

INDIA MOTOR PARTS & ACCESSORIES LIMITED

IMPAL

2015 - 2016

62nd ANNUAL REPORT

BOARD OF DIRECTORS

Sri S RAM **Chairman**

Sri ANANTH RAMANUJAM

Sri S RAVINDRAN

Sri S PRASAD

Ms SHOBHANA RAMACHANDHRAN

Sri RASESH R DOSHI

Sri S VENKATESAN

Sri T N P DURAI

Sri N KRISHNAN **Managing Director**

COMMITTEES OF THE BOARD

Audit Committee

Sri S PRASAD **Chairman**

Sri S RAVINDRAN

Sri RASESH R DOSHI

Sri N KRISHNAN

Stakeholders Relationship Committee

Sri S VENKATESAN **Chairman**

Sri N KRISHNAN

Nomination & Remuneration Committee

Sri S RAVINDRAN **Chairman**

Sri S PRASAD

Sri S RAM

Corporate Social Responsibility Committee

Ms SHOBHANA RAMACHANDHRAN **Chairperson**

Sri S RAVINDRAN

Sri S PRASAD

Sri N KRISHNAN

SR. EXECUTIVE VICE PRESIDENT – MARKETING & BUSINESS DEVELOPMENT

Sri MUKUND S RAGHAVAN

CHIEF FINANCIAL OFFICER

Sri S RAMASUBRAMANIAN

COMPANY SECRETARY

Sri S KALYANARAMAN

AUDITORS

M/S SUNDARAM & SRINIVASAN

Chartered Accountants

23, C P Ramasamy Road,

Alwarpet, Chennai – 600 018

SECRETARIAL AUDITORS

M/S DAMODARAN & ASSOCIATES

Practising Company Secretaries

No.6, Appavoo Gramani 1st Street

Mandaveli, Chennai – 600 028

BANKERS

STATE BANK OF INDIA

REGISTERED & CORPORATE OFFICE

“Sundaram Towers” III Floor

#46, Whites Road, Chennai – 600 014

CIN: L65991TN1954PLC000958

Website: www.impal.net

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INDIA MOTOR PARTS & ACCESSORIES LIMITED

EXECUTIVES

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

FINANCIAL HIGHLIGHTS

Rs. in Lakhs

Particulars	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08	2006-07
Share Capital	831.96	831.96	831.96	831.96	415.98	415.98	415.98	415.98	415.98	415.98
Reserves & Surplus	22321.22	20551.73	18851.58	16772.92	15340.59	13033.71	11004.09	9278.59	8125.02	7387.56
Net Worth	23153.18	21383.69	19683.54	17604.88	15756.57	13449.69	11420.07	9694.57	8541.00	7803.54
Capital Employed	24614.02	23082.19	21224.99	20369.91	17461.91	13639.62	11522.02	11129.46	9478.30	8644.51
Sales	50060.64	51095.62	51050.27	49437.84	50030.56	42799.06	35808.80	30055.60	24377.59	22702.44
Profit Before Tax	3786.82	4351.37	4256.37	4150.59	4570.79	4154.09	3647.65	2531.22	1748.12	1639.36
Profit After Tax	2670.68	3100.47	2954.68	2720.15	3225.46	2851.51	2479.60	1737.59	1199.80	1093.36
Dividend Amount	748.76	1164.74	748.76	748.76	790.36	707.17	644.77	499.18	395.18	374.39
Dividend per share on a face value of Rs.10/- each (Rs.)	9.00	14.00*	9.00	9.00	19.00	17.00	15.50	12.00	9.50	9.00
Dividend %	90	140	90	90	190	170	155	120	95	90
Earnings per Share (Rs.)	32.10	37.27	35.51	32.70	77.54	68.55	59.61	41.77	28.84	26.28
Book Value per Share (Rs)	278.30	257.03	236.59	211.61	378.78	323.32	274.53	233.05	205.32	187.59

* Includes special (Diamond Jubilee) dividend

DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors are pleased to present the **62nd Annual Report** together with Standalone and Consolidated Audited Accounts for the year ended 31st March 2016.

FINANCIAL RESULTS

(Rs in Lakhs)

Particulars	31.03.2016	31.03.2015
Profit before tax	3786.82	4351.37
Less: Provision for taxation (including deferred tax)	1116.14	1250.90
Profit after Tax	2670.68	3100.47
Add : Balance in P&L Account brought forward from previous year	1172.98	1372.83
Add : Retained earnings on Account of Depreciation (Net)	0.00	0.33
Profit available for appropriation	3843.66	4473.63
Appropriations		
Transfer to General Reserve	1700.00	1900.00
Dividend		
- Special (Diamond Jubilee)	0.00	332.78
- Interim Dividend	207.99	831.96
- 2nd Interim Dividend	540.77	0.00
Dividend Tax (including surcharge for Special and interim dividends)	152.43	235.91
Surplus Balance in Profit & Loss Account	1242.47	1172.98

Dividend and transfer to General Reserves

The Board of Directors during November 2015 declared an Interim Dividend of Rs.2.50 per equity share and further declared a Second Interim Dividend of Rs.6.50 per equity share in March 2016 for the financial year 2015-16 on the paid up share capital of Rs.831.96 lakhs. The dividends, together with dividend tax of Rs.152.43 lakhs absorb a sum of Rs.901.19 lakhs. The Board of Directors propose to treat the said dividends as the total dividend for the year.

The Company proposes to transfer an amount of Rs. 1700.00 lakhs to the General Reserves. An amount of Rs. 1242.47 lakhs is proposed to be retained in the Statement of Profit and Loss.

Management Discussion and Analysis Report

We had in 2015-16 sluggish demand for spare parts with your Company witnessing a 2% drop in sales. On the commercial vehicle end upgradation of power train specifications have increased replacement cycle for engine, gearbox and axle parts. Increased focus of vehicle manufacturers to market spare parts through vehicle dealerships have curtailed sales levels of these parts from us. Relative stability of commodity prices have encouraged lower stock holding at our parts dealers.

Vigorous steps are being taken by your Company to grow the business in this difficult market. 5 new outlets have been opened and sales commenced in two new product lines early in the year under review. While the margins dropped in the first half, it was possible to maintain better margins in the second half. We are hopeful that this trend will continue in 2016-17.

INDIA MOTOR PARTS & ACCESSORIES LIMITED

Non-operating income at Rs 7.44 crores is lower compared to the year 2014-15, where non-operating income was Rs 9.53 crores.

The Indian economy is expected to grow above 7% in 2016-17 driven by services sector growth and impetus given by the Government of India for investments in infrastructure. The prediction of an above normal monsoon is likely to increase agricultural output and likely growth in demand for consumer goods in rural areas.

Your Company also plans to open more outlets in this fiscal year 2016-17 to have greater access to the markets.

Internal Control Systems

The Company has an effective and adequate Internal Control System commensurate with the size of the business. The scope of the Internal Audit function is defined in the Internal Audit Plan. Additional staff have been added to the internal audit team in line with increase in number of branch outlets. During the year under review, your Company appointed an Independent Chartered Accountant for audit of Internal Financial Controls over Financial Reporting.

The Internal Audit Department monitors and evaluates the efficacy and adequacy of the internal control systems of the Company. The Internal Audit Team ensures compliance with systems and procedures through their regular visits to all branches.

The Internal Audit Reports are reviewed by the Internal Auditor, Senior Management and Audit Committee periodically. Based on the reports, corrective action, as required are undertaken.

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 Associate Company in Form AOC – 1 is provided in Annexure “A” forming part of this report.

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

There have been no material changes and commitments affecting the financial position of the Company between 31.03.2016 and the date of the report.

Significant and Material Orders Passed by the Regulators or Courts

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

Finance

a) Fixed Deposits

Your Company has not accepted any public deposits during the year 2015-16.

b) Particulars of Loans, Guarantees or Investments

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

Board & Audit Committee

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

Directors

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

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

Sri Ananth Ramanujam, Director retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17 (10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit Committee.

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

Familiarisation Programme

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

Remuneration Policy

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

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Key Managerial Personnel

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

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

Vigil Mechanism/Whistle Blower Policy

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

Related Party Transactions

All Related Party Transactions that were entered into during the financial year were in the ordinary course of business at arm's length. Due to change in the constitution of a Related party entity with which the company has been contracting with, such contract with that related party amounted to a Material Related Party transaction in terms of Regulation 23 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015. In terms of the above regulations the company during the year had sought the approval of shareholders by an Ordinary Resolution through Postal Ballot in March 2016. The shareholders voted in favour of the resolution. Out of the total votes polled 98.96% voted in favour of the resolution. The results of the postal ballot and e-voting is available in the website of the Company at www.impal.net/investor.htm

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

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

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

Corporate Social Responsibility

As part of its initiatives under Corporate Social Responsibility (CSR), the Company has contributed to various projects in the areas of Health, Education, Livelihood, Adoption of Village Schools, Empowering Women etc., These projects are in accordance with Schedule VII of the Companies Act, 2013. The CSR

Committee frames the CSR policy, monitors and execute the CSR activities. The Committee defines the parameters and observes them for effective discharge of the social responsibility of your Company. The Board has further approved the CSR Policy of the Company to provide a guideline for CSR activities of the Company.

The Company has spent Rs. 50.30 lakhs towards CSR during the year. The constitution of the CSR Committee and the report as required under the Companies Act, 2013 are provided as Annexures “D” & “D1” to this Report.

Auditors

The Auditors, M/s Sundaram & Srinivasan, Chartered Accountants, Chennai, retire at the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept office, if reappointed. A certificate under Section 141 of the Companies Act, 2013 has been received from them.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Damodaran & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Report of the Secretarial Auditor is attached vide Annexure “E”.

Comments on Auditors’ report

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

Extract of Annual Return

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

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

Your Company has no activity relating to conservation of energy or technology absorption. During 2015-2016, the Company did not have any foreign exchange earnings or outgo.

Particulars of Employees

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

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

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The ratio of average remuneration of Non-Whole Time Directors with that of the median remuneration of the employees for the financial year is 0.40 times and that of the Managing Director (inclusive of his Commission) is 82 times.

- (iii) Percentage increase in median remuneration of employees in the financial year - 8%
- (iv) The number of permanent employees on the rolls of the Company as on 31st March 2016 is 635.
- (v) Explanation on the relationship between average increase in remuneration and Company performance:

The Company's Profit Before Tax for the year under review has decreased by 12.98 %. The average increase in remuneration of employees was 11.76% on their gross earnings.

- (vi) Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company.

Name	Designation	CTC (Rs. In Lakhs)	% Increase in CTC	PBT (Rs. In Lakhs)	% decrease in PBT
Sri N Krishnan	Managing Director	141.85*	0.20	3786.82	12.98
Sri S Ramasubramanian	CFO	39.36	7.08		
Sri S Kalyanaraman	Company Secretary	11.29	7.52		

*Includes commission of 1.5% on Net profit.

- (vii) Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase or decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer:

Date	Issued Capital (Shares)	Closing Market Price	EPS	PE Ratio	Market Capitalisation
31.03.2015	8319575	660.60	37.27	17.72	549.59 crs
31.03.2016	8319575	672.55	32.10	20.95	559.53 crs
Increase/Decrease	Nil	11.95			9.94 crs
%Increase /Decrease		1.81%			1.81%

- (viii) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Percentage increase in median remuneration of employees in the financial year - 8 % for employees other than KMPs and 5% for KMPs in totality.

- (ix) Comparison of the remuneration for each of the Key Managerial Personnel against performance of the Company: – Refer Point – (vi)
- (x) The Key parameters for any variable component of remuneration availed by the Directors: Commission within the ceiling of 1% of the net profits of the Company, as approved by the shareholders.

(xi) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year;

Not Applicable ; and

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

Yes

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, 2016, and the profit of the Company for that year;
- iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) the Directors have prepared the annual accounts on a going concern basis and;
- v) the Directors have laid down adequate internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- vi) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and are operating effectively.

Corporate Governance

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

Acknowledgement

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

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

Chennai
30th May 2016

On behalf of the Board of Directors
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

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

<ol style="list-style-type: none"> 1. Sl. No. 2. Name of the subsidiary 3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period 4. Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries. 5. Share capital 6. Reserves & surplus 7. Total assets 8. Total Liabilities 9. Investments 10. Turnover 11. Profit before taxation 12. Provision for taxation 13. Profit after taxation 14. Proposed Dividend 15. % of shareholding <p>Notes: The following information shall be furnished at the end of the statement:</p> <ol style="list-style-type: none"> 1. Names of subsidiaries which are yet to commence operations 2. Names of subsidiaries which have been liquidated or sold during the year. 	Not Applicable
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Part “B”: Associates and Joint Ventures
Statement pursuant to Section 129 (3) of the Companies Act, 2013
related to Associate Companies and Joint Ventures

Name of Associates/Joint Ventures	Transenergy Limited
1. Latest audited Balance Sheet Date	31.03.2016*
2. Shares of Associate/Joint Ventures held by the company on the year end	
No of shares held	1,00,000
Amount of Investment in Associates/Joint Venture – Nominal Value Rs.100/- per share	Rs 163.75 lakhs
Extend of Holding %	35.26% of equity shares
3. Description of how there is significant influence	Holding more than twenty percent of the paid up share capital
4. Reason why the associate/joint venture is not consolidated	N A
5. Net worth attributable to Shareholding as per latest audited Balance Sheet (unaudited -31.03.2016)	Rs.281.85 lakhs
6. Profit / Loss for the year	
i. Considered in Consolidation	Rs.12.48 lakhs
ii. Not Considered in Consolidation	Rs.22.91 lakhs

* Un-audited

- 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

S PRASAD
Director

As per our attached Report of even date
For **SUNDARAM & SRINIVASAN**
Chartered Accountants

S RAMASUBRAMANIAN
Chief Financial Officer

S KALYANARAMAN
Secretary

Firm Registration Number : 004207S

Chennai
30th May, 2016

M PADHMANABHAN
Partner

Membership No: F13291

CRITERIA FOR EVALUATION

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

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

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

1. Leadership qualities
2. Standard of Integrity
3. Understanding of Macro economic trends and Micro Industry trends
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**” will mean an employee who has been appointed on the rolls of India Motor Parts & Accessories Limited (hereinafter referred to as ‘the Company’) and has been issued an appointment order by the Company.

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II Board Diversity

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

III Remuneration Pattern

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

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

The overall remuneration payable to Directors, including Executive Directors, shall be within the limits prescribed under Section 197 of the Companies Act, 2013 read with Schedule V.
3. The remuneration payable to Key Managerial Personnel, Senior Management and other employees of the company may consist of:
 - (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 2015-16

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

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

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

2. The Composition of the CSR Committee:

Ms Shobhana Ramachandhran , Chairperson

Sri S Ravindran

Sri S Prasad

Sri N Krishnan

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

Rs.3989.76 lakhs

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

Rs 79.80 lakhs

5. Details of CSR spent during the financial year:

(a) Total amount to be spent for the financial year: Rs 79.80 lakhs

(b) Amount unspent, if any; Rs.29.50 lakhs

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

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

We have been supporting philanthropic causes in the field of education and health care for a few decades, through donations. The Companies Act, 2013 statutorily introduced the concept of “Corporate Social Responsibility” (CSR) which intends to support projects on an ongoing and sustainable basis. We have contributed a total sum of Rs.50.30 lakhs (63.04%) of the total amount required to be spent during the year, to activities which are covered under Schedule VII to the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014. This being the second year of the CSR implementation, we have during the year initiated steps to identify worthy causes. We hope to increase our spending on CSR in the coming years .

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

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

N Krishnan
Managing Director

Shobhana Ramachandhran
Chairperson - CSR Committee

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

(Rs. in lakhs)

1 Sr No.	2 CSR project or activity identified	3 Sector in which the Project is covered	4 "Projects or programmes (1) Local area or other (2) Specify the State and district where projects or programmes were undertaken"	5 Amount outlay (budget) project or programme- wise	6 "Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or program (2) Overheads: "	7 Cumulative expenditure up to the reporting period	8 Amount spent: Direct or through imple- menting agency
1	Promoting education by providing financial assistance to deserving and meritorious students and also Educational Institutions which work for this cause:						
	4 Institutions	Educational	Tamil Nadu, Chennai	15.40	15.40	15.40	15.40
2	Promoting Gender Equality, Empower Women and enhancing vocational skills especially among women						
	1 Institution	Empowering Women	Tamil Nadu, Chennai	0.25	0.25	15.65	0.25
	1 Institution	Empowering Women	Tamil Nadu, Gandhigram	2.00	2.00	17.65	2.00
3	Promoting preventive and general health care						
	2 Institutions	Health	Tamil Nadu, Chennai	32.50	32.50	50.15	32.50
	1 Institution	Health	Telangana, Hyderabad	0.15	0.15	50.30	0.15
	TOTAL			50.30	50.30		50.30

Form No. MR-3**SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2016**

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

To,
The Members,

INDIA MOTOR PARTS & ACCESSORIES LIMITED

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **INDIA MOTOR PARTS & ACCESSORIES LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me/us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion there on.

Based on my verification of the **INDIA MOTOR PARTS & ACCESSORIES LIMITED** 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 **31.03.2016** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made here in after:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **INDIA MOTOR PARTS & ACCESSORIES LIMITED** ("the Company") for the financial year ended on **31.03.2016** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 / 2015;

INDIA MOTOR PARTS & ACCESSORIES LIMITED

- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (vi) Other laws as may be applicable specifically to the company - NIL

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

- (i) The Listing Agreements entered into by the Company with National Stock Exchange of India Limited.
- (ii) The Listing Agreement entered into by the Company with National Stock Exchange of India Limited under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (iii) The Secretarial Standards issued by the Institute of Company Secretaries of India.

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

I further report that

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

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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 passed resolution through Postal ballot in order to comply the Regulation 23(4) & (8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 vide declaration of result dated 30.03.2016.

Place : Chennai
Date : 30th May 2016

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

**FORM NO.MGT-9
EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March 2016**

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

I. REGISTRATION AND OTHER DETAILS

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	M/s Transenergy Limited Regd. Office: No. 67, Chamiers Road, Chennai - 600 028	U40107TN1981PLC008903	Associate	35.26	2 (6)

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

i. Category-wise Share Holding

Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
(a) Individual/HUF	620702	-	620702	7.46	620702	-	620702	7.46	0.00
(b) Central Govt	-	-	-	-	-	-	-	-	-
(c) State Govt(s)	-	-	-	-	-	-	-	-	-
(d) Bodies Corp.	1933432	-	1933432	23.24	1933432	-	1933432	23.24	0.00
(e) Banks / FI	-	-	-	-	-	-	-	-	-
(f) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(1)	2554134	0	2554134	30.70	2554134	0	2554134	30.70	0.00
(2) Foreign									
(a) NRIs - Individuals	1312	-	1312	0.02	1312	-	1312	0.02	0.00
(b) Other - Individuals	-	-	-	-	-	-	-	-	-
(c) Bodies Corp.	-	-	-	-	-	-	-	-	-
(d) Banks / FI	-	-	-	-	-	-	-	-	-
(e) Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (A)(2)	1312	0	1312	0.02	1312	0	1312	0.02	0.00
Total shareholding of Promoter (A)= (A)(1)+(A)(2)	2555446	0	2555446	30.72	2555446	0	2555446	30.72	0.00
B. Public Shareholding									
(1) Institutions									
(a) Mutual Funds	-	-	-	-	-	-	-	-	-
(b) Banks / FI	-	-	-	-	-	-	-	-	-
(c) Central Govt	-	-	-	-	-	-	-	-	-
(d) State Govt(s)	-	-	-	-	-	-	-	-	-
(e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f) Insurance Companies	-	-	-	-	-	-	-	-	-
(g) FIIIs	504058	-	504058	6.06	685659	-	685659	8.24	2.18
(h) Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(i) Any Other - Foreign Portfolio Investors	-	-	-	-	-	-	-	-	-
Sub- Total (B)(1)	504058	0	504058	6.06	685659	0	685659	8.24	2.18
(2) Non- Institutions									
(a) Bodies Corporate									
(i) Indian	1753555	6736	1760291	21.16	1643987	6736	1650723	19.84	-1.32
(ii) Overseas	-	-	-	-	-	-	-	-	-
(b) Individuals									
(i) Individual shareholders holding nominal shares capital up to Rs.1 lakh	1866999	701620	2568619	30.87	1808436	659626	2468062	29.67	-1.20
(ii) Individual shareholders holding nominal shares capital in excess of Rs.1 lakh	567814	230992	798806	9.60	597585	212864	810449	9.74	0.14
(c) Others (specify)									
1. Clearings Members	989	-	989	0.01	1026	-	1026	0.01	0.00
2. HUF	63832	-	63832	0.77	61799	-	61799	0.74	-0.03
3.NRI	40638	232	40870	0.49	59965	232	60197	0.72	0.23
4.Trusts	670	-	670	0.01	620	-	620	0.01	0.00
5. India Motor Parts & Accessories Ltd, Unclaimed Securities Demat Suspende A/c	25994	-	25994	0.31	25594	-	25594	0.31	0.00
Sub- Total (B)(2)	4320491	939580	5260071	63.23	4199012	879458	5078470	61.04	- 2.18
Total Public Shareholding	4824549	939580	5764129	69.28	4884671	879458	5764129	69.28	0.00
(B)= (B)(1)+(B)(2)									
(C) Shares held by Custodian for GDRs and ADRs	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A)+(B)+(C)	7379995	939580	8319575	100.00	7440117	879458	8319575	100.00	0.00

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

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

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	
23	Chitra Viji .	8000	0.10	-	8000	0.10	-	-
24	Allegro Holdings Private Limited	8000	0.10	-	8000	0.10	-	-
25	Daya Ambirajan	8688	0.10	-	8688	0.10	-	-
26	S. Viji	14312	0.17	-	14312	0.17	-	-
27	Prema Ramanujam	19084	0.23	-	19084	0.23	-	-
28	S. Ram	19900	0.24	-	19900	0.24	-	-
29	Chitra Viji	26504	0.32	-	26504	0.32	-	-
30	Srivats Ram	28412	0.34	-	28412	0.34	-	-
31	Harsha Viji	28514	0.34	-	28514	0.34	-	-
32	Sriram Viji	28516	0.34	-	28516	0.34	-	-
33	S. Viji	31252	0.38	-	31252	0.38	-	-
34	Raghuvamsa Holdings Private Limited	32000	0.38	-	32000	0.38	-	-
35	Srikanth Ramanujam	45310	0.54	-	45310	0.54	-	-
36	Gita Ram	46096	0.55	-	46096	0.55	-	-
37	Nivedita Ram	46514	0.56	-	46514	0.56	-	-
38	Arjun Rangarajan	48874	0.59	-	48874	0.59	-	-
39	Silver Oak Holdings Private Limited	56000	0.67	-	56000	0.67	-	-
40	Srikanth Ramanujam	57248	0.69	-	57248	0.69	-	-
41	S Ram	122618	1.47	-	122618	1.47	-	-
42	T V Sundram Iyengar And Sons Private Limited	1819432	21.87	-	1819432	21.87	-	-
	Total	2555446	30.72	-	2555446	30.72	-	0.00

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

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

During the year there was no change in the Promoters' Shareholdings.

INDIA MOTOR PARTS & ACCESSORIES LIMITED

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) (Contd.) iv. Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Name of the Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	SUNDARAM FINANCE LIMITED				
	At the beginning of the year	1540784	18.52		
	Date wise Increase / Decrease	-	-		
	At the end of the Year			1540784	18.52
2	EAST SAIL				
	At the beginning of the year	317529	3.82		
	Date wise Increase / Decrease	-	-		
	At the end of the Year			317529	3.82
3	PARI WASHINGTON COMPANY PVT. LTD. A/C / PARI WASHINGTON INDIA MASTER FUND, LTD.				
	At the beginning of the year 01-Apr-2015	180029	2.16		
	Purchase 10-Apr-2015	800	0.01	180829	2.17
	Purchase 01-May-2015	2845	0.03	183674	2.20
	Purchase 08-May-2015	5685	0.07	189359	2.27
	Purchase 15-May-2015	4498	0.05	193857	2.32
	Purchase 22-May-2015	299	0.00	194156	2.32
	Purchase 29-May-2015	1463	0.02	195619	2.34
	Purchase 05-Jun-2015	1334	0.02	196953	2.36
	Purchase 10-Jun-2015	1584	0.02	198537	2.38
	Purchase 12-Jun-2015	482	0.01	199019	2.39
	Purchase 19-Jun-2015	3070	0.04	202089	2.43
	Purchase 26-Jun-2015	5081	0.06	207170	2.49
	Purchase 03-Jul-2015	3310	0.04	210480	2.53
	Purchase 10-Jul-2015	457	0.01	210937	2.54
	Purchase 17-Jul-2015	991	0.01	211928	2.55
	Purchase 28-Aug-2015	1156	0.01	213084	2.56
	Purchase 11-Sep-2015	1876	0.02	214960	2.58
	Purchase 18-Sep-2015	1181	0.01	216141	2.59
	Purchase 25-Sep-2015	2050	0.02	218191	2.61
	Purchase 30-Sep-2015	2913	0.04	221104	2.65
	Purchase 09-Oct-2015	952	0.01	222056	2.66
	Purchase 16-Oct-2015	428	0.00	222484	2.66
	Purchase 27-Nov-2015	1001	0.01	223485	2.67
	Purchase 18-Dec-2015	904	0.01	224389	2.68
	Purchase 22-Jan-2016	1473	0.02	225862	2.70
	Purchase 29-Jan-2016	2386	0.03	228248	2.73
	Purchase 05-Feb-2016	2946	0.04	231194	2.77
	Purchase 12-Feb-2016	2327	0.03	233521	2.80

Sl. No.	Name of the Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Purchase 19-Feb-2016	10348	0.12	243869	2.92
	Purchase 26-Feb-2016	2389	0.03	246258	2.95
	Purchase 04-Mar-2016	1984	0.02	248242	2.97
	Purchase 11-Mar-2016	1740	0.02	249982	2.99
	Purchase 18-Mar-2016	1363	0.02	251345	3.01
	Purchase 25-Mar-2016	781	0.01	252126	3.02
	Purchase 31-Mar-2016	109504	1.32	361630	4.34
	At the end of the Year 31-Mar-2016			361630	4.35
4	CATAMARAN MANAGEMENT SERVICES PRIVATE LIMITED				
	At the beginning of the year 01-Apr-2015	123723	1.49		
	Sale 25-Mar-2016	-116325	-1.40	7398	0.09
	At the end of the Year 31-Mar-2016			7398	0.09
5	ANITA R RATNAM				
	At the beginning of the year	38296	0.46		
	Date wise Increase / Decrease	-	-		
	At the end of the Year			38296	0.46
6	PRITHA RATNAM				
	At the beginning of the year	35968	0.43		
	Date wise Increase / Decrease	-	-		
	At the end of the Year			35968	0.43
7	MALINI SRINIVASAN				
	At the beginning of the year	35968	0.43		
	Date wise Increase / Decrease	-	-		
	At the end of the Year			35968	0.43
8	SHEELA BALAJI				
	At the beginning of the year	35968	0.43		
	Date wise Increase / Decrease	-	-		
	At the end of the Year			35968	0.43
9	PRAMA BHANDARI				
	At the beginning of the year	34128	0.41		
	Date wise Increase / Decrease	-	-		
	At the end of the Year			34128	0.41
10	P S GOVINDA CHARI				
	At the beginning of the year 01-Apr-2015	30020	0.36		
	Purchase 01-May-2015	500	0.01	30520	0.37
	Purchase 19-Jun-2015	1000	0.01	31520	0.38
	Purchase 25-Mar-2016	7325	0.09	38845	0.47
	At the end of the Year 31-Mar-2016			38845	0.47

INDIA MOTOR PARTS & ACCESSORIES LIMITED

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) (Contd.)
v. Shareholding of Directors and Key Managerial Personnel:

(A) Shareholding of Directors :-

Sl. No.	Name of the Directors	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Sri S Ram				
	At the beginning of the year				
	i. Held Individually	19900	0.24		
	ii. Held Jointly with others	122618	1.47		
	Date wise Increase / Decrease	-	-		
	At the end of the Year				
	i. Held Individually			19900	0.24
	ii. Held Jointly with others			122618	1.47
2	Sri Ananth Ramanujam				
	At the beginning of the year				
	i. Held Individually	1312	0.02		
	ii. Held Jointly with others	57248	0.69		
	Date wise Increase / Decrease	-	-		
	At the end of the Year				
	i. Held Individually			1312	0.02
	ii. Held Jointly with others			57248	0.69
3	Sri S Ravindran				
	At the beginning of the year				
	Held Individually	800	0.01		
	Date wise Increase / Decrease	-	-		
	At the end of the Year				
	Held Individually			800	0.01
4	Sri S Prasad				
	At the beginning of the year				
	Held Individually	960	0.01		
	Date wise Increase / Decrease	-	-		
	At the end of the Year				
	Held Individually			960	0.01
5	Ms Shobhana Ramachandhran				
	At the beginning of the year				
	Held Individually	63275	0.76		
	Date wise Increase / Decrease	-	-		
	At the end of the Year				
	Held Individually			63275	0.76
6	Sri Rasesh R Doshi				
	At the beginning of the year				
	i. Held Individually	-	-		
	ii. Held Jointly with others	10576	0.13		

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

(B) Share holding of KMP:-

Sl No	Name of the KMP	No of shares	% of total shares of the company	No of shares	% of total shares of the company
1	N Krishnan - Held Individually				
	At the beginning of the year	17628	0.21		
	Purchase 01- Apr-2015	110	0.00	17738	0.21
	Purchase 06- Apr-2015	250	0.00	17988	0.22
	Purchase 13- May-2015	130	0.00	18118	0.22
	At the end of the Year			18118	0.22
2	S Ramasubramanian - Held Individually				
	At the beginning of the year	252	0.00		
	Sold 06- Apr-2015			250	0.00
	At the end of the Year			2	0.00
3	S Kalyanaraman				
	At the beginning of the year	0	0.00		
	Date wise Increase / Decrease	-	-		
	At the end of the Year			0	0.00

INDIA MOTOR PARTS & ACCESSORIES LIMITED

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment
Rs. in Lakhs

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	1601.21	-	-	1601.21
(ii) Interest due but not paid * (see note below)	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	1601.21	-	-	1601.21
Change in Indebtedness during the financial year				
Addition	-	-	-	-
Reduction	252.13	-	-	252.13
Net Change	-252.13	-	-	- 252.13
Indebtedness at the end of the financial year				
(i) Principal Amount	1349.08	-	-	1349.08
(ii) Interest due but not paid * (see note below)	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i + ii + iii)	1349.08	-	-	1349.08

*No Interest is Due

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Rs. in Lakhs

Sl. No.	Particulars of Remuneration	Name of the MD/ WTD/Manager	Total
		Sri N Krishnan, Managing Director	
1	Gross Salary		
(a)	Salary as per provisions contained in Section 17 (1) of the Income-tax Act, 1961	66.30	66.30
(b)	Value of perquisites u/s 17 (2) of the Income-tax Act, 1961	5.86	5.86
(c)	Profits in lieu of salary under section 17 (3) of the Income-tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	58.56	58.56
	- as % of profit	1.50%	
	- others, specify	-	-
5	Others, please specify - Sitting fees and contribution to Provident Fund & other funds	11.13	11.13
	Total (A)	141.85	141.85
	Ceiling as per the Act	5%	195.20

B. Remuneration to other Directors:

Rs. in Lakhs

Name of the Directors	Particulars of Remuneration			
	Fee for attending Board / Committee Meetings	Commission	Other, Please Specify	Total
Independent Directors				
Sri S Prasad	0.72	1.00	-	1.72
Sri S Ravindran	0.72	1.00	-	1.72
Sri Rasesh R Doshi	0.54	1.00	-	1.54
Sri S Venkatesan	0.36	0.50	-	0.86
Sri T N P Durai	0.30	0.50	-	0.80
Total (I)	2.64	4.00	-	6.64
Other Non-Executive Directors				
Sri S Ram	0.36	0.50	-	0.86
Ms. Shobhana Ramachandhran	0.30	0.50	-	0.80
Sri Ananth Ramanujam	0.30	0.50	-	0.80
Total (II)	0.96	1.50	-	2.46
Total (B) = (I + II)				9.10
Total Managerial Remuneration (A)+(B)				150.95
Overall Ceiling as per the Act 11% of Net profit				429.73

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

Sl. No.	Particulars of Remuneration	Sri S Kalyanaraman, Company Secretary	Sri S Ramasubramanian, Chief Financial Officer	Total
1	Gross Salary			
(a)	Salary As Per Provisions Contained In Section 17 (1) of The Income-Tax Act, 1961	11.29	39.36	50.65
(b)	Value of Perquisites U/S 17 (2) of The Income-Tax Act, 1961	-	-	-
(c)	Profits In Lieu of Salary Under Section 17 (3) of The Income-Tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- As % of Profit	-	-	-
	- Others, Specify	-	-	-
5	Others, Please Specify	-	-	-
	Total	11.29	39.36	50.65

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

There were no penalties /punishment / compounding of offences for the year ended 31st March 2016.

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

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of India Motor Parts and Accessories Limited ("the Company") which comprise the Balance Sheet as at 31st March 2016, the statement of Profit and Loss, the Cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the 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 financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

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

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

INDEPENDENT AUDITORS' REPORT (Contd.)

Opinion

INDEPENDENT AUDITOR'S Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") is enclosed in Annexure A.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, its profit and cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

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 standalone Balance Sheet, the Statement of Profit & Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid 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 written representations received from the directors, as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016, from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (a) The company does not have any pending litigations which would impact its financial position.
 - (b) The company does not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - (c) There has been no delay in transferring amounts, required to be transferred, to the investor education and protection fund by the company.
- g. As required by the Companies (Auditor's Report) order, 2016, issued by the Central Government of India in terms of subsection (11) of section 143 of the Act, we give in the Annexure B a statement on the matters specified in paragraphs 3 & 4 of the Order.

For Sundaram & Srinivasan
Chartered Accountants
Regn. No.004207S

M.Padhmanabhan
Partner
Membership Number : F13291

Place: Chennai.
Date: 30th May 2016

ANNEXURE A

**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF
EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF
INDIA MOTOR PARTS AND ACCESSORIES LIMITED**

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

We have audited the internal financial controls over financial reporting of India Motor Parts and Accessories Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone 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 issued by the Institute of Chartered Accountants of India. 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.

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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For Sundaram & Srinivasan
Chartered Accountants
Regn. No.004207S

Place: Chennai.
Date: 30th May 2016

M.Padhmanabhan
Partner
Membership Number : F13291

ANNEXURE B

ANNEXURE TO THE AUDITOR'S REPORT ON STANDALONE FINANCIAL STATEMENTS OF EVEN DATE TO THE MEMBERS OF INDIA MOTOR PARTS AND ACCESSORIES LIMITED

- (i) a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. According to the information given to us and explanations, there is a regular programme of verification of fixed assets. No material discrepancies between the book records and the physical inventory have been noticed in respect of the fixed assets physically verified.
- c. The title deeds of the immovable properties are held in the name of the company.
- (ii) Physical verification of inventory has been conducted at reasonable intervals by the management. The discrepancies between the physical stock and the book records were not material.
- (iii) According to the information and explanations given to us, during the year the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- (iv) The company has not given any loans, guarantees and security and in respect of investments, provisions of Section 186 of the Companies Act, 2013 have been complied with.
- (v) The Company has not accepted any deposits from the public during the year.
- (vi) The company being a trading company, maintenance of cost records specified by the Central Government under sub-section (1) of section 148 of Companies Act 2013, is not applicable.
- (vii) a. According to the information and explanations given to us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues in respect of provident fund, employees' state insurance, income-tax, sales-tax, service tax, VAT, cess and other statutory dues applicable to it.
- b. As at 31st March 2016, according to the records of the Company, there are no pending disputes
- (viii) The Company has not availed any loans or borrowings and has not issued any debentures.
- (ix) Based on our audit and on the information and explanations given by the management, the company has not raised moneys either by way of initial public offer or further public offer (including debt instruments) and term loans were not availed.
- (x) Based upon audit procedures performed and information and explanations given to us, we report that no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the course of our audit.

- (xi) Managerial remuneration has been provided in accordance with the requisite approvals mandated by section 197 read with schedule V to the Companies Act.
- (xii) The company is not a Nidhi company.
- (xiii) All transactions with the related parties are in compliance with sections 177 and 188 of Companies Act 2013 and the details have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) The company has not entered into any non cash transactions with directors or persons connected with them.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Sundaram & Srinivasan
Chartered Accountants
Regn. No.004207S

Place : Chennai.
Date : 30th May 2016

M.Padhmanabhan
Partner
Membership Number : F13291

INDIA MOTOR PARTS & ACCESSORIES LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2016

Particulars	Notes	As at 31st March, 2016 (Rs. in Lakhs)	As at 31st March, 2015 (Rs. in Lakhs)
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	831.96	831.96
(b) Reserves and Surplus	3	22321.22	20551.73
(2) Non-Current Liabilities			
(a) Deferred tax liabilities (Net)	4	111.76	97.29
(b) Long term provisions	5	34.64	29.11
(3) Current Liabilities			
(a) Short-term borrowings	6	1349.08	1601.21
(b) Trade payables	7		
(i) Total outstanding dues of micro enterprises and small enterprises		-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		3576.14	2748.79
(c) Other current liabilities	8	833.76	732.25
(d) Short-term provisions	9	-	1001.33
Total		<u>29058.56</u>	<u>27593.67</u>
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	10	960.51	901.96
(ii) Intangible assets	10	123.62	152.26
(b) Non-current investments	11	5434.32	5434.32
(c) Long term loans and advances	12	75.52	66.08
(2) Current assets			
(a) Current investments	13	6000.00	4000.00
(b) Inventories	14	4866.11	4967.42
(c) Trade receivables	15	5564.33	5151.49
(d) Cash and cash equivalents	16	5562.30	5841.21
(e) Short-term loans and advances	17	463.91	1071.35
(f) Other current assets	18	7.94	7.58
Total		<u>29058.56</u>	<u>27593.67</u>
Notes on accounts	1		
Refer accompanying financial statements			

N KRISHNAN
Managing Director

S PRASAD
Director

As per our attached Report of even date
For **SUNDARAM & SRINIVASAN**
Chartered Accountants

S RAMASUBRAMANIAN
Chief Financial Officer

S KALYANARAMAN
Secretary

Firm Registration Number : 004207S

Chennai
30th May, 2016

M PADHMANABHAN
Partner
Membership No: F13291

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

Particulars	Notes	Year ending 31st March, 2016 (Rs. in Lakhs)	Year ending 31st March, 2015 (Rs. in Lakhs)
REVENUE			
I Revenue from Operations	19	50182.77	51196.75
II Other Income	20	743.99	953.43
III Total Revenue (I+II)		50926.76	52150.18
IV EXPENSES :			
Purchase of Stock-in-Trade	21	43812.80	45202.25
Changes in inventories - Stock-in-Trade	22	132.02	(395.33)
Employee benefits expenses	23	1614.86	1470.00
Finance costs		-	-
Depreciation and amortization expenses	10	75.30	76.15
Other expenses	24	1504.96	1445.74
Total Expenses		47139.94	47798.81
V Profit before exceptional and extraordinary items and tax (III-IV)		3786.82	4351.37
VI Exceptional Items		-	-
VII Profit before extraordinary items and tax (V-VI)		3786.82	4351.37
VIII Extraordinary Items		-	-
IX Profit before tax (VII-VIII)		3786.82	4351.37
X Tax expense:			
(1) Current tax		1083.44	1225.20
(2) Deferred tax		14.47	25.70
(3) Tax Provision relating to earlier years (net)		18.23	-
XI Profit/(Loss) for the period from continuing Operations (IX-X)		2670.68	3100.47
XII Profit/(Loss) from discontinuing operations		-	-
XIII Tax expense of discontinuing operations		-	-
XIV Profit/(Loss) from discontinuing operations (after Tax) (XII-XIII)		-	-
XV Profit/(Loss) for the year		2670.68	3100.47
XVI EARNINGS PER EQUITY SHARE: (Rs.)			
(1) Basic		32.10	37.27
(2) Diluted		32.10	37.27
Notes on accounts	1		
Refer accompanying financial statements			

N KRISHNAN
Managing Director

S PRASAD
Director

As per our attached Report of even date
For **SUNDARAM & SRINIVASAN**
Chartered Accountants

S RAMASUBRAMANIAN
Chief Financial Officer

S KALYANARAMAN
Secretary

Firm Registration Number : 004207S

M PADHMANABHAN

Chennai
30th May, 2016

Partner
Membership No: F13291

Note:1

NOTES ON ACCOUNTS

1. Significant Accounting Policies

- (a) Sales are net of trade discounts, returns and exclusive of VAT/Central Sales Tax .
- (b) 1. Fixed Assets values are at cost less depreciation.
2. Depreciation has been provided in accordance with Schedule II of the Companies Act, 2013.
3. Depreciation on lease hold assets are amortised over the period of lease.
- (c) Inventories are valued at lower of cost or net realisable value in line with the Accounting Standard (AS 2) .
- (d) Unquoted Long term investments are carried at cost and provision for decline in value, if any , other than temporary, is made whenever necessary. Current Investments are stated at lower of cost or market value.
- (e) Employees Benefits:
 - A) Short Term Employees Benefits:
Short Term Employees Benefits for services rendered by them are recognized during the period when the services are rendered
 - B) Post employment benefits:
Defined Contribution Plan
 - a) Provident Fund
Contributions are made to the Company's Employees Provident Fund Trust in accordance with the fund rules. The interest rate payable by the trust to the beneficiaries every year is notified by the Government.
The Company has an obligation to make good the shortfall, if any, between the return from the investment of the trust and the notified interest rate.
The Company also contributes to government administrated pension fund and to Employees' State Insurance Schemes on behalf of its employees.
 - b) Superannuation
The Company makes fixed contributions as a percentage on salary to the superannuation fund, which is administered by trustees and managed by the Life Insurance Corporation of India (LIC).
Defined Benefit Plan
 - a) Gratuity
The Company makes contribution to gratuity fund, (as per actuarial valuation), which is administered by trustees and managed by the Life Insurance Corporation of India (LIC).
 - b) Leave Encashment
Liability on account of encashment of leave to employees is provided on the basis of actuarial valuation.
The expenses and actuarial gain / loss on account of the above benefit plans are recognised in the profit and loss statement.
 - C) Other Long Term Employee Benefits:
The estimated liability in respect of other long term benefits like entitlement of leave has been provided on the basis of actuarial valuation.
The above contributions are charged to the Profit and Loss Statement.
- (f) Insurance claims are accounted as and when the claims are settled.
- (g) Deferred tax resulting from timing differences between book and tax profits is accounted for at the current rate of tax to the extent that the timing differences are expected to crystallise.

NOTES

NOTES ON ACCOUNTS (Contd.)

2. Profit and Loss Statement

i) 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 : 23

	2015-2016	2014-2015
	Rs.in Lakhs	Rs.in Lakhs
Contribution to Superannuation Fund	12.93	12.11
Contribution to Pension Fund	31.89	32.39
Contribution to Employees' State Insurance - ESI	17.28	20.21
Contribution to Provident Fund	29.13	24.81

Defined Benefit Plans:

	As at 31st March, 2016	As at 31st March, 2015
	Funded Gratuity	Funded Gratuity
	Rs.in Lakhs	Rs.in Lakhs
A) Reconciliation of opening and closing balances of the present value of the defined benefit obligation		
Present value of obligation as at beginning of the year	248.83	214.98
Current service cost	19.57	17.24
Interest cost	19.90	17.20
Benefits paid	(15.60)	(7.69)
Actuarial (gain) / loss on obligations	(12.32)	7.10
Present value of obligation as at the end of the year	260.38	248.83
B) Reconciliation of opening and closing balance of the fair value of plan assets		
Fair value of plan assets as at the beginning of the year	266.30	231.41
Expected return on plan assets	22.03	20.59
Contributions made	24.02	21.99
Benefits paid	(15.60)	(7.69)
Actuarial gain on plan assets	---	---
Fair value of plan assets as at the end of the year	296.75	266.30
C) Reconciliation of present value of defined benefit obligation and fair value of plan assets		
Present value of obligation as at the end of the year	260.38	248.83
Fair value of plan assets as at the end of the year	296.75	266.30
Unrecognised past service cost	---	---
Net Asset / (Liability) not recognised in Balance Sheet	36.37	17.47
D) Expenses		
Current service cost	19.57	17.24
Interest cost	19.90	17.20
Expected return on plan assets	(22.03)	(20.59)
Net actuarial (gain) / loss recognised	(12.32)	7.10
Expenses	5.12	20.95

INDIA MOTOR PARTS & ACCESSORIES LIMITED

NOTES

NOTES ON ACCOUNTS (Contd.)

	As at 31st March, 2016 Funded Gratuity Rs.in Lakhs	As at 31st March, 2015 Funded Gratuity Rs.in Lakhs
E) Actual return on plan assets		
Expected return on plan assets	22.03	20.59
Actuarial gain on plan assets	---	---
Actual return on plan assets	22.03	20.59
F) Actuarial assumptions		
Discount rate	LIC - 8%	LIC - 8%
Rate of increase in compensation levels	6%	6%

The present value of obligation towards compensated absences and entitlement of leave, as per actuarial certificate, as on 31-03-2016 is Rs.34.64 lakhs (previous year Rs.29.11 Lakhs) and is provided for in the books of accounts.

3) General

i) Segment Reporting

The company operates only in one business segment. viz. "Sale and Distribution of Automotive spares".

ii) Related Party Disclosure

1. Related parties:

a. Associates:

T V Sundram Iyengar & Sons Private Limited.
Transenergy Limited

b. Relative of Key Management Personnel:

Sri. S. Narayanan, who was Chairman, until 17.12.2014
(Father of Sri. N. Krishnan, Managing Director)

c. Key Management Personnel:

Sri. N. Krishnan, Managing Director.

2. The disclosure of related party transactions during the year and balances as on 31/03/2016 are as follows:

Rs. in Lakhs

Nature of Transaction	Associates		Key Management Personnel		Relatives of Key Management Personnel	
	2015-2016	2014-2015	2015-2016	2014-2015	2015-2016	2014-2015
Sale of Goods	18.18	17.46	0.00	0.00	0.00	0.00
Purchase of Goods	0.00	11.04	0.00	0.00	0.00	0.00
Receiving Services	16.22	20.24	0.00	0.00	0.00	0.00
Payable Balance	0.00	0.00	58.56	64.66	0.00	0.00
Receivable Balance	0.00	0.00	0.00	0.00	0.00	0.00
Remuneration	0.00	0.00	141.85	141.56	0.00	0.06

NOTES

NOTES ON ACCOUNTS (Contd.)

iii) Disclosures required under the "Micro, Small and Medium Enterprises Development Act, 2006"

Particulars	2015-2016	2014-2015
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.

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

		2015-2016	2014-2015
Profit after Tax	Rs. In Lakhs	2670.68	3100.47
Total Equity Shares outstanding at the end of the year	Nos.	8319575	8319575
Earnings per share (Basic and Diluted)	Rs.	32.10	37.27
Face value per share	Rs.	10	10

		Rs. In Lakhs	
v) Expenditure in foreign currency - Travelling & Subscription		Nil	1.55
vi) Contingent Liability not provided for		Nil	Nil
vii) Previous year's figures have been re-grouped wherever necessary, to make them comparable.			

INDIA MOTOR PARTS & ACCESSORIES LIMITED

NOTES

	As at 31st March, 2016 (Rs. in Lakhs)	As at 31st March, 2015 (Rs. in Lakhs)
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Note : 2

SHARE CAPITAL

Authorised:

2,00,00,000 Equity Shares of Rs. 10/- each	<u>2000.00</u>	<u>2000.00</u>
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Issued, Subscribed & Paid up Capital :

83,19,575 Equity Shares of Rs.10/- each fully paid up (Includes 41,59,775 Equity Shares of Rs.10/- each allotted in September 2012 as fully paid up by way of Bonus Shares by Capitalisation of General Reserve)	<u>831.96</u>	<u>831.96</u>
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	No of Shares	No of Shares
Reconciliation of number of shares		
At the beginning of the year	8319575	8319575
Add: Issue of shares during the year	-	-
At the end of the year	8319575	8319575

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

	No of Shares	%	No of Shares	%
M/s.T V Sundram Iyengar & Sons Private Limited	1819432	21.87	1819432	21.87
M/s.Sundaram Finance Limited	1540784	18.52	1540784	18.52

Note : 3

Reserves & Surplus

Capital Reserves

Opening balance	<u>378.75</u>	<u>378.75</u>
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Revenue Reserves

General Reserve

Balance at the beginning of the year	<u>19000.00</u>	<u>17100.00</u>
	<u>19000.00</u>	<u>17100.00</u>
Add: Transfer from Profit & Loss Statement	<u>1700.00</u>	<u>1900.00</u>
Balance at the end of the year	<u>20700.00</u>	19000.00
Surplus as per Profit & Loss Statement		
Balance at the beginning of the year	<u>1172.98</u>	1372.83
Add: Retained earnings on account of Depreciation (Net)	-	0.33
Add: Profit for the year	<u>2670.68</u>	<u>3100.47</u>
	<u>3843.66</u>	<u>4473.63</u>

NOTES

	As at 31st March, 2016 (Rs. in Lakhs)	As at 31st March, 2015 (Rs. in Lakhs)
Less: Interim Dividend (Paid) (Special Dividend on Diamond Jubilee)	-	332.78
Less: Dividend Distribution Tax (including Surcharge)	-	66.54
Less: Interim Dividend (Paid)	748.76	831.96
Less: Dividend Distribution Tax (including Surcharge)	152.43	169.37
Less: Transfer to General Reserve	1700.00	1900.00
Balance at the end of the year	1242.47	1172.98
Total Reserves and Surplus	22321.22	20551.73
Note : 4		
Deferred Tax Liability (Net)		
On Depreciation (Difference as per Books & as per Income Tax Act)	166.01	148.69
Less: Deferred Tax Assets - Other Provisions and carry forward capital losses	(54.25)	(51.40)
	111.76	97.29
Note : 5		
Long Term Provisions		
Provision for Employee Benefits	34.64	29.11
Note : 6		
Short Term Borrowings		
Secured Loans		
Short Term Loans - From Banks		
Cash Credit	1349.08	1601.21
(Secured by hypothecation of book debts and stock)		
Note : 7		
Trade Payable		
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	3576.14	2748.79
	3576.14	2748.79

INDIA MOTOR PARTS & ACCESSORIES LIMITED

NOTES

As at 31st March, 2016 (Rs. in Lakhs)	As at 31st March, 2015 (Rs. in Lakhs)
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Note : 8

Other Current Liabilities

For expenses	309.62	239.13
VAT and CST	208.56	206.72
Other payables	172.95	198.33
Unpaid interim dividend	45.30	-
Unclaimed dividends	97.33	88.07
	833.76	732.25

Note : 9

Short-Term Provisions (Net)

Interim Dividend (Includes Dividend Distribution tax and

Surcharge Rs. Nil - Previous year Rs.169.37 Lakhs)

	-	1001.33
	-	1001.33

Note : 10

Fixed Assets

TANGIBLE ASSETS

(Rs. In Lakhs)

Description	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	As at 01/04/2015	Additions during the year	Deductions during the year	Balance as on 31/03/2016	Upto 31/03/2015	For the Year	Upto 31/03/2016	As at 31/03/2016	As at 31/03/2015
Land	210.35	-	-	210.35	-	-	-	210.35	210.35
Leasehold land & Building	76.92	-	-	76.92	34.03	1.14	35.17	41.75	42.89
Buildings	853.05	-	-	853.05	368.09	12.55	380.65	472.40	484.96
Plant & Equipments	80.35	6.80	1.90	85.25	46.82	3.72	49.27	35.98	33.53
Others - Electrical Fittings	24.47	0.64	2.15	22.96	22.44	0.14	20.50	2.46	2.03
Office Equipments	279.85	18.68	5.49	293.04	243.19	14.43	252.40	40.64	36.66
Furniture & Fixtures	202.27	24.03	0.48	225.82	172.78	3.75	176.07	49.75	29.49
Vehicles	128.85	84.84	64.71	148.98	66.80	10.93	41.80	107.18	62.05
Intangible Assets									
Software	180.90	-	-	180.90	28.64	28.64	57.28	123.62	152.26
TOTAL	2,037.01	134.99	74.73	2,097.27	982.79	75.30	1,013.14	1,084.13	1,054.22
Previous year	1,819.82	244.47	27.28	2,037.01	931.51	76.15	982.79	1,054.22	888.31

Assets have not been added by way of acquiring business.

Company has adopted depreciation as per Schedule II of Companies Act 2013.

NOTES

	As at 31st March, 2016 (Rs. in Lakhs)	As at 31st March, 2015 (Rs. in Lakhs)
Note : 11		
Non-Current Investments		
Investments in Equity Instruments		
Quoted Investments - Others Non Trade		
Sundaram Finance Limited 28,53,600 equity shares of Rs.10/- each	1308.67	1308.67
Unquoted Investments - Others Non Trade		
Royal Sundaram General Insurance Company Ltd 3,14,49,231 equity shares of Rs.10/- each	3961.90	3961.90
Unquoted Investments - Associate - Non Trade		
Transenergy Limited 1,00,000 equity shares of Rs.100/- each	163.75	163.75
	<u>5434.32</u>	<u>5434.32</u>
Aggregate amount of quoted investments	1308.67	1308.67
Market value thereof	37113.92	43374.72
Aggregate amount of unquoted investments	4125.65	4125.65
Unquoted investments are valued at cost and provision for decline in value, if any, other than temporary are made wherever necessary		
Note : 12		
Long-Term Loans & Advances		
Secured Advances		
	-	-
Unsecured Advances - considered good (Rent and other advances)		
	75.52	66.08
	<u>75.52</u>	<u>66.08</u>
Note : 13		
Current Investments		
In Government Securities / Trust Securities:		
Investments in Mutual Funds		
HDFC FMP 370D July 2013 (3) - Growth -Series XXVI - Direct 3000000 Units Of Rs.10 /- each, Face Value Rs.300 Lakhs	300.00	300.00
Sundaram Fixed Term Plan GU-1120 Days - Growth - Direct 5000000 Units of Rs.10/- each, Face value Rs.500 lakhs	500.00	500.00
HDFC FMP 1128D Mar 2015 (1) - Growth -Series 33 - Direct 10000000 Units of Rs.10/- each, Face value Rs.1000 lakhs	1000.00	1,000.00
HDFC FMP 370D June 2014 (2) - Growth -Series 31 - Direct 3000000 Units Of Rs.10 /- each, Face Value Rs.300 Lakhs	300.00	300.00

INDIA MOTOR PARTS & ACCESSORIES LIMITED

NOTES

	As at 31st March, 2016 (Rs. in Lakhs)	As at 31st March, 2015 (Rs. in Lakhs)
LIC Nomura MF Fixed Maturity Plan-Direct-Growth-Series 76 - 382 Days 3000000 Units Of Rs.10 /- each, Face Value Rs.300 Lakhs	-	300.00
HDFC FMP 1099D Aug 2014 (1) - Growth -Series 32 - Direct 5000000 Units of Rs.10/- each, Face value Rs.500 lakhs	500.00	500.00
SBI Debt Fund Series A 42 - 1111 Days - Growth 6000000 Units Of Rs.10 /- each, Face Value Rs.600 Lakhs	600.00	600.00
HDFC FMP 1113D Nov 2014 (1) - Growth -Series 32 - Direct 5000000 Units of Rs.10/- each, Face value Rs.500 lakhs	500.00	500.00
HDFC FMP 1115D March 2015 (1) - Series 33 Direct - Growth 3000000 Units Of Rs.10 /- each, Face Value Rs.300 Lakhs	300.00	-
Sundaram Fixed Term Plan GY - Growth - Direct 10000000 Units Of Rs.10 /- each, Face Value Rs.1000 Lakhs	1000.00	-
HDFC FMP 1105D Oct 2015 (1) - Series 34 Direct - Growth 5000000 Units Of Rs.10 /- each, Face Value Rs.500 Lakhs	500.00	-
Sundaram Fixed Term Plan HC - Growth - Direct 2000000 Units Of Rs.10 /- each, Face Value Rs.200 Lakhs	200.00	-
Sundaram Fixed Term Plan HI - Growth - Direct 3000000 Units Of Rs.10 /- each, Face Value Rs.300 Lakhs	300.00	-
	<u>6000.00</u>	<u>4000.00</u>
Aggregate amount of unquoted investments	6000.00	4000.00

Current investments are valued at lower of cost or market value

Note : 14

Inventories

Stock in Trade	4607.88	4739.90
Goods in Transit	258.23	227.52
Stock in Trade is valued at lower of cost or market value in line with the AS (2). In respect of local purchases cost is net of VAT. Goods in Transit is valued at cost.		
	<u>4866.11</u>	<u>4967.42</u>

Note : 15

Trade Receivables-Unsecured-Considered Good

More than six months	37.39	27.33
Others	5526.94	5124.16
	<u>5564.33</u>	<u>5151.49</u>

NOTES

	As at 31st March, 2016 (Rs. in Lakhs)	As at 31st March, 2015 (Rs. in Lakhs)
Note : 16		
Cash & Cash Equivalents		
Balances with Banks	127.71	158.60
Cheques and Drafts on hand	465.68	523.57
Cash on hand	27.56	34.20
Balances with Banks for Unclaimed Dividends / Unpaid Dividends	142.63	88.07
Others - Guarantee Deposit	14.00	12.05
- Remittances in Transit	601.72	558.72
Short Term Deposits with Banks	4183.00	4466.00
	5562.30	5841.21
Note : 17		
Short-Term Loans & Advances		
Unsecured Advances		
Unsecured & Considered Good - advances recoverable } in Cash or in kind or for value to be received }	353.86	878.75
Advance Tax and T.D.S. (Net of Provisions)	5.04	106.69
VAT and CST	45.15	31.87
Prepaid Expenses - Insurance	24.90	16.71
Advances to Employees and Others	28.80	30.96
Deposit with Governments and others	6.16	6.37
	463.91	1071.35
Note : 18		
Other Current Assets		
Interest accrued on Short Term Deposits / Current Investments	7.94	7.58
	7.94	7.58

INDIA MOTOR PARTS & ACCESSORIES LIMITED

NOTES

	Year ending 31st March, 2016 (Rs. in Lakhs)	Year ending 31st March, 2015 (Rs. in Lakhs)
Note : 19		
Revenue From Operations		
Sales - Less Returns (Net)		
Sale of Products	50055.97	51087.42
Sale of Services	4.67	8.20
Other Operating Revenue	122.13	101.13
	<u>50182.77</u>	<u>51196.75</u>
Note : 20		
Other Incomes		
Dividend Income		
- Long Term Investments in Equity Shares	465.91	419.41
- Current Investments	206.89	306.65
Profit/(Loss) on Sale of Assets (Net)	4.62	1.64
Interest Income from Bank Deposits	34.22	30.27
Other non operating income	3.17	5.53
Profit / (Loss) on Sale of Mutual Funds (Net)	29.18	189.93
	<u>743.99</u>	<u>953.43</u>
Note : 21		
Purchase of Stock-in-Trade		
Purchases	43812.80	45202.25
Note : 22		
Changes In Inventories - Stock-in-Trade		
Opening Stock	4739.90	4344.57
Closing Stock	4607.88	4739.90
(Increase)/Decrease in inventories	<u>132.02</u>	<u>(395.33)</u>

NOTES

	Year ending 31st March, 2016 (Rs. in Lakhs)	Year ending 31st March, 2015 (Rs. in Lakhs)
Note : 23		
Employees Benefits Expenses		
Salaries, Allowances, Commission and Bonus	1425.82	1275.70
Contribution to PF, Gratuity and Other Funds	112.56	125.72
Staff Welfare Expenses	76.48	68.58
	1614.86	1470.00
Note : 24		
Other Expenses		
Audit Fees:		
as Auditors	5.72	5.62
for Tax Audit	1.14	1.12
for Certification	1.14	1.12
out of pocket expenses	0.34	0.30
Power and fuel	31.82	31.74
Rent	188.41	165.48
Repairs to Buildings	55.22	41.82
Repairs to Plant & Equipments	5.41	4.18
Corporate Social Responsibility Expenses	50.30	64.25
Insurance	10.01	9.30
Rates, Taxes and Licences	11.92	10.96
Administrative and Other Expenses	1143.53	1109.85
	1504.96	1445.74

CASH FLOW STATEMENT

	2015-2016 (Rs in lakhs)	2014-2015 (Rs in lakhs)
A) Cash flow from Operating Activities		
a) Net Profit Before tax	3,786.82	4,351.37
Adjustments for:		
Depreciation	75.30	76.15
Dividend Income	(672.80)	(726.06)
Interest Income from Bank Deposits	(34.22)	(30.27)
Loss on Sale of Assets	3.13	0.47
Loss on Sale of Investments	-	-
Profit on Sale of Assets	(7.75)	(2.11)
Profit on Sale of Investments	(29.18)	(189.93)
b) Operating Profit before Working Capital Changes	3,121.30	3,479.62
Adjustment for:		
Decrease/ (Increase) in Trade Receivables and others	(413.20)	288.53
Decrease / (Increase) in Loans & Advances	496.35	(616.79)
Decrease / (Increase) in Inventories	101.31	(330.58)
(Decrease) / Increase in Trade Payable	879.83	454.71
	1,064.29	(204.13)
c) Cash Generated from Operations	4,185.59	3,275.49
Direct taxes Paid	(1,000.02)	(1,262.38)
	(1,000.02)	(1,262.38)
d) Cash flow before Extraordinary item	3,185.57	2,013.11
e) Extraordinary Item	-	-
Net Cash flow from Operating Activities	3,185.57	2,013.11
B) Cash flow from Investing Activities		
Sale of Fixed Assets	34.40	4.39
Sale of Investments	44,065.29	49,795.60
Dividend received	672.80	726.06
Interest Income from Bank Deposits	34.22	30.27
Purchase of Fixed Assets	(134.99)	(244.47)
Purchase of Investments	(46,036.11)	(51,513.08)
Net Cash used in Investing Activities	(1,364.39)	(1,201.23)

CASH FLOW STATEMENT (Contd.)

	2015-2016 (Rs in lakhs)	2014-2015 (Rs in lakhs)
C) Cash flow from Financing Activities		
Borrowing / (Repayment) of Cash Credit	(252.13)	131.20
Dividend Paid including Dividend Distribution Tax	(1,847.96)	(1,259.53)
Net Cashflow from Financing Activities	(2,100.09)	(1,128.33)
D) Net Increase / (Decrease) in Cash & Cash Equivalents	(278.91)	(316.45)
Cash & Cash Equivalent at beginning of the year	5,841.21	6,157.66
Cash & Cash Equivalent at the end of the year	5,562.30	5,841.21

N KRISHNAN
Managing Director

S PRASAD
Director

As per our attached Report of even date

For **SUNDARAM & SRINIVASAN**

Chartered Accountants

Firm Registration Number : 004207S

S RAMASUBRAMANIAN
Chief Financial Officer

S KALYANARAMAN
Secretary

M PADHMANABHAN

Partner

Chennai
30th May, 2016

Membership No: F13291

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF INDIA MOTOR PARTS AND ACCESSORIES LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of India Motor Parts and Accessories Limited and its associate comprising of the Consolidated Balance Sheet as at 31st March, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Managements' Responsibility for the Consolidated Financial Statements

The Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows including its Associate in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the company and its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the financial statements by the respective Directors as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion, the Company and its associate company, 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, 2016, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the company and its associate as at 31st March, 2016, their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matters

The consolidated financial statements also include the company's share of net profit of Rs.12.48 lakhs for the year ended 31st March, 2016, as considered in the consolidated financial statements, in respect of 1 associate, whose financial statements / financial information are unaudited and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the associate and our report in terms of sub sections (3) and (11) of section 143 of the Act, in so far as it relates to the associate, is based solely on such unaudited financial statements / financial information.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, 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 financial statements.
- (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, 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 financial statements.
- (d) In our opinion, the aforesaid consolidated 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 of the Company as on 31st March, 2016 taken on record by the Board of Directors of the Company and its associate none of the directors of the company and its associate is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) 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:

1. The company and its associate do not have any pending litigations which would impact their financial position.
 2. The company and its associate do not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 3. There has been no delay in transferring amounts, required to be transferred, to the investor education and protection fund by the company and its associate.
- (g) The Companies (Auditor's Report) order, 2016, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, is not applicable to the Auditor's Report on Consolidated Financial Statements.

For **SUNDARAM & SRINIVASAN**
Chartered Accountants
Firm Regn.No.004207S

M. PADHMANABHAN
Partner
Membership No.F13291

Place : Chennai
Date : 30th May 2016

INDIA MOTOR PARTS & ACCESSORIES LIMITED

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2016

(Rs. in Lakhs)

Particulars	Note No.	As at 31st March, 2016
I. EQUITY AND LIABILITIES		
(1) Shareholder's Funds		
(a) Share Capital	2	831.96
(b) Reserves and Surplus	3	22439.32
(2) Non-Current Liabilities		
(a) Deferred tax liabilities (Net)	4	111.76
(b) Long term provisions	5	34.64
(3) Current Liabilities		
(a) Short-term borrowings	6	1349.08
(b) Trade payables	7	
(i) Total outstanding dues of micro enterprises and small enterprises		-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises		3576.14
(c) Other current liabilities	8	833.76
(d) Short-term provisions	9	-
Total		29176.66
II. Assets		
(1) Non-current assets		
(a) Fixed assets		
(i) Tangible Assets	10	960.51
(ii) Intangible Assets	10	123.62
(b) Non-current investments	11	5552.42
(c) Long term loans and advances	12	75.52
(2) Current assets		
(a) Current investments	13	6000.00
(b) Inventories	14	4866.11
(c) Trade receivables	15	5564.33
(d) Cash and cash equivalents	16	5562.30
(e) Short-term loans and advances	17	463.91
(f) Other current assets	18	7.94
Total		29176.66
Notes on accounts	1	
Refer accompanying financial statements		

N KRISHNAN
Managing Director

S PRASAD
Director

As per our attached Report of even date
For **SUNDARAM & SRINIVASAN**
Chartered Accountants

S RAMASUBRAMANIAN
Chief Financial Officer

S KALYANARAMAN
Secretary

Firm Registration Number : 004207S

Chennai
30th May, 2016

M PADHMANABHAN
Partner

Membership No: F13291

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

(Rs. in Lakhs)

Particulars	Note No.	Year ending 31st March, 2016
I Revenue from Operations	19	50182.77
II Other Income	20	733.99
III Total Revenue (I + II)		50916.76
IV Expenses:		
Purchase of Stock-in-Trade	21	43812.80
Changes in inventories - Stock-in-Trade	22	132.02
Employee benefits expenses	23	1614.86
Finance costs		-
Depreciation and amortization expenses	10	75.30
Other expenses	24	1504.96
Total Expenses		47139.94
V Profit before exceptional and extraordinary items and tax (III - IV)		3776.82
VI Exceptional Items		-
VII Profit before extraordinary items and tax (V - VI)		3776.82
VIII Extraordinary Items		-
IX Profit before tax (VII - VIII)		3776.82
X Tax expense:		
(1) Current tax		1083.44
(2) Deferred tax		14.47
(3) Tax Provision relating to earlier years (net)		18.23
XI Profit(Loss) for the period from continuing operations (IX - X)		2660.68
XII Profit(Loss) from discontinuing operations		-
XIII Tax expense of discontinuing operations		-
XIV Profit(Loss) from discontinuing operations (after Tax) (XII - XIII)		-
XV Profit/(Loss) for the year		2660.68
Add: Share of Profit from Associate		12.48
		2673.16
XVI Earning per equity share: (Rs.)		
(1) Basic		32.13
(2) Diluted		32.13
Notes on accounts	1	
Refer accompanying financial statements		

N KRISHNAN
Managing Director

S PRASAD
Director

As per our attached Report of even date
For **SUNDARAM & SRINIVASAN**
Chartered Accountants

S RAMASUBRAMANIAN
Chief Financial Officer

S KALYANARAMAN
Secretary

Firm Registration Number : 004207S

Chennai
30th May, 2016

M PADHMANABHAN
Partner

Membership No: F13291

Note:1

CONSOLIDATED NOTES ON ACCOUNTS

1. Significant Accounting Policies

- (a) The Consolidated financial statements are prepared in accordance with Accounting Standard 23.
- (b) Sales are net of trade discounts, returns and exclusive of VAT/Central Sales Tax .
- (c)
 - 1. Fixed Assets values are at cost less depreciation.
 - 2. Depreciation has been provided in accordance with Schedule II of the Companies Act, 2013.
 - 3. Depreciation on lease hold assets are amortised over the period of lease.
- (d) Inventories are valued at lower of cost or net realisable value in line with the Accounting Standard (AS 2).
- (e) Unquoted Long term investments are carried at cost and provision for decline in value, if any , other than temporary, is made whenever necessary. Current Investments are stated at lower of cost or market value. Investments in Transenergy Limited, an Associate Company has been accounted under the Equity Method based on the Unaudited Results.
Capital Reserve arising on acquisition and the Revenue Reserves are disclosed separately.
- (f) Employees Benefits:
 - A) Short Term Employees Benefits:
Short Term Employees Benefits for services rendered by them are recognized during the period when the services are rendered
 - B) Post employment benefits:
Defined Contribution Plan
 - a) Provident Fund
Contributions are made to the company's Employees Provident Fund Trust in accordance with the fund rules. The interest rate payable by the trust to the beneficiaries every year is notified by the Government.
The Company has an obligation to make good the shortfall, if any, between the return from the investment of the trust and the notified interest rate.
The Company also contributes to government administrated pension fund and to Employees' State Insurance Schemes on behalf of its employees.
 - b) Superannuation
The Company makes fixed contributions as a percentage on salary to the superannuation fund, which is administered by trustees and managed by the Life Insurance Corporation of India (LIC).
Defined Benefit Plan
 - a) Gratuity
The Company makes contribution to gratuity fund, (as per actuarial valuation), which is administered by trustees and managed by the Life Insurance Corporation of India (LIC).
 - b) Leave Encashment
Liability on account of encashment of leave to employees is provided on the basis of actuarial valuation.
The expenses and actuarial gain / loss on account of the above benefit plans are recognised in the profit and loss statement.
 - C) Other Long Term Employee Benefits:
The estimated liability in respect of other long term benefits like entitlement of leave has been provided on the basis of actuarial valuation.

NOTES

CONSOLIDATED NOTES ON ACCOUNTS (Contd.)

The above contributions are charged to the Profit and Loss Statement.

(g) Insurance claims are accounted as and when the claims are settled.

(h) Deferred tax resulting from timing differences between book and tax profits is accounted for at the current rate of tax to the extent that the timing differences are expected to crystallise.

2. Profit and Loss Statement

i) 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 : 23

	2015-2016
	Rs.in Lakhs
Contribution to Superannuation Fund	12.93
Contribution to Pension Fund	31.89
Contribution to Employees' State Insurance - ESI	17.28
Contribution to Provident Fund	29.13

Defined Benefit Plans:

As at 31st March, 2016

Funded Gratuity

Rs.in Lakhs

A) Reconciliation of opening and closing balances of the present value of the defined benefit obligation	
Present value of obligation as at beginning of the year	248.83
Current service cost	19.57
Interest cost	19.90
Benefits paid	(15.60)
Actuarial (gain) / loss on obligations	(12.32)
Present value of obligation as at the end of the year	260.38
B) Reconciliation of opening and closing balance of the fair value of plan assets	
Fair value of plan assets as at the beginning of the year	266.30
Expected return on plan assets	22.03
Contributions made	24.02
Benefits paid	(15.60)
Actuarial gain on plan assets	---
Fair value of plan assets as at the end of the year	296.75
C) Reconciliation of present value of defined benefit obligation and fair value of plan assets	
Present value of obligation as at the end of the year	260.38
Fair value of plan assets as at the end of the year	296.75
Unrecognised past service cost	---
Net Asset / (Liability) not recognised in Balance Sheet	36.37

INDIA MOTOR PARTS & ACCESSORIES LIMITED

NOTES

CONSOLIDATED NOTES ON ACCOUNTS (Contd.)

	As at 31st March, 2016 Funded Gratuity Rs.in Lakhs
D) Expenses	
Current service cost	19.57
Interest cost	19.90
Expected return on plan assets	(22.03)
Net actuarial (gain) / loss recognised	(12.32)
Expenses	5.12
E) Actual return on plan assets	
Expected return on plan assets	22.03
Actuarial gain on plan assets	---
Actual return on plan assets	22.03
F) Actuarial assumptions	
Discount rate	LIC - 8%
Rate of increase in compensation levels	6%

The present value of obligation towards compensated absences and entitlement of leave, as per actuarial certificate, as on 31-03-2016 is Rs.34.64 lakhs (previous year Rs.29.11 Lakhs) and is provided for in the books of accounts.

3) General

- i) Segment Reporting
The parent company operates only in one business segment. viz. "Sale and Distribution of Automotive spares".
The Associate Company operates in Machining of Automotive Brake Components.
- ii) Related Party Disclosure
 1. Related parties:
 - a. Associates:
T V Sundram Iyengar & Sons Private Limited
Transenergy Limited
 - b. Relative of Key Management Personnel:
Sri. S. Narayanan, who was Chairman, until 17.12.2014
(Father of Sri. N. Krishnan, Managing Director)
 - c. Key Management Personnel:
Sri. N. Krishnan, Managing Director.
 2. The disclosure of related party transactions during the year and balances as on 31/03/2016 are as follows
Rs. in Lakhs

Nature of Transaction	Associates	Key Management Personnel	Relatives of Key Management Personnel
	2015-2016	2015-2016	2015-2016
Sale of Goods	18.18	0.00	0.00
Purchase of Goods	0.00	0.00	0.00
Receiving Services	16.22	0.00	0.00
Payable Balance	0.00	58.56	0.00
Receivable Balance	0.00	0.00	0.00
Remuneration	0.00	141.85	0.00

No Payment has been made during the year to the Relative of Key Management Personnel.

NOTES

CONSOLIDATED NOTES ON ACCOUNTS (Contd.)

iii) Disclosures required under the "Micro, Small and Medium Enterprises Development Act, 2006"

Particulars	2015-2016
a) Principal amount and the interest due to Suppliers under the Act	Nil
b) Interest paid to Suppliers in terms of Section 16 of the Act, along with payment made beyond the appointed day	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
d) Interest accrued and remaining unpaid at the end of the year	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

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.

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

		2015-2016
Profit after Tax	Rs. In Lakhs	2673.16
Total Equity Shares outstanding at the end of the year	Nos.	8319575
Earnings per share (Basic and Diluted)	Rs.	32.13
Face value per share	Rs.	10

Rs. In Lakhs

- v) Expenditure in foreign currency - Travelling & Subscription Nil
- vi) Contingent Liability not provided for Nil
- vii) The figures for the previous year have not been furnished as the provision of Consolidation were not applicable.

Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Associate

Particulars	Net Assets i.e. total assets minus total liabilities		Share in profit or loss	
	As % of consolidated net assets	Amount Rs. in Lakhs	As % of consolidated Profit or loss	Amount Rs. in Lakhs
Parent: India Motor Parts and Accessories Ltd.		22321.22		2670.68
Less: Investment made in Associate		163.75		
Add: Goodwil / Unrealised Profit and other adjustments				10.00
Less: Dividend received from Associate				
	98.80	22157.47	99.55	2660.68
Associate: (Investment as per Equity method)				
Indian:				
Transenergy Ltd.	1.20	281.85	0.45	12.48
Total		22439.32		2673.16

INDIA MOTOR PARTS & ACCESSORIES LIMITED

NOTES

As at
31st March, 2016
(Rs. in Lakhs)

Note : 2

SHARE CAPITAL

Authorised:

2,00,00,000 Equity Shares of Rs. 10/- each 2000.00

Issued, Subscribed & Paid up Capital :

83,19,575 Equity Shares of Rs.10/- each fully paid up 831.96
(Includes 41,59,775 Equity Shares of Rs.10/- each
allotted in September 2012 as fully paid up by way of
Bonus Shares by Capitalisation of General Reserve)

	No of Shares
Reconciliation of number of shares	
At the beginning of the year	8319575
Add: Issue of shares during the year	-
At the end of the year	8319575

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

	No of Shares	%
M/s.T V Sundram Iyengar & Sons Private Limited	1819432	21.87
M/s.Sundaram Finance Limited	1540784	18.52

Note : 3

Reserves & Surplus

Capital Reserves

Opening balance	378.75
Capital Reserves on Consolidation	<u>90.62</u>
	469.37

Revenue Reserves

General Reserve

Balance at the beginning of the year	19000.00
Revenue Reserve on consolidation	<u>25.00</u>
	19025.00
Add: Transfer from Profit & Loss Statement	<u>1700.00</u>
Balance at the end of the year	20725.00
Surplus as per Profit & Loss Statement	
Balance at the beginning of the year	1172.98
Add: Retained earnings on account of Depreciation (Net)	-
Add: Profit for the year	<u>2673.16</u>
	3846.14

NOTES

As at
31st March, 2016
(Rs. in Lakhs)

Less: Interim Dividend (Paid)	207.99	
Less: Dividend Distribution Tax (including Surcharge)	42.34	
Less: Interim Dividend (Paid)	540.77	
Less: Dividend Distribution Tax (including Surcharge)	110.09	
Less: Transfer to General Reserve	1700.00	
Balance at the end of the year		1244.95
Total Reserves and Surplus		22439.32

Note : 4

Deferred Tax Liability (Net)

On Depreciation (Difference as per Books & as per Income Tax Act)	166.01	
Less: Deferred Tax Assets - Other Provisions and carry forward capital losses		(54.25)
		111.76

Note : 5

Long Term Provisions

Provision for Employee Benefits	34.64	
		34.64

Note : 6

Short Term Borrowings

Secured Loans

Short Term Loans - From Banks

Cash Credit	1349.08	
(Secured by hypothecation of book debts and stock)		1349.08

Note : 7

Trade Payable

Total outstanding dues of micro enterprises and small enterprises	-	
Total outstanding dues of creditors other than micro enterprises and small enterprises		3576.14
		3576.14

INDIA MOTOR PARTS & ACCESSORIES LIMITED

NOTES

As at
31st March, 2016
(Rs. in Lakhs)

Note : 8

Other Current Liabilities

For expenses	309.62
VAT and CST	208.56
Other payables	172.95
Unpaid interim dividend	45.30
Unclaimed dividends	97.33
	833.76

Note : 9

Short-Term Provisions (Net)

Interim Dividend (Includes Dividend Distribution tax and Surcharge Rs. Nil)	-
	-

Note : 10

Fixed Assets

TANGIBLE ASSETS

(Rs. In Lakhs)

Description	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	As at 01/04/2015	Additions during the year	Deductions during the year	Balance as on 31/03/2016	Upto 31/03/2015	For the Year	Upto 31/03/2016	As at 31/03/2016	As at 31/03/2015
Land	210.35	-	-	210.35	-	-	-	210.35	210.35
Leasehold land & Building	76.92	-	-	76.92	34.03	1.14	35.17	41.75	42.89
Buildings	853.05	-	-	853.05	368.09	12.55	380.65	472.40	484.96
Plant & Equipments	80.35	6.80	1.90	85.25	46.82	3.72	49.27	35.98	33.53
Others - Electrical Fittings	24.47	0.64	2.15	22.96	22.44	0.14	20.50	2.46	2.03
Office Equipments	279.85	18.68	5.49	293.04	243.19	14.43	252.40	40.64	36.66
Furniture & Fixtures	202.27	24.03	0.48	225.82	172.78	3.75	176.07	49.75	29.49
Vehicles	128.85	84.84	64.71	148.98	66.80	10.93	41.80	107.18	62.05
Intangible Assets									
Software	180.90	-	-	180.90	28.64	28.64	57.28	123.62	152.26
TOTAL	2,037.01	134.99	74.73	2,097.27	982.79	75.30	1,013.14	1,084.13	1054.22
Previous year	1,819.82	244.47	27.28	2,037.01	931.51	76.15	982.79	1,054.22	888.31

Assets have not been added by way of acquiring business.

Company has adopted depreciation as per Schedule II of Companies Act 2013.

NOTES

As at
31st March, 2016
(Rs. in Lakhs)

Note : 11

Non-Current Investments

Investments in Equity Instruments

Quoted Investments - Others Non Trade

Sundaram Finance Limited	1308.67
28,53,600 equity shares of Rs.10/- each	

Unquoted Investments - Others Non Trade

Royal Sundaram General Insurance Company Ltd	3961.90
3,14,49,231 equity shares of Rs.10/- each	

Unquoted Investments - Associate - Non Trade

Transenergy Limited	281.85
1,00,000 equity shares of Rs.100/- each	
(Includes Capital Reserve and Revenue Reserve on consolidation)	

5552.42

Aggregate amount of quoted investments	1308.67
Market value thereof	37113.92
Aggregate amount of unquoted investments	4243.75

Unquoted investments are valued at cost and provision for decline in value, if any, other than temporary are made wherever necessary

Note : 12

Long-Term Loans & Advances

Secured Advances	-
------------------	---

Unsecured Advances - considered good (Rent and other advances)	75.52
---	-------

75.52

Note : 13

Current Investments

In Government Securities / Trust Securities:

Investments in Mutual Funds

HDFC FMP 370D July 2013 (3) - Growth -Series XXVI - Direct 3000000 Units Of Rs.10 /- each, Face Value Rs.300 Lakhs	300.00
Sundaram Fixed Term Plan GU-1120 Days - Growth - Direct 5000000 Units of Rs.10/- each, Face value Rs.500 lakhs	500.00
HDFC FMP 1128D Mar 2015 (1) - Growth -Series 33 - Direct 10000000 Units of Rs.10/- each, Face value Rs.1000 lakhs	1000.00

INDIA MOTOR PARTS & ACCESSORIES LIMITED

NOTES

As at
31st March, 2016
(Rs. in Lakhs)

HDFC FMP 370D June 2014 (2) - Growth -Series 31 - Direct 3000000 Units Of Rs.10 /- each, Face Value Rs.300 Lakhs	300.00
LIC Nomura MF Fixed Maturity Plan-Direct-Growth-Series 76 - 382 Days 3000000 Units Of Rs.10 /- each, Face Value Rs.300 Lakhs	300.00
HDFC FMP 1099D Aug 2014 (1) - Growth -Series 32 - Direct 5000000 Units of Rs.10/- each, Face value Rs.500 lakhs	500.00
SBI Debt Fund Series A 42 - 1111 Days - Growth 6000000 Units Of Rs.10 /- each, Face Value Rs.600 Lakhs	600.00
HDFC FMP 1113D Nov 2014 (1) - Growth -Series 32 - Direct 5000000 Units of Rs.10/- each, Face value Rs.500 lakhs	500.00
HDFC FMP 1115D March 2015 (1) - Series 33 Direct - Growth 3000000 Units Of Rs.10 /- each, Face Value Rs.300 Lakhs	300.00
Sundaram Fixed Term Plan GY - Growth - Direct 10000000 Units Of Rs.10 /- each, Face Value Rs.1000 Lakhs	1000.00
HDFC FMP 1105D Oct 2015 (1) - Series 34 Direct - Growth 5000000 Units Of Rs.10 /- each, Face Value Rs.500 Lakhs	500.00
Sundaram Fixed Term Plan HC - Growth - Direct 2000000 Units Of Rs.10 /- each, Face Value Rs.200 Lakhs	200.00
Sundaram Fixed Term Plan HI - Growth - Direct 3000000 Units Of Rs.10 /- each, Face Value Rs.300 Lakhs	300.00
	<hr/> 6000.00
Aggregate amount of unquoted investments	6000.00

Current investments are valued at lower of cost or market value

Note : 14

Inventories

Stock in Trade	4607.88
Goods in Transit	258.23
Stock in Trade is valued at lower of cost or market value in line with the AS (2). In respect of local purchases cost is net of VAT. Goods in Transit is valued at cost.	
	<hr/> 4866.11

NOTES

As at
31st March, 2016
(Rs. in Lakhs)

Note : 15

Trade Receivables-Unsecured-Considered Good

More than six months	37.39
Others	5526.94
	<u>5564.33</u>

Note : 16

Cash & Cash Equivalents

Balances with Banks	127.71
Cheques and Drafts on hand	465.68
Cash on hand	27.56
Balances with Banks for Unclaimed Dividends / Unpaid Dividends	142.63
Others - Guarantee Deposit	14.00
- Remittances in Transit	601.72
Short Term Deposits with Banks	4183.00
	<u>5562.30</u>

Note : 17

Short-Term Loans & Advances

Unsecured Advances

Unsecured & Considered Good - advances recoverable in Cash or in kind or for value to be received }	353.86
Advance Tax and T.D.S. (Net of Provisions)	5.04
VAT and CST	45.15
Prepaid Expenses - Insurance	24.90
Advances to Employees and Others	28.80
Deposit with Governments and others	6.16
	<u>463.91</u>

Note : 18

Other Current Assets

Interest accrued on Short Term Deposits / Current Investments	7.94
	<u>7.94</u>

INDIA MOTOR PARTS & ACCESSORIES LIMITED

NOTES

As at
31st March, 2016
(Rs. in Lakhs)

Note : 19

Revenue From Operations

Sales - Less Returns (Net)	50055.97
Sale of Products	4.67
Sale of Services	122.13
Other Operating Revenue	<u>50182.77</u>

Note : 20

Other Incomes

Dividend Income	
- Long Term Investments in Equity Shares	455.91
- Current Investments	206.89
Profit/(Loss) on Sale of Assets (Net)	4.62
Interest Income from Bank Deposits	34.22
Other non operating income	3.17
Profit / (Loss) on Sale of Mutual Funds (Net)	<u>29.18</u>
	<u>733.99</u>

(Dividend received from Associate excluded)

Note : 21

Purchase of Stock-in-Trade

Purchases	<u>43812.80</u>
-----------	-----------------

Note : 22

Changes In Inventories - Stock-in-Trade

Opening Stock	4739.90
Closing Stock	<u>4607.88</u>
(Increase)/Decrease in inventories	<u>132.02</u>

Note : 23

Employees Benefits Expenses

Salaries, Allowances, Commission and Bonus	1425.82
Contribution to PF, Gratuity and Other Funds	112.56
Staff Welfare Expenses	<u>76.48</u>
	<u>1614.86</u>

Note : 24

Other Expenses

Audit Fees:	
as Auditors	5.72
for Tax Audit	1.14
for Certification	1.14
out of pocket expenses	0.34
Power and fuel	31.82
Rent	188.41
Repairs to Buildings	55.22
Repairs to Plant & Equipments	5.41
Corporate Social Responsibility Expenses	50.30
Insurance	10.01
Rates, Taxes and Licences	11.92
Administrative and Other Expenses	<u>1143.53</u>
	<u>1504.96</u>

CONSOLIDATED CASH FLOW STATEMENT

2015-2016
(Rs in lakhs)

A) Cash flow from Operating Activities

a) Net Profit Before tax	3,789.30	
Adjustments for:		
Depreciation	75.30	
Dividend Income	(662.80)	
Interest Income from Bank Deposits	(34.22)	
Loss on Sale of Assets	3.13	
Loss on Sale of Investments	-	
Profit on Sale of Assets	(7.75)	
Profit on Sale of Investments	(29.18)	
b) Operating Profit before Working Capital Changes		3,133.78
Adjustment for:		
Decrease/ (Increase) in Trade Receivables and others	(413.20)	
Decrease / (Increase) in Loans & Advances	496.35	
Decrease / (Increase) in Inventories	101.31	
(Decrease) / Increase in Trade Payable	879.83	1,064.29
c) Cash Generated from Operations		4,198.07
Direct taxes Paid	(1,000.02)	
		(1,000.02)
d) Cash flow before Extraordinary item		3,198.05
e) Extraordinary Item		-
Net Cash flow from Operating Activities		3,198.05

B) Cash flow from Investing Activities

Sale of Fixed Assets	34.40	
Sale of Investments	44,065.29	
Dividend received	662.80	
Interest Income from Bank Deposits	34.22	
Purchase of Fixed Assets	(134.99)	
Purchase of Investments	(46,038.59)	
Net Cash used in Investing Activities		(1,376.87)

INDIA MOTOR PARTS & ACCESSORIES LIMITED**CONSOLIDATED CASH FLOW STATEMENT (Contd.)****2015-2016**
(Rs in lakhs)**C) Cash flow from Financing Activities**

Borrowing / (Repayment) of Cash Credit	(252.13)
Dividend Paid including Dividend Distribution Tax	(1,847.96)
Net Cashflow from Financing Activities	(2,100.09)

D) Net Increase / (Decrease) in Cash & Cash Equivalents **(278.91)**

Cash & Cash Equivalent at beginning of the year	5,841.21
Cash & Cash Equivalent at the end of the year	5,562.30

N KRISHNAN
*Managing Director***S PRASAD**
Director

As per our attached Report of even date

For **SUNDARAM & SRINIVASAN***Chartered Accountants***S RAMASUBRAMANIAN**
*Chief Financial Officer***S KALYANARAMAN**
*Secretary**Firm Registration Number : 004207S*Chennai
30th May, 2016**M PADHMANABHAN**
Partner

Membership No: F13291

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Corporate Governance:

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

2.1 Board of Directors:

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

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

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

2.2. Attendance at Board Meeting and last Annual General Meeting

During the financial year 2015-16, 5 Board Meetings were held on 28th May 2015, 24th July, 2015, 02nd November 2015, 11th February 2016 and 08th March 2016.

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

Name of the Director	Attendance		No. of other Directorship & Committee membership/chairmanship in other public limited companies in India (as on 31.03.2016)		
	Board Meetings	AGM	Other Directorship	Committee Membership	Committee Chairmanship
Promoter Directors					
Sri S Ram (DIN 18309) Non-Executive Chairman	5	Yes	6	1	1
Sri Ananth Ramanujam (DIN 61970) Non-Executive Director	5	Yes	1	-	-
Independent Non-Executive Directors					
Sri S Ravindran (DIN 45076)	5	Yes	2	2	-
Sri S Prasad (DIN 63667)	5	Yes	3	1	4

INDIA MOTOR PARTS & ACCESSORIES LIMITED

Sri Rasesh R Doshi (DIN 538059)	4	Yes	1	1	-
Sri S Venkatesan (DIN 19155)	5	Yes	2	-	-
Sri T N P Durai (DIN 655615)	4	Yes	-	-	-
Non-Executive Director					
Ms Shobhana Ramachandhran (DIN 273837)	4	Yes	7	1	1
Executive Director					
Sri N Krishnan (DIN 41381) Managing Director	5	Yes	-	-	-

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

3. Audit Committee:

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

During the financial year 2015-16, 4 Audit Committee meetings were held on 27th May 2015, 24th July 2015, 02nd November 2015 and 11th February 2016. The composition and attendance particulars are as follows:

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

4. Nomination and Remuneration Committee:

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

The terms of reference of the committee is as under :

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

Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.

During the financial year 2015-16, 1 meeting was held on 28th May 2015. The composition and attendance particulars are as follows:

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

5. Remuneration to Directors:

Directors of the Company are paid a sitting fee of Rs.6,000/- each for every meeting of the Board and Committees of the Board and separate meeting of Independent Directors.

Remuneration to Non Executive Directors

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

Name of the Director	Sitting Fee (Rs.)	Commission (Rs.)	No. of shares held (as at 31.03.2016)	Relationship with Other Directors
Sri S Ram	36000	50000	19900 ¹	Nil
Sri Ananth Ramanujam	30000	50000	1312 ²	
Sri S Ravindran	72000	100000	800	
Sri S Prasad	72000	100000	960	
Ms Shobhana Ramachandhran	30000	50000	63275	
Sri Rasesh R Doshi	54000	100000	Nil ³	
Sri T N P Durai	30000	50000	6928	
Sri S Venkatesan	36000	50000	6100 ⁴	

Number of shares held jointly with others ¹122618 ²57248 ³10576 ⁴1776

INDIA MOTOR PARTS & ACCESSORIES LIMITED

Managing Director

The Managing Director has been appointed on contractual terms for a period of five years from 05th July 2012. The remuneration approved by shareholders comprises of salary, allowances, commission and perquisites. The quantum of commission payable to the Managing Director is decided by the Board of Directors for each financial year within the ceiling approved by the General Body. The remuneration is within the limits prescribed under Schedule V to the Companies Act, 2013. Details of remuneration paid to Managing Director is as under: -

Rs in Lakhs

Nature of Payment	Sri N Krishnan, Managing Director	Relationship with Other Directors
Salary	66.30	Nil
Commission	58.56	
Sitting Fees	0.60	
Contribution to Provident Fund & other funds	10.53	
Perquisites	5.86	

6. Stakeholders Relationship Committee:

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

Sri S Kalyanaraman, Company Secretary is the compliance officer. During the year under review, two investor complaints was received and resolved by the company.

7. General Body Meetings:

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

Year	Location	Date and time
59 th AGM (2012-13)	Music Academy 168, TTK Road, Chennai –14.	August 08, 2013 11.00 a.m.
60 th AGM (2013-14)	Music Academy 168, TTK Road, Chennai –14.	September 29,2014 11.00 a.m.
61 st AGM (2014-15)	Music Academy 168, TTK Road, Chennai –14.	August 19,2015 11.00 a.m.

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

Year	Date	Details of Special Resolution
59 th AGM (2012-13)	August 08, 2013	1) Increase in Authorised Share Capital of the Company from Rs.10 Crores to Rs.20 Crores. 2) Amendment to Memorandum and Articles of Association of the Company for increase in Authorised Share Capital. 3) Payment of Commission to the Non-Whole Time Directors.
60 th AGM (2013-14)	September 29,2014	NIL
61 st AGM (2014-15)	August 19,2015	NIL

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

No special resolution is proposed to be passed through postal ballot at the ensuing Annual General Meeting.

8. Means of Communication:

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

9. Disclosures:

- There were no materially significant related party transactions with the Company's Promoters, Directors, the Management or Relatives, which may have a potential conflict of interest with the Company at large.
- There have been no instances of non-compliance by the Company on any matters relating to capital market, nor has any penalty / strictures been imposed on the Company by the Stock Exchange or SEBI or any other Statutory authority on such matters.
- The Company has a Whistle Blower Mechanism in place and no personnel has been denied access to the audit committee.
- All the mandatory requirements specified under Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been complied with.

INDIA MOTOR PARTS & ACCESSORIES LIMITED

- The company does not have any subsidiaries and hence policy for determining 'material' subsidiaries does not arise.
- Policy on related party transaction is available in the Company's website at www.impal.net/investor.htm
- The Company does not deal with any commodity activities and hence disclosure of commodity price risks and commodity hedging activities does not arise.

10. Equity Shares in Suspense Account

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

Particulars	Number of Shareholders	Total Shares in Demat Suspense Account
Unclaimed shares at the beginning of the year (01.04.2015)	145	25994
<u>Less:</u> shares claimed during the year	1	400
Unclaimed shares at the end of the year (31.03.2016)	144	25594

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

During the year 400 shares were transferred from the above suspense account to a shareholder

11. General Shareholder Information:

a	62 nd Annual General Meeting Date and Time Venue	29 th August 2016 – 11.00 a.m. The Music Academy, 168 (Old No.306), T T K Road, Chennai 600 014
b	Financial Calendar (Tentative)	
	Annual General Meeting First quarter results ended June 30, 2016 Second quarter results ending September 30 2016 Third quarter results ending December 31, 2016 Audited results for the year ending March 31, 2017	29 th August 2016 August, 2016 November, 2016 February, 2017 May, 2017
c	Period of Book Closure	From 23.08.2016 to 29.08.2016 (Both days inclusive)
d	Dividend payment date	25 th November, 2015 – 1 st Interim Dividend 23 rd March, 2016 – 2 nd Interim Dividend

e	Listing on Stock Exchanges	National Stock Exchange of India Limited (NSE)
f	Stock Code a) Trading Symbol b) Demat ISIN Numbers in NSDL & CDSL	NSE - IMPAL INE547E01014

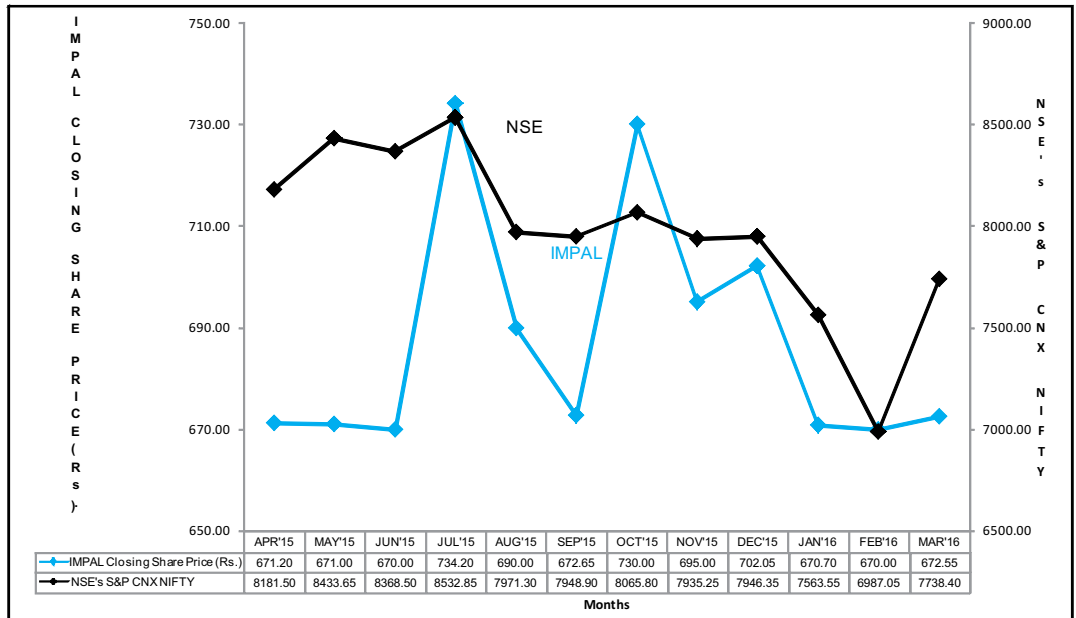
g. The Company has paid the listing fee up to the year 2016-17 to National Stock Exchange of India Ltd and Annual Custodial Fees to National Securities Depository Ltd & Central Depository (Services) Ltd

h. Market Price Data (Rs.)

MONTH		Apr 15	May 15	Jun 15	July 15	Aug 15	Sep 15	Oct 15	Nov 15	Dec 15	Jan 16	Feb 16	Mar 16
NSE	HIGH	731.00	700.00	709.00	752.95	750.00	698.80	745.00	734.95	721.95	710.00	695.00	715.90
	LOW	660.40	670.00	651.30	655.00	670.00	666.00	670.00	668.00	672.00	670.00	650.20	670.00

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

Share Price & NSE's S&P CNX NIFTY



INDIA MOTOR PARTS & ACCESSORIES LIMITED

j. Share Transfer Systems / Registrar and Transfer Agents:

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

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

<p>M/S CAMEO CORPORATE SERVICES LIMITED UNIT: IMPAL</p> <p>V Floor, 'Subramanian Building' #1, Club House Road Chennai – 600 002 Phone: 044-28460390 (5 Lines) Fax: 044-28460129 Email: investor@cameoindia.com</p>	<p>Contact Person: Sri R D Ramasamy Designation: Director</p> <p>Sri D Narasimhan Designation: Assistant Manager</p>
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k. (i) Distribution of Shareholding pattern as on March 31, 2016

No of Shares	Shareholders		No of Shares	
	Number	%	Number	%
Up to 500	5423	76.58	743574	8.94
501-1000	1001	14.13	710805	8.54
1001-2000	417	5.89	560601	6.74
2001-5000	136	1.92	413138	4.97
5001-10000	46	0.65	328851	3.95
10001 & Above	59	0.83	5562606	66.86
Total	7082	100.00	8319575	100.00

(ii) Pattern of Shareholding as on March 31, 2016

S.No	Particulars	No. of shares held	% of total
1	Promoters	2555446	30.72
2	Non Residents (NRI)	60197	0.72
3	Corporate Bodies	1677963	20.17
4	FII	685659	8.24
5	Public	3340310	40.15
Total		8319575	100.00

i. Dematerialisation of shares:

The trading in equity shares of the company is permitted only in dematerialised form. As of March 31, 2016 about 89.42% of total outstanding Shares have been dematerialised. Out of 57,64,129 equity shares held by the shareholders other than the promoters, 48,84,671 equity shares (forming 84.74% of the non promoters shareholding) have been dematerialised up to 31st March 2016.

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

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

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

**AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE
CONDITIONS OF CORPORATE GOVERNANCE**

To

The Members of India Motor Parts and Accessories Limited

We have examined the compliance of the conditions of Corporate Governance by India Motor Parts and Accessories Limited for the year ended 31st March, 2016 as stipulated in Chapter IV of Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with Stock Exchanges in India.

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

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

We state that in respect of investor grievances received during the year ended 31st March, 2016, no investor grievances are pending against the Company as on 30.05.2016 as per the records maintained by the Company.

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 **SUNDARAM & SRINIVASAN**

Chartered Accountants

Firm Regn.No.004207S

M. PADHMANABHAN

Partner

Membership No.F13291

Place : Chennai

Date : 30.05.2016

Distribution Network



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