



Igarashi Motors India Limited

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

By online submission

IMIL/PB/2018

August 16, 2018

✓ **Bombay Stock Exchange Limited**
Corporate Relationship Department
1st Floor, New Trading Ring,
Rotunda Building, P J Towers,
Dalal Street, Fort,
Mumbai 400 001
Fax [022-22722037, 22722039]
Email [Corp.compliance@bseindia.com]
Stock Code: 517380

National Stock Exchange of India Limited
Exchange Plaza, 5th Floor
Plot No.C/1, G-Block
Bandra Kurla Complex
Bandra (East)
Mumbai 400 051
Fax [022-26598237/26598238]
Email[cmlist@nse.co.in]
Stock Code: IGARASHI

Dear Sir/ Madam,

Subject: Postal Ballot Notice

Please find enclosed the notice of Postal Ballot seeking approval of the shareholders on the following matter-

1. To approve issue of Bonus Shares – Special Resolution
2. To approve Material Related Party Transaction – Acquisition of Export division of Agile Electric Sub Assembly Private Limited – Ordinary Resolution

Further, please find below the schedule of events for Postal Ballot;

| Sl. No. | Activity | Date |
|---------|---|--------------------------------------|
| 1. | Cut off-date / Benpos date for sending notice to the shareholders | August 10, 2018 |
| 2. | Voting start date | August 20, 2018 (10.00 Hrs (IST)) |
| 3. | Voting end date | September 19, 2018 (17.00 Hrs (IST)) |
| 4. | Scrutinizers report | On or before September 21, 2018 |
| 5. | Declaration of results | On or before September 21, 2018 |

This is for your information and records.

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

P. Dinakara Babu
Company Secretary

Encl: 1. Postal Ballot Notice
2. Postal Ballot Form



IGARASHI MOTORS INDIA LIMITED

Regd. Office: Plot No. B-12 to B-15, Phase II, MEPZ- SEZ,
Tambaram, Chennai 600 045

CIN : L29142TN1992PLC021997

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e-mail : investorservices@igarashimotors.co.in / website : www.igarashimotors.com

NOTICE FOR POSTAL BALLOT AND E-VOTING

Dear Shareholders,

Notice is hereby given that pursuant to the provisions of Section 110 and other applicable provisions, if any, of the Companies Act, 2013, read together with Rule 22 of the Companies (Management and Administration) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) that the resolution(s) appended below are proposed to be passed by way of Postal Ballot :

- 1. To approve issue of Bonus Shares- Special Resolution**
- 2. To approve material related party transaction – acquisition of Exports division of Agile Electric Sub Assembly Private Limited – Ordinary Resolution**

The Board of Directors of the Company at its meeting held on August 08, 2018 (“Board Meeting”) had, subject to the approval of the members of the Company by way of special resolution and approval of statutory, regulatory or governmental authorities as may be required under applicable laws, approved issue of bonus equity shares of ₹ 10/- each, credited as fully paid-up, to the holders of the existing equity shares of the Company, to the exception of the Promoter and Promoter Group of the Company, whose names appear in the Register of members/list of Beneficial Owners on such date (“Record Date”) in the ratio of 25 (Twenty Five) equity shares for every 202 (Two Hundred Two) equity shares held, to attain the minimum public shareholding as required under Regulation 19A of Securities Contract (Regulations) Rules, 1957, subject to Section 63 of the Companies Act, 2013, Securities and Exchange Board of India Circular No. CIR/CFD/CMD/14/2015 dated November 30, 2015 as amended from time to time and in accordance with the Rules made thereunder. An explanatory statement pursuant to Section 102 of the Companies Act, 2013 and other applicable legal provisions, pertaining to the said resolution setting out the material facts and the reasons thereof, is also appended. Besides this, the Board of Directors approved entering into material related party transaction to acquire Exports Division of Agile Electric Sub Assembly Private Limited as going concern (by way of Slump Sale) for purchase consideration of ₹ 140.58 Crores (Subject to adjustment as on the Closing Date) subject to approval of shareholders and such Government/statutory approvals. The said resolutions and explanatory statement are being sent to you along with a postal ballot form (the “Postal Ballot Form”) for your consideration.

The Board of Directors of the Company has appointed Mr. S Bhaskar, Partner, BP & Associates, Practising Company Secretaries, as Scrutinizer for conducting the postal ballot (physical & e-voting) process in a fair and transparent manner in accordance with the provisions of Rule 22 of the Companies (Management and Administration) Rules, 2014.

In compliance with applicable clauses of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Section 110 of the Act, read with Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility as an alternate, for its shareholders which would enable them to cast their votes electronically, instead of physical postal ballot form. Further, the Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide e-voting facility. It is clarified that E-voting is optional.

Only members entitled to vote are entitled to fill in the postal ballot form and send it to the Scrutinizer or vote under the e-voting facility offered by the Company and any other recipient of the Notice who has no voting rights should treat the Notice as intimation only.

Please read carefully and follow the instructions on e-voting printed in the Postal Ballot Form. In respect of shareholders opting for e-voting mode as above, they should cast their votes online from 10.00 Hrs (IST) on August 20, 2018 till 17.00 Hrs (IST) on September 19, 2018 as per e-voting and other instructions provided with Postal Ballot Form. E-Voting shall not be allowed beyond 17.00 Hrs on September 19, 2018. The duly completed postal ballot Form should reach Scrutinizer on or before 17.00 Hours (IST) on September 19, 2018.

The Scrutinizer will submit the report to the Chairman of the Company or in his absence to Director or Company Secretary of the Company upon completion of scrutiny of postal ballots in a fair and transparent manner and the results of the Postal Ballot will be announced not later than 48 hours of conclusion of the voting through Postal Ballot. The result of the postal ballot will be posted on the Company's website viz. www.igarashimotors.com and on CDSL's website viz. www.cdslindia.com besides communicating to the Stock Exchanges (BSE & NSE) where the shares of the Company are listed (www.bseindia.com and www.nseindia.com).

Special Business:

ITEM No. 1: To approve issue of Bonus Shares

To consider and, if thought fit, to pass the following resolution as a **Special Resolution:**

“RESOLVED THAT in accordance with Section 23, Section 63 and other applicable provisions of the Companies Act, 2013 and rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the relevant provisions of the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Circular No. CIR/CFD/CMD/14/2015 dated November 30, 2015 issued by the Securities and Exchange Board of India (“SEBI”) and subject to other applicable regulations and guidelines issued by SEBI and the Reserve Bank of India (“RBI”) from time to time and subject to such permissions, sanctions and approvals as may be required from appropriate authorities in this regard and subject to such terms and modifications, if any, as may be specified while according such approvals and subject to acceptance of such conditions or modifications by the Board of Directors, consent of the members be and is hereby accorded to the Board of the Company (hereinafter referred to as the “Board”, which expression shall be deemed to include a Committee of the Board duly authorized in this behalf) for capitalization of ₹ 86,66,070/- (Rupees Eighty Six Lakhs Sixty Six Thousand and Seventy) or such higher or lower amount as standing to the credit of the securities premium account of the Company as per the Audited Financial Statements of the Company for the financial year ended March 31, 2018, as may be considered appropriate, for the purpose of issue of bonus equity shares of ₹ 10/- (Rupee Ten only) each, credited as fully paid-up shares to the holders of the existing equity shares of the Company, to the exception of the Promoter and Promoter Group of the Company, whose names appear in the Register of members/list of Beneficial Owners on such date (“Record Date”) as may be fixed in this regard by the Board, in the proportion of 25 (Twenty Five) equity share for every 202 (Two Hundred and Two) existing equity share held by them.

RESOLVED FURTHER THAT the Company shall not issue fractional share certificate(s) and instead consolidate all such fractional entitlement(s), if any, and thereupon issue and allot equity shares in lieu thereof to a Director or Key Managerial Personnel (KMP) of the Company or such other person or institution authorized to act as trustee, as the Board shall appoint in this behalf, who shall hold the equity shares in trust on behalf of the members entitled to fractional entitlement(s) with the express understanding that such Director(s) or KMP(s) or Person(s) or Institution(s) shall sell the same in the market at such time or times and



at such price or prices and to such person or persons, other than the promoter and promoter group entities, on the date of listing of such shares or within such period of listing as may be decided by the Board, and distribute their sale proceeds (less expenses, if any), subject to taxes, to the members in proportion to their respective fractional entitlement(s) and that in case the aggregate of such shares to be allotted to the Director(s) or KMP(s) or Person(s) or Institution(s) by virtue of consolidation of fractional entitlements is a fraction, one additional equity share will be issued in the Company to such Director(s) or KMP(s) or Person(s) or Institution(s) in lieu of such fraction.

RESOLVED FURTHER THAT the Bonus Shares so allotted shall rank pari-passu in all respects with the fully paid-up equity shares of the Company as existing on the 'record date' (as determined by the Board) and shall always be subject to the terms and conditions contained in the Memorandum and Articles of Association of the Company.

RESOLVED FURTHER THAT the issue and allotment of the bonus equity shares to Non-Resident members, Foreign Institutional Investors (FIIs), Foreign Portfolio Investors (FPIs) and other Foreign Investors, be subject to the approval of RBI or any other regulatory authority, as may be necessary.

RESOLVED FURTHER THAT in the case of members who hold equity shares or opt to receive the equity shares in dematerialised form, the bonus equity shares shall be credited to the respective beneficiary accounts of the members with their respective Depository Participant(s) and in the case of members who hold equity shares in certificate form, the share certificate(s) in respect of the bonus equity shares shall be dispatched, within such time as prescribed by law and the relevant authorities.

RESOLVED FURTHER THAT the Board be and is hereby authorized to take all other steps as may be necessary to give effect to the aforesaid resolution including but not limited to fixing of record date, filing of listing application and determine all other terms and conditions of the issue of bonus shares as the Board may in its absolute discretion deem fit and to give such directions as may be necessary to settle any question or difficulty which may arise in regard thereto in such manner and to do such other acts, things and deeds as may be considered to be necessary or expedient for the purpose of giving effect to this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred, to any Director or Company Secretary or any Officer(s) / Authorised Representative(s) of the Company to give effect to the aforesaid resolution.”

Special Business:

ITEM No.2 : To approve material related party transaction – acquisition of Exports division of Agile Electric Sub Assembly Pvt Ltd

To consider and if deemed fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder including any statutory modification(s) or re-enactments thereof for the time being in force and in accordance with the Memorandum and Articles of Association of the Company and all other applicable statutes, rules, regulations and guidelines and subject to such other approvals, permissions and sanctions as may be necessary and upon such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee thereof), approval of the Members of the Company be and is hereby accorded to acquire Exports Division of Agile Electric Sub Assembly Private Limited as going concern (by way of Slump Sale) together with all its employees as well as assets and liabilities including all concerned

licences, permits, consents and approvals with effect from October 1, 2018 or such date as may be agreed to by the Board ("Closing Date") for a purchase consideration of ₹ 140.58 Crores subject to adjustment for working capital as on the Closing Date.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do and perform all such acts, deeds, matters and things, as may be necessary, including finalising the terms and conditions, methods and modes in respect thereof, and to take all such steps and do all such acts, deeds and things as may be considered necessary, expedient, usual, proper or incidental in relation to the said matter and take such actions and give such directions as they may consider as necessary or desirable to give effect to this Resolution and to settle any question that may arise in this regard and incidental thereto.

RESOLVED FURTHER THAT the Board be and is hereby authorised to delegate all or any of the powers herein conferred, to any Director or any Officer(s) / Authorised Representative(s) of the Company to give effect to the aforesaid resolution.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorised to finalize, settle and execute such documents /deeds /writings /papers /agreements as may be required and to give necessary consents and to do all such acts, deeds, matters and things, as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard."

By order of the Board
For Igarashi Motors India Limited

Place : Chennai
Date : August 10,2018

P Dinakara Babu
Company Secretary



Notes:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 setting out material facts is appended hereto.
2. Consideration and approval of the Shareholders of the Company by postal ballot and e-voting is sought for the above resolutions.
3. Resolutions passed by the shareholders through Postal Ballot and E-voting is deemed to have been passed at a General Meeting of the shareholders.
4. The material documents referred to in the accompanying Explanatory Statement shall be open for inspection by the Equity Shareholders at the Registered Office of the Company on all working days except Saturdays, Sundays and Public Holidays (between 02.00 p.m. and 04.00 p.m.) up to the last date for receipt of the Postal Ballot Form.
5. The Notice along with Explanatory Statement and Business Reply Envelope, are being sent to all the eligible shareholders of the Company by Post / Email whose names appear in the Register of Members / list of Beneficial Owners as received from the National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) or Registrar and Share Transfer Agent (RTA) as on August 10, 2018. The Notice will be displayed on the website of the Company (www.igarashimotors.com) and of CDSL.
6. The Company has appointed Mr. S Bhaskar, Partner BP Associates, Practising Company Secretaries (Membership No. A10798 & C.P. No.8315) (bhaskar@bpcorpadvisors.com) as Scrutinizer to conduct the postal ballot and e-voting process in a fair and transparent manner.
7. Voting rights shall be reckoned on the paid up value of the shares registered in the names of the members as on August 10,2018.
8. A postal ballot form along with self-addressed pre-paid Business Reply Envelope is enclosed. Shareholders voting in physical form are requested to carefully read the instructions printed in the attached postal ballot form. In case a Member is desirous of obtaining a printed Postal Ballot Form or a duplicate, he or she may send an e-mail to jessy@cameoindia.com / investor@cameoindia.com or investorservices@igarashimotors.co.in. The Registrar and Share Transfer Agent / Company shall forward the same along with postage-prepaid self-addressed Business Reply Envelope to the Member.
9. Members shall fill in the requisite details and send the duly completed and signed postal ballot form in the enclosed self-addressed pre-paid Business Reply Envelope to the Scrutinizer so as to reach the Scrutinizer on or before 17.00 Hrs. (IST) on September 19, 2018. Any postal ballot form received after the said date and time period shall be treated as if the reply from the member has not been received.
10. Incomplete, unsigned, improperly or incorrectly tick marked postal ballot forms will be rejected. There will be only 1 (one) postal ballot form for every registered folio / client ID irrespective of the number of joint members.
11. The postal ballot form should be completed and signed by the Shareholder (as per specimen signature registered with the Company and / or furnished to National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL)). In case, shares are jointly held, this form should be completed and signed by the first named member and, in his / her absence, by the next named member. Holder(s) of Power of Attorney ("PoA") on behalf of a Shareholder may vote on the postal ballot mentioning the registration number of the PoA with the Company or enclosing a copy of the PoA authenticated by a notary. In case of shares held by companies, societies etc., the duly completed postal ballot form should be accompanied by a certified copy of the board resolution / authorisation giving the requisite authority to the person voting on the postal ballot form.
12. The instructions for the Shareholders for voting electronically are as under :

INSTRUCTIONS FOR E-VOTING

Members are requested to follow the below mentioned instructions to cast their vote through e-voting:

The voting period begins at 10.00 Hrs (IST) on August 20,2018 till 17.00 Hrs (IST) on September 19, 2018. During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of August 10,2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- i) The shareholders should log on to the e-voting website www.evotingindia.com.
- ii) Click on Shareholders.
- iii) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 characters Alpha-numeric DPID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- iv) Next enter the Image Verification as displayed and Click on Login.
- v) If you are holding shares in Demat form and had logged on to www.evotingindia.com and casted your vote earlier for any company, then your existing password is to be used. If you are a first time user, follow the steps given in the table below.

| For Members holding shares in Demat Form and Physical Form | |
|---|--|
| PAN | <ul style="list-style-type: none"> • Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). • Members who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field as mentioned on the mailing address sticker. • In case the sequence number is less than 8 digits, enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. e.g. if your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. |
| Dividend Bank Details OR Date of Birth (DOB) | <ul style="list-style-type: none"> • Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the Depository or Company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii) above. |

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



- ix) Click on EVSN of IGARASHI MOTORS INDIA LIMITED.
- x) On the voting page, you will see Resolution Description and against the same, the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xi) Click on the “Resolutions File Link” if you wish to view the Resolution.
- xii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xiii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xiv) You can also take printout of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xv) If you are a Demat account holder and have forgotten your password then enter the User ID and the image verification code as displayed and click on Forgot Password and enter the relevant details as prompted by the system.
- xvi) **Note for Corporate Shareholders :**
Note for Non - Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be e-mailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xvii) In case you have any queries or issues regarding E-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- xviii) You can opt only one mode of voting i.e. either by Physical Ballot or E-voting. If you are opting for e-voting, then do not vote by Physical Ballot also and vice versa. However, in case shareholders cast their vote by Physical Ballot and e-voting, then voting done through valid Physical Ballot shall prevail and voting done by E-voting will be treated as invalid.
- xix) Mr. S Bhaskar, Partner BP & Associates, Practising Company Secretaries (Membership No. A10798 & C.P. No.8315) (bhaskar@bpcorpadvisors.com) has been appointed as the Scrutinizer to scrutinize the E-voting and Postal Ballot process in a fair and transparent manner.
- xx) The Scrutinizer shall after the conclusion of voting will first count the votes cast and thereafter unblock the votes cast through e-voting in the presence of at least two witnesses who are not in the employment of the Company and shall make, not later than two days of the conclusion of the voting, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or

in his absence to Director or Company Secretary of the Company, who shall countersign the same and declare the result of the voting forthwith;

- xxi) The Results along with the Scrutinizers report shall be placed on the website of the Company www.igarashimotors.com and on the notice board of the Company at its registered office immediately after the declaration of results by the Chairman or in his absence by a Director or Company Secretary within 48 hours after closure of Postal Ballot. The results shall also be communicated to the Stock Exchanges, BSE Limited / National Stock Exchange of India Limited, Mumbai. The results would also be available on CDSL's website viz. www.cdslindia.com and stock exchange websites BSE: www.bseindia.com, NSE : www.nseindia.com.

By order of the Board
For Igarashi Motors India Limited

Place : Chennai
Date : August 10, 2018

P Dinakara Babu
Company Secretary

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The Explanatory Statement for Item Nos. 1 to 2 of the accompanying Notice sets out hereinabove is as under:

ITEM No. 1: Issue of Bonus Shares

On April 28, 2017 Mr. P Mukund and Igarashi Motors Sales Pvt. Ltd. (IMSPL) entered into Share Purchase Agreement for collectively acquiring 34.04% stake in Agile Electric Sub Assembly Private Limited [AESPL] (Holding Company). Consequently, Mr. P Mukund along with Persons Acting in Concert viz., AESPL and IMSPL issued Open Offer for acquiring 79,58,196 equity shares (26.00%) at a price of ₹ 809.96/- per share to the shareholders of the Company post completion of acquisition of said stake and SEBI clearance of draft Letter of Offer, AESPL acquired 649,955 equity shares tendered in open offer for a consideration of ₹ 52.64 Crores on April 17, 2018. Consequently, the Promoters & Promoter Group holding increased to 77.12% from 75.00%.

As per the provisions of the Securities Contract (Regulation) Rules, 1957, the Company is required to maintain a minimum public shareholding of 25% of the aggregate of paid-up share capital of the Company. Since presently, the public shareholding is 22.88% of the aggregate of paid-up share capital of the Company, the Company is not in compliance with the minimum public shareholding to the extent of 2.12%.

In order to comply with the requirement of maintaining minimum public shareholding, the Company had approached its Promoter and Promoter Group inter alia requesting them to forgo their entitlement in the bonus issue.

The Promoter and Promoter Group of the Company have agreed to forgo their entitlement in the bonus issue to be made by the Company for complying with the requirements of minimum public shareholding of 25% on continuous basis.

Therefore, the Company has now proposed to seek approval of the shareholders of the Company to issue and allot fully paid-up bonus shares to the members of the Company, to the exception of the Promoter and Promoter Group of the Company, in compliance with the requirements as specified under Circular No. CIR/CFD/CMD/14/2015 dated November 30, 2015 issued by Securities and Exchange Board of India.



It is therefore proposed to capitalise and amount of ₹ 86,66,070/- (Rupees Eighty Six Lakhs Sixty Six Thousand and Seventy only) or such higher or lower amount from the securities premium account of the Company as per the Audited Financial Statements of the Company for the financial year ended March 31, 2018, as may be considered appropriate, for the purpose of issue of bonus equity shares of ₹ 10/- (Rupees Ten only) each, credited as fully paid-up shares to the holders of the existing equity shares of the Company, to the exception of the Promoter and Promoter Group of the Company, whose names appear in the Register of Members/list of Beneficial Owners on such date ("Record Date") as may be fixed in this regard by the Board, in the proportion of 25 (Twenty Five) equity shares for every 202 (Two Hundred and Two) existing equity shares held by them.

As a result of the proportionate basis of allotment which would be followed during the bonus issuance, there might be fractional shares. The Company shall deal with fractional shares in the manner as proposed in the resolution. As per the Article No. 77 of the Articles of Association of the Company, shareholders' approval is required to capitalise the securities premium account of the Company.

The Board recommends passing of the Special Resolution as set out under item no.1 in the notice of postal ballot.

None of the Directors/Key Managerial Personnel or their relatives is concerned or interested in the resolution either directly or indirectly except to the extent of the shares that may be allotted to them or to their relatives.

ITEM No. 2 : Acquisition of Exports Division of Agile Electric Sub Assembly Pvt Ltd as going concern ('Slump Sale')

Agile Electric Sub Assembly Pvt Ltd ('AESPL') is holding company and engaged in development, manufacture and exports of parts, components, sub-assemblies and motors for automotive applications. AESPL has Exports Division comprising 5 manufacturing units in MEPZ-SEZ, Chennai and one Domestic Division at Maraimalai Nagar, Kancheepuram District, Tamil Nadu.

Your Company proposes to acquire Exports Division of AESPL comprising 5 manufacturing units, which would have advantages of :

- Facilitate diversification & growth into new application areas to serve existing & new customers / market domains
- Business chain integration i.e., from Concept Development, Product Development, Process Development to Manufacturing in Tier-2, Tier-3 & Tier-4 Levels in the supply chain
- Additional facilities, capacities and resources for flexibility in utilization of the same optimally

On August 08, 2018 Audit Committee of the Board have considered and approved the acquisition of Exports Division AESPL, for purchase consideration of ₹ 140.58 Crores (Subject to adjustment as on the Closing Date). Accordingly, the Board approved the acquisition of Exports Division of AESPL together with all its employees as well as assets and liabilities including all concerned licences, permits, consents and approvals whatsoever, by the Company with effect from October 1, 2018 or such a date as may be agreed as a "going concern" (slump sale).

The proposed acquisition of exports division of AESPL will be in conformity with all the applicable laws and regulations. The Company will be executing the Business Transfer Agreement and other related agreements such as conveyance deed, assignment deed, etc for the purpose.

| Name of the related party | Name of the Director or Key Managerial Personnel who is related if any | Nature of relationship | Nature, material terms, monetary value and particular of contract or arrangement | Any other information |
|---|---|---|---|---|
| Agile Electric Sub Assembly Private Limited ('AESPL') | Mr. P Mukund, Managing Director and Mr. R Chandrasekaran, Chief Financial Officer, Mr. Keiichi Igarashi, Director | Mr. P Mukund, Managing Director holding 14.90% stake in AESPL and also 21.75% in the Company. AESPL holding 44.03% stake in the Company. Mr. R Chandrasekaran is a Director of AESPL. Mr. Keiichi Igarashi, President & Director of Igarashi Electric Works Limited, Japan (IEWL). IEWL is holding 3.16% in the Company and also 55.21% of AESPL. Igarashi Electric Works (H.K) Ltd (IEHKL) is wholly owned subsidiary of IEWL. IEHKL holding 8.17% in the Company and also 1.63% in AESPL. | Holding Company. The proposed transaction involves acquisition of Exports Division of AESPL with effect from the closing date as a "going concern" and by way of a slump sale for a lump sum consideration of ₹ 140.58 crore subject to adjustment for working capital as on the Closing Date. | All important information forms part of the Statement setting out the material facts pursuant to Section 102(1) of the Companies Act, 2013 which have been mentioned in the foregoing paragraphs. |



As per the provisions of Section 188 (1) (b) of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 read with Regulation 23 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, a company shall not enter into any contract or arrangement with a related party with respect to selling or otherwise disposing of, or buying, property of any kind exceeding 10% of annual turnover of the Company except with the prior approval of the shareholders by way of an ordinary resolution. Since in terms of section 2 (76) of the Companies Act, 2013, holding company is a related party and the value of the transaction is in excess of ₹ 45 crore (as per Audited Financial Statements as on March 31, 2018), the proposed transaction with AESPL is a material related party transaction under Section 188 of the Act requiring the prior approval of the shareholders by way of ordinary resolution.

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

The Company is accordingly proposing this resolution for the consideration and approval of the Members other than related parties who are prohibited to vote by way of ordinary resolution, through Postal Ballot as per the applicable provisions of the Companies Act, 2013.

The Audit Committee and Board of Directors of your Company have approved this item in their meetings held on August 08, 2018 and recommends the resolution No. 2 as set out accompanying notice for the approval of members of the Company as an Ordinary Resolution.

None of the Directors or Key Managerial Personnel or their relatives other than mentioned above, is concerned or interested in the said resolution.

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

Place : Chennai
Date : August 10,2018

P Dinakara Babu
Company Secretary

Enclosed:

- 1) Postal Ballot Form
- 2) Self-addressed Postage Pre-paid Envelope

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IGARASHI MOTORS INDIA LIMITED

Regd.Office: Plot No. B-12 to B-15, Phase II, MEPZ- SEZ,
Tambaram, Chennai 600 045

CIN : L29142TN1992PLC021997

Phone : +91-44-42298199/22628199, Fax : +91-44-22628143

e-mail :investorservices@igarashimotors.co.in / website : www.igarashimotors.com

POSTAL BALLOT FORM

Serial No.

1. Name and Registered Address of the
Sole / First named shareholder :

2. Name (s) of the Joint Holder (s), if any :

3. Folio No. / DP ID* / Client ID*
(*Applicable for investors holding shares
in demat form) :

4. Number of shares held :

I / We hereby exercise my / our vote in respect of Resolutions to be passed through Postal Ballot for the business stated in the Notice of the Company dated August 10,2018 by sending my / our assent (IN FAVOUR) or dissent (AGAINST) to the said Resolutions by placing tick (√) mark at the appropriate box below :

(Tick in both the boxes will render the ballot invalid)

| Sl. No. | Description of Resolution | No. of Shares held | I/We assent to the resolution (In Favour) | I/We dissent to the resolution (Against) |
|---------|---|--------------------|---|--|
| 1 | Approval for issue of bonus equity shares to the existing shareholders, to the exception of the Promoter and Promoter Group, of the Company | | | |
| 2 | Material Related Party transaction - Acquisition of Exports Division of Agile Electric Sub Assembly Pvt Ltd as going concern ('Slump Sale') | | | |

Place :

Date :

(Signature of Member)

NOTE : PLEASE READ THE INSTRUCTIONS PRINTED OVERLEAF CAREFULLY BEFORE EXERCISING THE VOTE.

INSTRUCTIONS:

1. A Member desiring to exercise vote by Postal Ballot may complete this Postal Ballot Form and send it to the Scrutinizer in the attached pre-paid self-addressed Business Reply Envelope. Postage will be borne and paid by the Company. However, any envelope containing Postal Ballot Form, if deposited in person or if sent by courier at the expense of the Member, will also be accepted.
2. Alternatively, shareholders may vote through electronic mode as per the instructions for voting through electronic means provided in the Postal Ballot Notice sent herewith.
3. Please convey your assent / dissent in this Postal Ballot Form. The consent must be accorded by recording the assent in the column **"IN FAVOUR"** and dissent in the column **"AGAINST"** by placing a tick (✓) mark in the appropriate column. The assent or dissent received in any other Form shall not be considered valid.
4. This Postal Ballot Form should be duly completed and signed by the Member. In case of joint holding, this Form should be completed and signed (as per the specimen signature registered with the Company or furnished by National Securities Depository Limited (NSDL)/ Central Depository Services (India) Limited (CDSL) to the Company, in respect of shares held in the physical form or dematerialized form respectively) by the first named Member and in his / her absence, by the next named joint-holder.

Where an authorized representative of a body corporate has signed the Postal Ballot Form, a certified copy of the relevant authorization to vote on the Postal Ballot should accompany the Postal Ballot Form.

A Member may sign the Form through an Attorney appointed specifically for this purpose, in which case, an attested true copy of the Power of Attorney should be attached to the Postal Ballot Form.

5. Unsigned, Incomplete or Incorrect Postal Ballot Forms shall be rejected. The votes in the postal ballot cannot be exercised by a proxy. Kindly ensure that duly completed Postal Ballot Form reaches the Scrutinizer before 17.00 Hours (IST) on September 19, 2018. If any Postal Ballot Form is received after the date, it will be considered that no reply from such member has been received.
6. The self-addressed Business Reply Envelope bears the name and postal address of the Scrutinizer appointed by the Board of Directors of the Company.
7. A Member may request for a duplicate Postal Ballot Form, if so required, by sending an e-mail to jessy@cameoindia.com / investor@cameoindia.com or investorservices@igarashimotors.co.in. The Registrar and Transfer Agent / Company shall forward the same along with postage pre-paid self-addressed Business Reply envelope to the shareholder. However, duly completed postal ballot form should reach the Scrutinizer not later than the date specified under instruction 5 above i.e. on or before 17.00 Hours (IST) on September 19, 2018.
8. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the Member as on August 10, 2018.
9. Members are requested not to send any other paper along with the Postal Ballot Form in the enclosed pre-paid self-addressed Business Reply Envelope. The Scrutinizer would destroy any extraneous paper found in such envelope.
10. A Member need not use all his / her votes nor he / she needs to cast all his / her votes in the same way.
11. Only Members entitled to vote are entitled to fill in the postal ballot form and send it to the Scrutinizer or vote under the e-voting facility offered by the Company and any recipient of the Notice who has no voting rights should treat the Notice as intimation only.
12. Members are requested to fill the Postal Ballot Form in indelible ink (and avoid filling it by using erasable writing medium/s like pencil). There will be only one Postal Ballot Form for every Folio / Client ID, irrespective of the number of joint holders.
13. The decision of the Scrutinizer on the validity of the Postal Ballot will be final.
14. The results along with the Scrutinizers Report shall be placed on the website of the Company www.igarashimotors.com and on the notice board of the Company at its registered office immediately after the declaration of result by the Chairman or a Director or Company Secretary within 48 hours after closure of Postal Ballot. The results shall also be communicated to the Stock Exchanges, BSE Limited / National Stock Exchange of India Limited, Mumbai. The Results would available on CDSL's website viz. www.cdslindia.com and stock exchange websites BSE: www.bseindia.com, NSE: www.nseindia.com.