareholding- Trichur Sundaram Santhanam & Family Private and its group Limited (From 4th February, 2022)		Key Management Personnel	
	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21	2021-22	2020-21
Sales of Goods	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Purchase of Goods	0.00	0.00	90.03	103.02	46.94	0.00	0.00	0.00
Receiving Services	0.18	0.18	0.66	0.48	0.00	0.00	0.00	0.00
Payable Balance	0.00	0.00	0.00	9.03	34.23	0.00	1.78	1.31
Receivable Balance	0.00	0.00	0.00	3.05	0.00	0.00	0.00	0.00
Remuneration	0.00	0.00	0.00	0.00	0.00	0.00	3.87	3.30

Contribution to Company's Employee Provident Fund Trust – Nil  
(Previous year – ₹ 0.51 Crores)

Contribution to Company's Gratuity Fund – ₹ 0.49 Crores  
(Previous Year – ₹ 0.57 Crores)

Outstanding / (Receivable) Company's Gratuity Fund – ₹ (0.40) Crores  
(Previous Year – ₹ 0.28 Crores)

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

Particulars		2021-22	2020-21
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



## INDIA MOTOR PARTS & ACCESSORIES LIMITED

### CONSOLIDATED NOTES TO FINANCIAL STATEMENTS (Contd.)

Particulars		2021-22	2020-21
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.

#### 28.4. Basic and diluted Earnings Per Share (EPS) of Face Value of ₹ 10 each is calculated as under

Particulars		2021-22	2020-21
Profit after Tax	₹ In Crores	60.87	52.97
Total Equity Shares outstanding at the end of the year	Nos.	12480000	12480000
Earnings per share (Basic and Diluted)	₹	48.68	42.44
Face value per share	₹	10	10

#### 28.5. Other Particulars

28.5a. Contingent Liability not provided for as on 31st March 2022 is Nil (previous year - Nil)

28.5b. The amount of Capital commitment pending as on 31st March 2022 is Nil (previous year Nil)

#### 28.6. 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:

	₹ in Crores	
	2021-2022	2020-2021
Contribution to Superannuation Fund	0.21	0.22
Contribution to Pension Fund	1.06	0.92
Contribution to Employees' State Insurance – ESI	0.32	0.28
Contribution to Provident Fund	0.61	0.51

## CONSOLIDATED NOTES TO FINANCIAL STATEMENTS (Contd.)

### Defined Benefit Plans:

	As at 31st March, 2022 Funded Gratuity ₹ In Crores	As at 31st March, 2021 Funded Gratuity ₹ In Crores
<b>1. Change in the Present Value of Defined Benefit Obligation (DBO)</b>		
1. Present Value of Defined Benefit Obligation at the beginning of the Period	<b>4.51</b>	4.18
2. Service Cost		
a. Current Service Cost	<b>0.51</b>	0.46
b. Past Service Cost	-	-
c. (Gain) / Loss on Curtailments	-	-
d. (Gain) / Loss on Settlements	-	-
3. Interest Expense	<b>0.27</b>	0.26
4. Remeasurements		
a. Effect of Changes in Demographic Assumptions	-	-
b. Effect of Changes in Financial Assumptions	<b>(0.08)</b>	0.05
c. Effect of Experience Adjustments	-	(0.15)
5. Cashflows		
a. Benefit Payments		
(i) From the Plan	<b>(0.22)</b>	(0.29)
(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	<b>4.99</b>	4.51
<b>2 Change in the Fair Value of Plan Assets</b>		
1. Fair Value of Plan Assets at the beginning of the Period	<b>4.23</b>	3.71
2. Interest Income on Plan Assets	<b>0.27</b>	0.25
3. Cashflows		
a. Benefit Payments		
(i) From the Plan	<b>(0.22)</b>	(0.29)
(ii) Directly from the Employer	-	-
b. Settlement Payments from the Plan	-	-
c. Participant Contributions	-	-
d. Total Employer Contributions		
(i) Employer Contributions	<b>0.49</b>	0.57
(ii) Employer Direct Benefit Payments	-	-

## INDIA MOTOR PARTS & ACCESSORIES LIMITED

### CONSOLIDATED NOTES TO FINANCIAL STATEMENTS (Contd.)

	<b>As at 31st March, 2022 Funded Gratuity ₹ In Crores</b>	As at 31st March, 2021 Funded Gratuity ₹ In Crores
4. Remeasurements		
a. Actual Return on Plan Assets	<b>0.62</b>	-
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	<b>5.39</b>	4.23
<b>3 Components of Defined Benefit Cost</b>		
1. Service Cost		
a Current Service Cost	<b>0.51</b>	0.46
b Past Service Cost	-	-
c (Gain) / Loss on Curtailments		
d (Gain) / Loss on Settlements		
e Total Service Cost	<b>0.51</b>	0.46
2. Net Interest Expense		
a Interest Expense on DBO	<b>0.27</b>	0.26
b Interest Income on Plan Assets	<b>(0.27)</b>	(0.25)
c Interest Income on Reimbursement Rights	-	-
d Interest Income on Asset Ceiling	-	-
e Total Net Interest Cost	-	0.01
3. Remeasurements		
a Effect of Changes in Demographic Assumptions	-	-
b Effect of Changes in Financial Assumptions	<b>(0.08)</b>	0.05
c Effect of Experience Adjustments	-	(0.15)
d Actual Return on Plan Assets	<b>(0.62)</b>	-
e Actual Return on Reimbursement Rights	-	-
f Actual Change in Asset Ceiling	-	-
g Total Remeasurements	<b>(0.70)</b>	(0.10)
4. Defined Benefit Cost included in Profit & Loss Account	<b>0.51</b>	0.48
5. Defined Benefit Cost included in Other Comprehensive Income	<b>(0.70)</b>	(0.10)
<b>4 Reconciliation of Net Liability (Asset)</b>		
1. Net Liability (Asset) at the beginning of the Period	<b>(0.28)</b>	(0.47)
2. Defined Benefit Cost included in Profit & Loss Account	<b>(0.51)</b>	(0.48)

## CONSOLIDATED NOTES TO FINANCIAL STATEMENTS (Contd.)

	As at 31st March, 2022 Funded Gratuity ₹ In Crores	As at 31st March, 2021 Funded Gratuity ₹ In Crores
3. Defined Benefit Cost included in Other Comprehensive Income	0.70	0.10
4. Cash flows		
a Total Employer Contributions		
(i) Employer Contributions	0.49	0.57
(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	0.40	(0.28)
<b>5 Defined Benefit Obligation</b>		
1 Defined Benefit Obligation by Participant Status		
a Actives	4.99	4.51
b Vested Deferreds	-	-
c Retiree Beneficiaries	-	-
d Total	4.99	4.51
<b>6 Significant Actuarial Assumptions</b>		
1. Financial Assumptions		
a Discount Rate (Single Rate for ALL Years)	6.55%	6.17%
b Salary Escalation Rate (Duration Based)		
From Year 1 To Year 1	8.00%	8.00%
From Year 2 To Year 2	8.00%	8.00%
From Year 3 To Year 3	8.00%	8.00%
From Year 4 To Year 37	8.00%	8.00%
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%

## INDIA MOTOR PARTS & ACCESSORIES LIMITED

### CONSOLIDATED NOTES TO FINANCIAL STATEMENTS (Contd.)

	<b>As at 31st March, 2022 Funded Gratuity ₹ In Crores</b>	<b>As at 31st March, 2021 Funded Gratuity ₹ In Crores</b>
<b>7 Sensitivity Analysis</b>		
1. Discount Rate - 0.5%	<b>5.10</b>	4.61
2. Discount Rate + 0.5%	<b>4.89</b>	4.42
3. Escalation Rates - 0.5%	<b>4.89</b>	4.42
4. Escalation Rates + 0.5%	<b>5.09</b>	4.61
5. Mortality x 95%	<b>4.99</b>	4.51
6. Mortality x 105%	<b>4.99</b>	4.51
7. Attrition x 95%	<b>5.00</b>	4.53
8. Attrition x 105%	<b>4.98</b>	4.50
9. ₹ 1,000,000 Benefit Ceiling	<b>4.79</b>	4.37
10. No Benefit Ceiling	<b>5.97</b>	5.60
<b>8 Maturity Profile of the DBO and Expected Cashflows in the following Period</b>		
1. Estimated Term / Weighted Average Duration of the DBO	<b>0.06</b>	0.06
2. Expected Total Benefit Payments	-	-
a. Year 1	<b>0.85</b>	0.97
b. Year 2	<b>1.04</b>	0.82
c. Year 3	<b>0.97</b>	0.72
d. Year 4	<b>0.46</b>	0.47
e. Year 5	<b>0.76</b>	0.40
f. Next 5 years	<b>1.42</b>	1.49
3. Expected Employer Contributions	-	-
4. Expected Employer Contributions towards Reimbursement Rights	-	-
<b>9 Plan Assets</b>		
1. Fair value of plan assets		-
a. Assets held by Insurance Company	<b>100.00%</b>	100.00%
2. Fair value of plan assets with a quoted market price		
a. Assets held by Insurance Company	<b>100.00%</b>	100.00%

## CONSOLIDATED NOTES TO FINANCIAL STATEMENTS (Contd.)

### 28.7. Income taxes

#### A. Amounts recognised in profit or loss

₹ In Crores

	Year ended 31st March 2022	Year ended 31st March 2021
<b>Current tax (a)</b>		
Current period	17.31	13.00
Changes in estimates related to prior years	(0.53)	-
<b>Deferred tax (b)</b>		
Attributable to -		
Origination and reversal of temporary differences	(1.85)	2.51
<b>Tax expense of continuing operations (a) + (b)</b>	<b>14.93</b>	<b>15.51</b>

#### B. Income tax recognised in other comprehensive income

₹ In Crores

	31st March 2022		
	Before tax	Tax (expense) benefit	Net of tax
Change in Fair Value of Equity instruments	(306.06)	51.33	(254.73)
Re-measurements of defined benefit liability (asset)	0.70	(0.17)	0.52

	31st March 2021		
	Before tax	Tax (expense) benefit	Net of tax
Change in Fair Value of Equity instruments	490.62	(43.57)	447.05
Re-measurements of defined benefit liability (asset)	0.10	(0.02)	0.08

#### C. Reconciliation of Tax expenses

₹ In Crores

	31st March 2022	31st March 2021
<b>Profit before tax</b>	<b>72.42</b>	66.70
Tax using the Company's domestic tax rate :	<b>18.23</b>	16.79
<b>Effect of:</b>		
Tax effect on Interest and Dividend Income	(1.01)	(1.09)
Tax Effect on Capital Gains	(1.34)	(3.09)
Tax Impact on CSR	0.22	0.38
Depreciation impact	(0.01)	0.01
Others	0.16	0.00
Tax pertaining to earlier years	0.53	0.00
Deferred Tax	(1.85)	2.51
Total	<b>(3.30)</b>	(1.29)
Tax expenses recognized	<b>14.93</b>	<b>15.51</b>

## INDIA MOTOR PARTS & ACCESSORIES LIMITED

### CONSOLIDATED NOTES TO FINANCIAL STATEMENTS (Contd.)

#### D. Deferred Tax Liability / (Asset) in relation to:

₹ In Crores

Particulars	Balance at April 01, 2021	Recognised in Profit & Loss	Recognised in Other Comprehensive Income	Balance at March 31, 2022
Property Plant and Equipment	0.56	0.01		<b>0.57</b>
Investments measured at Fair Value through Profit and Loss	4.64	(1.88)		<b>2.76</b>
Employee Benefits	(0.17)	0.02		<b>(0.15)</b>
Investments measured at Fair Value through Other Comprehensive Income	94.74		(51.08)	<b>43.66</b>
Financial Covenants	(1.84)			<b>(1.84)</b>
Defined Benefit Obligation - Gratuity	0.03		0.15	<b>0.18</b>
<b>Total</b>	<b>97.96</b>	<b>(1.85)</b>	<b>(50.93)</b>	<b>45.18</b>

₹ In Crores

Particulars	Balance at April 01, 2020	Recognised in Profit & Loss	Recognised in Other Comprehensive Income	Balance at March 31, 2021
Property Plant and Equipment	0.59	(0.03)		<b>0.56</b>
Investments measured at Fair Value through Profit and Loss	2.10	2.54		<b>4.64</b>
Employee Benefits	(0.16)	(0.01)		<b>(0.17)</b>
Investments measured at Fair Value through Other Comprehensive Income	51.18		43.56	<b>94.74</b>
Financial Covenants	(1.84)			<b>(1.84)</b>
Defined Benefit Obligation - Gratuity	(0.01)		0.04	<b>0.03</b>
<b>Total</b>	<b>51.86</b>	<b>2.50</b>	<b>43.60</b>	<b>97.96</b>

## CONSOLIDATED NOTES TO FINANCIAL STATEMENTS (Contd.)

### 29. Disclosure on Accounting for revenue from customers in accordance with IND AS 115

#### Disaggregated revenue information

(₹ In Crores)

A	Type of goods and service	31st March 2022	31st March 2021
	a) Sale of products / services	644.56	530.45
	b) Other operating revenues	1.53	1.08
	Total operating revenue	646.09	531.53
B	Timing of revenue recognition	At a point of time	Over a period of time
	Sale of products and other operating income - at a point of time	646.09	531.53
	Sale of products and other operating income - over a period of time	Nil	Nil
C	Contract Balances		
	Contract Assets	Nil	Nil
	Contract Liabilities	Nil	Nil
D	Revenue recognised in relation to contract liabilities	Nil	Nil
E	Reconciliation of revenue recognised in the statement of profit and loss with the contracted price		
	Revenue at contracted prices	644.56	530.45
	Revenue from contract with customers	644.56	530.45
	Difference	Nil	Nil
F	Unsatisfied or partially satisfied performance obligation	Nil	Nil

### 30. Disclosure on Accounting for adoption in accordance with IND AS 116

All Rent payments being in the nature of short term/cancellable leases, charged off in the Statement of Profit and Loss



**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS (Contd.)**

₹ In Crores

**31. Financial instruments**
**A. The carrying value and fair value of financial instruments by categories as at March 31, 2022 and March 31, 2021 is as follows:**

₹ In Crores

Particulars	As at March 31, 2022		As at March 31, 2021	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial Assets</b>				
<b>Amortized Cost</b>				
Trade Receivables	91.29		77.07	
Cash and Cash Equivalents	12.58		29.37	
Bank Balances other than cash and cash equivalents	3.05		38.28	
Other Current Financial Assets	2.37		2.52	
Investments in Fixed Maturity Plan Mutual Funds		41.70		0.00
<b>Fair Value through Other Comprehensive Income</b>				
Investment in Equity Shares	10.12	992.61	7.54	1,220.38
<b>Fair Value through Profit and Loss</b>				
Investment in Mutual Funds		123.20		183.89
<b>Financial Liabilities</b>				
Amortized Cost				
Borrowings	5.33		0.00	
Trade Payables	61.73		74.00	
Other Financial Liabilities	9.50		5.66	

Trade Receivables, Trade Payables, Cash and Cash equivalents, Cash Credits, other financial assets and liabilities are stated at amortised cost which approximates their fair values.

**B. 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.

## CONSOLIDATED NOTES TO FINANCIAL STATEMENTS (Contd.)

₹ In Crores

	Level 1	Level 2	Level 3
<b>As at March 31, 2022</b>			
<b>Financial assets :</b>			
Investment in Equity Shares	650.26	0.00	326.99
Investment in Non-Convertible Debentures	0.00	15.36	0.00
Investments in Mutual Funds	0.79	0.00	0.00
<b>As at March 31, 2021</b>			
<b>Financial assets :</b>			
Investment in Equity Shares	816.47	0.00	388.30
Investment in Non-Convertible Debentures	0.00	15.61	0.00
Investments in Mutual Funds	5.13	0.00	0.00

### 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.

₹ In Crores

	As at March 31, 2022	As at March 31, 2021
<b>Payable within one year</b>		
Trade payable	61.73	74.00
Borrowings - Cash Credit	5.33	0.00

**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS (Contd.)**

**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 and others. The Company's maximum exposure to credit risk as at 31st March, 2022 is the carrying value of each class of financial assets as on that date.

**32. Capital Management**

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

The capital structure of the company consists of the following:

**₹ In Crores**

	<b>As at March 31, 2022</b>	As at March 31, 2021
Total equity attributable to the equity shareholders of the group	<b>1234.03</b>	1440.98
As percentage of total capital %	<b>99.57</b>	100.00
Current Borrowings	<b>5.33</b>	0.00
As a percentage of total capital %	<b>0.43</b>	0.00
Total Capital (Borrowings and Equity)	<b>1239.36</b>	1440.98

The Company is predominantly equity financed which is evident from the capital structure table. Further, the Company has generally been a net cash surplus Company with cash and bank balances along with investment which is predominantly investment in liquid and short term mutual funds and equity shares.

**33. Dividend:**

The Board of Directors have declared an interim dividend of Rs.13/- (130%) per equity share of Rs.10/- each for the Financial Year 2021-22. The record date is fixed as 10/06/2022 for this purpose and the dividend will be paid on or after 20/06/2022. The dividend would result in cash outflow of Rs.16.22 Crores during the current year.

### 34. Corporate Social Responsibility:

₹ In Crores

	As at March 31, 2022	As at March 31, 2021
a) Gross amount required to be spent by the company during the year	1.10	0.98
b) Amount approved by the Board to be spent during the year	0.86	1.50
c) Amount spent during the year for the purpose other than construction / acquisition of asset	0.86	1.50

### 35. Trade Receivables ageing schedule

2021-2022

₹ in Crores

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables - considered good	90.95	0.24	0.10	0.00	0.00	91.29

2020-2021

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months 1 year	1-2 years	2-3 years	More than 3 years	Total
Undisputed Trade Receivables - considered good	76.90	0.17	0.00	0.00	0.00	77.07

### 36. Trade Payables ageing schedule

2021-2022

₹ in Crores

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	0.00	0.00	0.00	0.00	0.00
(ii) Others	61.73	0.00	0.00	0.00	61.73
(iii) Disputed dues - MSME	0.00	0.00	0.00	0.00	0.00
(iv) Disputed dues - Others	0.00	0.00	0.00	0.00	0.00

2020-2021

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	0.00	0.00	0.00	0.00	0.00
(ii) Others	74.00	0.00	0.00	0.00	74.00
(iii) Disputed dues - MSME	0.00	0.00	0.00	0.00	0.00
(iv) Disputed dues - Others	0.00	0.00	0.00	0.00	0.00

**CONSOLIDATED NOTES TO FINANCIAL STATEMENTS (Contd.)**

37. Additional Information as required by Part III of the General Instructions for Preparation of Consolidated Financial Statements of Schedule III of the Companies Act, 2013.

FY 2021-22

₹ In Crores

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	Total
<b>Parent</b>								
<b>Current Year</b>	<b>98.87%</b>	<b>1220.89</b>	<b>92.44%</b>	<b>56.26</b>	<b>100.00%</b>	<b>(254.21)</b>	<b>102.38%</b>	<b>(197.95)</b>
Previous Year	99.26%	1430.98	94.90%	50.27	100.00%	447.13	99.46%	497.40
<b>Subsidiary</b>								
<b>CAPL Motor Parts Private Limited</b>								
<b>Current Year</b>	<b>0.24%</b>	<b>3.02</b>	<b>1.83%</b>	<b>1.11</b>	<b>0.00%</b>	<b>0.00</b>	<b>(0.58)%</b>	<b>1.11</b>
Previous Year	0.17%	2.46	1.59%	0.84	0.00%	0.00	0.17%	0.84
<b>Non Controlling Interest in Subsidiary</b>								
<b>Current Year</b>	<b>0.07%</b>	<b>0.83</b>	<b>0.19%</b>	<b>0.12</b>	<b>0.00%</b>	<b>0.00</b>	<b>(0.06)%</b>	<b>0.12</b>
Previous Year	0.05%	0.77	0.15%	0.08	0.00%	0.00	0.02%	0.08
<b>Associate</b>								
<b>Transenergy Private Limited</b>								
<b>Current Year</b>	<b>0.82%</b>	<b>10.12</b>	<b>5.54%</b>	<b>3.38</b>	<b>0.00%</b>	<b>0.00</b>	<b>(1.74)%</b>	<b>3.38</b>
Previous Year	0.52%	7.54	3.36%	1.78	0.00%	0.00	0.35%	1.78
<b>Total</b>								
<b>Current Year</b>	<b>100.00%</b>	<b>1234.86</b>	<b>100.00%</b>	<b>60.87</b>	<b>100.00%</b>	<b>(254.21)</b>	<b>100.00%</b>	<b>(193.34)</b>
Previous Year	100.00%	1441.75	100.00%	52.97	100.00%	447.13	100.00%	500.10

**N KRISHNAN**  
Managing Director  
DIN: 00041381

**S PRASAD**  
Director  
DIN: 00063667

**S KALYANARAMAN**  
Secretary  
Chennai

**MUKUND S RAGHAVAN**  
Deputy Managing Director  
DIN: 03411396

As per our Report of even date attached for **Brahmayya & Co**  
Chartered Accountants  
Firm Registration No.:000511 S

**L RAVI SANKAR**  
Partner  
Membership No.:25929

28th May, 2022

## 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 Organisation.

### 2.1 Board of Directors:

The Board has ten members, eight are Non-Executive Directors and the remaining two are Executive Directors, namely, Sri N Krishnan, Managing Director and Sri Mukund S Raghavan, Deputy Managing Director.

During the year under review Shareholders at their meeting held on 8th September, 2021 approved the appointment of Sri Srivats Ram (DIN: 00063415), as Director effective, 8th March, 2021.

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

All Directors and Senior Management Personnel have affirmed their compliance with the code of Conduct, approved and adopted by the Board of Directors. In the opinion of the Board, the Independent Directors fulfill the conditions specified in these regulations and are independent of the Management.

### 2.2. Attendance at Board Meeting and last Annual General Meeting

During the financial year 2021-22, Five Board Meetings were held i.e. on 20th May, 2021, 18th June, 2021, 13th August, 2021, 12th November, 2021 and 11th February, 2022.

Details of attendance at Board Meetings, Annual General Meeting, other Directorships, Committee Chairmanships / memberships 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 31.03.2022)		
	Board Meetings	AGM	Other Directorship	*Committee Membership	*Committee Chairmanship
<b>Promoter Directors</b>					
Sri S Ram (DIN 00018309) Non-Executive Chairman	5	Yes	2	1	2
Sri Ananth Ramanujam (DIN 00061970) Non-Executive Director	5	Yes	-	-	-

## INDIA MOTOR PARTS & ACCESSORIES LIMITED

Name of the Director	Attendance		No. of other Directorship / Committee membership/chairmanship in other public limited companies in India (as on 31.03.2022)		
	Board Meetings	AGM	Other Directorship	*Committee Membership	*Committee Chairmanship
Sri Srivats Ram (DIN 00063415) Non-Executive Director)	5	Yes	6	2	-
<b>Independent Non-Executive Directors</b>					
Sri S Prasad (DIN 00063667)	4	Yes	6	2	6
Sri Rasesh R Doshi (DIN 00538059)	5	Yes	1	1	-
Sri S Venkatesan (DIN 00019155)	5	Yes	-	-	-
Sri T N P Durai (DIN 00655615)	4	Yes	-	-	-
Ms.Sriya Chari (DIN 07383240)	5	Yes	1	1	-
<b>Managing Director</b>					
Sri N Krishnan (DIN 00041381)	5	Yes	-	-	-
<b>Executive Director (Deputy Managing Director w.e.f. 18/05/22)</b>					
Mukund S Raghavan (DIN 03411396)	5	Yes	-	-	-

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

### Details of Directorship held in other Listed Companies

Name of the Director	Directorship held in other Listed Company	Category of Directorship
Sri S Ram (DIN 00018309) Non-Executive Chairman	1. Wheels India Limited.	Non Executive Director
Sri Ananth Ramanujam (DIN 00061970) Non-Executive Director	-	-
Sri Srivats Ram (DIN 00063415) Non-Executive Director	1. Wheels India Limited. 2. Sundaram Finance Limited 3. Sundaram Finance Holdings Limited	Executive Director Promoter Director Promoter Director
Sri S Prasad (DIN 00063667) Independent Director	1. Wheels India Limited. 2. Sundaram Finance Limited 3. Sundaram Finance Holdings Limited	Non-Executive Independent Director

Name of the Director	Directorship held in other Listed Company	Category of Directorship
Sri Rasesh R Doshi (DIN 00538059) Independent Director	1. TVS Srichakra Limited	Non-Executive Independent Director
Sri S Venkatesan (DIN 00019155) Independent Director	-	-
Sri T N P Durai (DIN 00655615) Independent Director	-	-
Ms. Sriya Chari (DIN 07383240) Independent Director	1. Pricol Limited	Non-Executive Independent Director
Sri N Krishnan (DIN 00041381) Managing Director	-	-
Sri Mukund S Raghavan (DIN 03411396) Executive Director (Deputy Managing Director w.e.f. 18/05/22)	-	-

### 3. 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](http://www.impal.net/investor.htm)

Skills / Expertise/Competencies of the Board of Directors are given below:

Directors	Expertise	Skill/ Competencies
<b>Promoter/Executive Directors</b> Sri S Ram, Chairman Sri Ananth Ramanujam Sri Srivats Ram Sri N Krishnan, Managing Director Sri Mukund S Raghavan, Executive Director (Deputy Managing Director w.e.f. 18/05/22)	<ul style="list-style-type: none"> <li>• In-depth Industry Knowledge</li> <li>• Automotive Components Industry</li> <li>• Business Policies</li> <li>• Legal and Regulatory Framework</li> <li>• Strategic Management</li> <li>• Audit, Taxation &amp; Financial Management</li> </ul>	<ul style="list-style-type: none"> <li>• Entrepreneurial</li> <li>• Governance</li> <li>• Leadership</li> <li>• Technical</li> <li>• Analytical</li> <li>• Organisational</li> <li>• Technological</li> <li>• Planning</li> <li>• Resource Management and Utilisation</li> <li>• People Management</li> <li>• Communication</li> <li>• Behavioural</li> </ul>
<b>Independent Directors</b> Sri S Prasad Sri Rasesh R Doshi Sri S Venkatesan Sri T N P Durai Ms Sriya Chari	<ul style="list-style-type: none"> <li>• In-depth Industry Knowledge</li> <li>• Automotive Components Industry</li> <li>• Business Policies</li> <li>• Audit, Taxation and Financial Management</li> <li>• Legal and Regulatory Framework</li> <li>• Debt Markets</li> </ul>	<ul style="list-style-type: none"> <li>• Technical/Professional</li> <li>• Analytical</li> <li>• Technological</li> <li>• Behavioural</li> </ul>



## INDIA MOTOR PARTS & ACCESSORIES LIMITED

### 4. 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 Finance & Accounts, Statutory Auditors, Internal Auditors and are invitees to the Committee Meetings. During the financial year 2021-22, Four Audit Committee meetings held i.e. on 17th June, 2021, 12th August, 2021, 11th November, 2021 and 10th February, 2022. The composition and attendance particulars are as follows:

Name	Position	No. of Meetings attended
Sri S Prasad	Chairman	4
Sri Rasesh R Doshi	Member	4
Sri S Venkatesan	Member	4
Sri Mukund S Raghavan	Member	4

The Company Secretary is the Secretary of the Committee. Managing Director and Chief Financial Officer are invitees to the meetings.

### 5. Nomination and Remuneration Committee:

The committee consists of three Directors, two of whom, are Independent. The Chairman of the Committee is an Independent Director.

The terms of reference of the committee is as follows :

- A. 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.
- B. 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 2021-22, two meetings held i.e. on 14th June, 2021 and 12th November, 2021.

The composition and attendance particulars are as follows :

Name	Position	No. of Meetings attended
Sri S Venkatesan	Chairman	2
Sri S Ram	Member	2
Sri S Prasad	Member	2

### 6. Remuneration to Directors:

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

### A. 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 upto the financial year 2023-24. 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 (₹)	Commission (₹)	No. of shares held (as at 31.03.2022)	Relationship with Other Directors
Sri S Ram	42000	100000	29850	Father of Sri Srivats Ram
Sri Ananth Ramanujam	36000	50000	1968	
Sri S Prasad	84000	200000	3600*	
Sri Rasesh R Doshi	72000	200000	12984 <sup>1</sup>	
Sri T N P Durai	48000	100000	10392	Nil
Sri S Venkatesan	78000	200000	9150 <sup>2</sup>	
Ms.Sriya Chari	54000	100000	-	
Sri Srivats Ram	30000	50000	44448 <sup>#</sup>	Son of Sri S Ram, Chairman

Number of shares held jointly with others <sup>1</sup>2880 <sup>2</sup>2664

<sup>#</sup>Includes 732 shares held as Karta of HUF

\*Held jointly with others. No change in the shareholding.

### B. Managing Director

The Managing Director has been appointed until 04th July 2022. The remuneration as approved by the 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 is as under: -

₹ in Lakhs

Nature of Payment	Sri N Krishnan, Managing Director	Relationship with Other Directors
Salary	94.04	
Commission	106.97	
Contribution to Provident Fund & other funds	14.94	Nil
Perquisites	7.57	

## INDIA MOTOR PARTS & ACCESSORIES LIMITED

### C. Executive Director

The Executive Director has been appointed effective 07th February, 2019 for a period of 5 years at the 65th Annual General Meeting of the Company held on 16th September, 2019.

The remuneration as approved by the shareholders comprises of salary, allowances, commission and perquisites. The quantum of salary and commission payable to the Executive Director is decided by the Board of Directors for each financial year within the ceiling approved by the shareholders. The remuneration is within the limits prescribed under Schedule V to the Companies Act, 2013. Details of remuneration paid to Executive Director is as under: -

(₹ in Lakhs)

Nature of Payment	Sri Mukund S Raghavan Executive Director (Deputy Managing Director w.e.f. 18/05/2022)	Relationship with Other Directors
Salary	60.28	Nil
Commission	71.31	
Contribution to Provident Fund & other funds	9.44	
Perquisites	4.05	

### 7. Stakeholders Relationship Committee:

The Stakeholders Relationship Committee was constituted to attend to shareholders and investors complaints. During the year a meeting of the Committee was held on 30th March, 2022.

The composition and attendance particulars are as follows:

Name	Position	No. of Meetings attended
Sri S Venkatesan	Chairman	1
Sri Mukund S Raghavan	Member	1
Sri Ananth Ramanujam	Member	1

Sri S Kalyanaraman, Company Secretary is the compliance officer.

During the year under review, 2 complaints from shareholders were received by the Company and resolved.

### 8. Risk Management Committee

During the year under review the Company has constituted the Risk Management Committee on 13th August, 2021 pursuant to SEBI (Listing Obligations and Disclosure Requirements) (Second Amendment), Regulations, 2015.

The role of Risk Management Committee includes formulation of a detailed risk management policy and monitoring its implementation, periodic review of such policy, review and appointment of Chief Risk Officer (if any) etc.

During the financial year 2021-22, two meetings were held on 29th October, 2021 and 17th March, 2022.

The composition and attendance particulars are as follows:

Name	Position	No. of Meetings attended
Sri N Krishnan	Chairman	2
Sri Mukund S Raghavan	Member	2
Sri Rasesh R Doshi	Member	2
Sri S Ramasubramanian	Member	2

## 8. General Body Meetings:

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

Year	Location	Date and time
65 <sup>th</sup> AGM (2018-19)	Music Academy 168, TTK Road, Chennai –14.	September 16, 2019 11.00 a.m.
66 <sup>th</sup> AGM (2019-20)	Through Video Conferencing	September, 07, 2020 11.30 a.m.
67 <sup>th</sup> AGM (2020-21)	Through Video Conferencing	September, 08, 2021 11.30 a.m.

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

#### 65th AGM

There was one Special Resolution passed in the 65th Annual General Meeting, which pertained to the re-appointment of Independent Directors, for a second term of 5 years and the details of votes polled for this resolution is given below :

Name of the Director	Total No. of votes in favour	Total No. of votes against	% of votes in favour	% of votes against
Sri S Prasad	4307714	304	99.993	0.007
Sri Rasesh R Doshi	4298098	304	99.993	0.007
Sri S Venkatesan	4301202	0	100.00	0.00
Sri T N P Durai	4302050	0	100.00	0.00

#### 66th AGM

There was one Special Resolution passed in the 66th Annual General Meeting, held on 07th September, 2020, under regulation 17(1A) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for re-appointment of Sri S Ram (DIN -00018309), aged 81 years, as Non-Executive Director of the Company, liable to retire by rotation:

Total No. of votes in favour	Total No. of votes against	% of votes in favour	% of votes against
6404261	206	99.997	0.003

#### c) Postal Ballot

There was one ordinary resolution relating to revision in percentage of Commission, payable to Sri Mukund S Raghavan, (DIN 03411396), Executive Director passed through postal ballot during the year under review:

Total No. of votes in favour	Total No. of votes against	% of votes in favour	% of votes against
6365738	256	99.99	0.01

## INDIA MOTOR PARTS & ACCESSORIES LIMITED

### 9. Means of Communication:

- The quarterly unaudited/ audited annual financial results of the Company is being published in an 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/investor.htm](http://www.impal.net/investor.htm) in accordance with the listing agreement with the National Stock Exchange.

### 10. 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](http://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](http://www.impal.net/investor.htm)
- The Company does not trade in any commodities and hence disclosure of commodity price risks and commodity hedging activities do not arise.
- The Company has not raised funds through preferential allotment or qualified institutions placement as specified under the regulation 32(7)(A)
- Company Secretary in Practice, has certified that none of the Directors on the Board of the Company, have been debarred or disqualified from being appointed or continuing as Directors of the Company.
- The Company has obtained Credit Rating from ICRA "AA" (Stable) for fund based and non-fund based facilities. There is no revision in rating.
- Fees paid to statutory auditors is Rs.18.85 lakhs for the financial year 2021-22.
- Disclosure under the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013:  
An Internal Complaints Committee has been setup to redress complaints and there was no complaint received during the financial year 2021-22.

## 11. 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 (01.04.2021)	134	21714
Less: Shares transferred to IEPF suspense account		610
Unclaimed shares at the end of the year (31.03.2022)	134	21104

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

Pursuant to the provision of the Section 124(6) read with Rule (2) of Investor Education and Protection Fund Authority ( Accounting, Audit , Transfer and Refund ) Second Amendment Rules, 2017 details of shares so far transferred to the Investor Education and Protection Fund Authority, Ministry of Corporate Affairs is given below:

Particulars	Number of Shareholders	Total Shares in IEPF A/c
Shares in IEPF A/c as on 01.04.2021	285	69925
Add: shares transferred to IEPF during the year	28	10397
Shares in IEPF A/c as on 31.03.2022	313	80322

## 12. General Shareholder Information:

a	68th Annual General Meeting	
	- Date and Time - Venue	Wednesday, 1st September, 2022 – 11.30 a.m. Through Video Conference
b	Financial Calendar (Tentative)	
	Annual General Meeting	1st September, 2022
	First quarter results ended June 30, 2022	August, 2022
	Second quarter results ending September 30 2022	November, 2022
	Third quarter results ending December 31, 2022	February, 2023
	Audited results for the year ending March 31, 2023	May, 2023
c	Dividend payment	20th June, 2022 - Interim Dividend paid
d	Listing on Stock Exchanges	National Stock Exchange of India Limited (NSE)
e	Stock Code	
	a. Trading Symbol b. Demat ISIN Numbers in NSDL & CDSL	NSE - IMPAL INE547E01014

## INDIA MOTOR PARTS & ACCESSORIES LIMITED

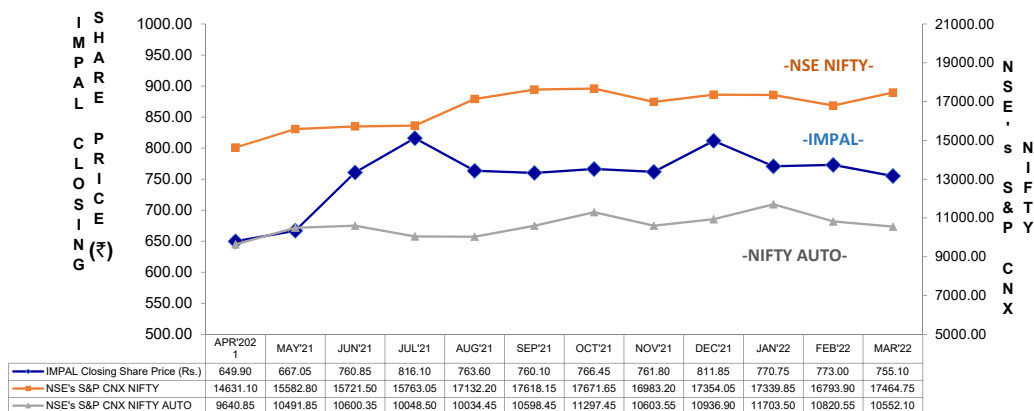
f. The Company has paid the listing fee up to the year 2022-23 to National Stock Exchange of India Ltd. and Annual Custodial Fees to National Securities Depository Ltd. (NSDL) & Central Depository (Services) Ltd. (CDSL)

g. Market Price Data (₹)

MONTH	APR-21	MAY-21	JUN-21	JUL-21	AUG-21	SEP-21	OCT-21	NOV-21	DEC-21	JAN-22	FEB-22	MAR-22	
NSE	HIGH	703.50	729.00	868.45	920.00	841.40	788.95	819.95	799.80	824.00	829.35	818.00	799.00
	LOW	611.05	631.50	652.00	751.60	751.50	743.95	752.00	725.00	736.60	751.00	748.60	706.35

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

### Share Price & NSE's S&P CNX NIFTY, NIFTY AUTO



i. 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 dematerialised form to the Registrar at the following address:

<p>M/S CAMEO CORPORATE SERVICES LIMITED UNIT: IMPAL</p> <p>V Floor, 'Subramanian Building' #1, Club House Road Chennai – 600 002</p> <p>Phone: 044-28460390 (5 Lines), 40020395 Fax: 044-28460129 Email: investor@cameoindia.com</p>	<p>Contact Person: Sri R D Ramasamy Designation: Director</p> <p>Smt R Komalavalli Designation: Sr. Manager</p>
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j. (i) Distribution of Shareholding pattern as on March 31, 2022

No of Shares	Shareholders		No of Shares	
	Number	%	Number	%
Up to 500	6767	77.43	691115	5.54
501-1000	958	10.96	687746	5.51
1001-2000	630	7.21	889284	7.13
2001-5000	247	2.83	728348	5.84
5001-10000	54	0.62	371816	2.98
10001 & Above	84	0.96	9111691	73.01
<b>Total</b>	<b>8740</b>	<b>100.00</b>	<b>12480000</b>	<b>100.00</b>

(ii) Pattern of Shareholding as on March 31, 2022:

S.No	Particulars	No. of shares held	% of total
1	Promoters	3833168	30.71
2	Non Residents (NRI)	194813	1.56
3	Corporate Bodies	2565998	20.56
4	FPI	937441	7.51
5	Public	4948580	39.66
	<b>Total</b>	<b>12480000</b>	<b>100.00</b>

k. Dematerialisation of shares:

The trading in equity shares of the company is permitted only in dematerialised form. As of March 31, 2022, about 94.89% of total outstanding Shares have been dematerialised. Out of 86,46,832 equity shares held by the shareholders other than the promoters, 80,09,004 equity shares (forming 92.62% of the non - promoters shareholding) have been dematerialised up to 31st March, 2022.

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

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

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

**N Krishnan**  
Managing Director  
DIN: 00041381



## INDIA MOTOR PARTS & ACCESSORIES LIMITED

### CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,

The Members of INDIA MOTOR PARTS & ACCESSORIES LIMITED  
No.46, Whites Road, Chennai – 600 014.

I, M. Damodaran, Managing Partner of M Damodaran & Associates LLP, Practicing Company Secretaries have examined the relevant registers, records, forms, returns and disclosures received from the Directors of INDIA MOTOR PARTS & ACCESSORIES LIMITED having CIN - L65991TN1954PLC000958 and having registered office at No.46, Whites Road, Chennai – 600 014 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Mr. Santhanam Ram	00018309	24/01/2006
2	Mr. Srinivasan Venkatesan	00019155	07/08/2014
3	Mr. Narayanan Krishnan	00041381	01/07/1999
4	Mr. Ananth Ramanujam	00061970	22/07/2005
5	Mr. Sreenivasan Prasad	00063667	26/04/2007
6	Mr. Rasesh Rasiklal Doshi	00538059	08/07/2008
7	Mr. Tandalam Narasimhachari Padmanabhan Durai	00655615	07/08/2014
8	Mr. Mukundsundara Raghavan	03411396	07/02/2019
9	Mrs. Sriya Chari	07383240	07/02/2019
10	Mr. Srivats Ram	00063415	08/03/2021

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

#### For M DAMODARAN & ASSOCIATES LLP

Place : Chennai  
Date : 27.05.2022

M. DAMODARAN  
Managing Partner  
Membership No.: 5837  
COP. No.: 5081  
FRN: L2019TN006000  
PR 1374/2021  
ICSI UDIN No.: F005837D000402079

**AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members of INDIA MOTOR PARTS & ACCESSORIES LIMITED

1. We, Brahmayya & Co., Chartered Accountants, the Statutory Auditors of India Motor Parts & Accessories Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on March 31, 2022, as stipulated in regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) regulation 46 and para C, D and E of Schedule V of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015 ["SEBI Listing Regulations"] as amended.

**Management's Responsibility**

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the SEBI Listing Regulations.

**Auditors' Responsibility**

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

**Opinion**

5. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clause (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V of the SEBI [Listing Obligations and Disclosure Requirements] Regulations, 2015 ["SEBI Listing Regulations"] as amended.
6. We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For **Brahmayya & Co.**  
Chartered Accountants  
Firm Regn No. 00511S

**L. Ravi Sankar**  
Partner

Place : Chennai  
Date : May 28, 2022

Membership No.025929  
UDIN : 22025929AJUAQC7095

## Distribution Network



**Branches :**  AGRA  AGRTHALA  AHMEDABAD  ASANSOL  AURANGABAD  BANGALORE  BHILWARA  BHUBANESWAR  CALICUT  CHANDIGARH  CHENNAI  COCHIN  COIMBATORE  CUTTACK  DANKUNI  DHANBAD  ERODE  GANDHIDHAM  GORAKHPUR  GUWAHATI  GUWAHATI II  HALDWANI  HISAR  HUBLI  HYDERABAD  INDORE  JAIPUR  JALANDHAR  JAMMU  JAMSHEDPUR  JODHPUR  KADAPA  KANNUR  KANPUR  KARIMNAGAR  KOLHAPUR  KOLKATA  KOTA  KOTTAYAM  KUMBAKONAM  KURNOOL  LUDHIANA  LUCKNOW  MADURAI  MALDA  MANGALORE  MUMBAI  MUZAFFARPUR  MYSORE  NAGPUR  NANDED  NEW DELHI  PATNAI  PATNAII  PUNE  PURNIA  RAIPUR  THRISSUR  TINSUKIA  RAJKOT  RANCHI  REDHILLS  SALEM  SAMBALPUR  SHIVAMOGGA  SILIGURI  SILCHAR  SURAT  TRICHY  TIRUNELVELI  THIRUVANANTHAPURAM  UDAIPUR  VADODARA  VARANASI  VELLORE  VIJAYAPURA  VIJAYAWADA  VILLUPURAM  VISAKHAPATNAM