

IMPAL

INDIA MOTOR PARTS & ACCESSORIES LIMITED

CIN: L65991TN1954PLC000958

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POSTAL BALLOT NOTICE

(Pursuant to Section 110 of the Companies Act, 2013)

To

The Members

Notice is hereby given pursuant to Section 110 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014 for obtaining the approval of the Members by way of Ordinary Resolution through postal ballot for approval of Material Related Party Transaction under Regulation 23 (4) & 23 (8) of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015 for the period commencing from the financial year 2015-16 and every year thereafter, upto the maximum per annum amounts as specified in the Draft Resolution and explanatory statement.

The draft of the resolution together with the explanatory statement pursuant to Section 102 (1) of the Companies Act, 2013 setting out the material facts and reasons thereto are enclosed.

Chennai

Date:11th February 2016

By Order of the Board

S Kalyanaraman

Secretary & Compliance Officer

Notes:

1. This Notice is being sent to all the shareholders whose names appear on the Register of Members / list of Beneficial Owners, as received from National Securities Depository Limited (NSDL) / Central Depository Services (India) Limited (CDSL) as at the close of business hours on Friday, the 19th February 2016.
2. The Postal ballot facility (including e-voting) is being provided to the members in accordance with the provisions of Sections 108 and 110 of the Companies Act, 2013 read with Rules 20 and 22 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
3. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide e-voting facilities, enabling the members to cast their vote electronically in a secure manner.
4. The e-voting is optional and will be available at the link www.e-votingindia.com. The detailed instructions on e-voting are enclosed. Grievances, if any, connected with e-voting may be addressed to Sri.S Kalyanaraman, Secretary & Compliance officer at secy@impal.net.
5. The Voting (include e-voting) will commence on Sunday, 28th February 2016 (9.00 AM) and end on Monday, 28th March 2016 (5.00 PM).
A member desiring to exercise the vote by postal ballot is requested to carefully read the instructions provided in the Postal Ballot form and return the form duly completed, in the attached self-addressed postage

prepaid envelope so as to reach the Scrutinizer by 5:00 P M, on Monday, 28th March 2016.

Postal ballot forms received from members beyond the said date will not be valid and voting whether by post or electronic means shall not be allowed beyond the said date.

6. Members who have not received the postal ballot forms may write to the company or send a mail to secy@impal.net and obtain a duplicate thereof.
7. The Board of Directors has appointed Sri. M Damodaran of M/s Damodaran Associates, practicing Company Secretaries , Chennai as the Scrutinizer, for conducting the postal ballot process in a fair and transparent manner.
8. The Scrutinizer will submit his report to the Chairman / Audit Committee Chairman / Managing Director of the Company after completion of the scrutiny and the results of the postal ballot will be announced by the Chairman / Audit Committee Chairman / Managing Director on Wednesday, the 30th March 2016 at 5.00 PM, at the Registered Office of the Company at 46, Whites Road, Chennai 600 014.
9. The date of declaration of the postal ballot result will be taken to be the date of passing the ordinary resolution.
10. The results of the postal ballot will be posted on the Company's website – www.impal.net.

DRAFT RESOLUTION

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

“RESOLVED that pursuant to Regulation 23 (4) & (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, read with applicable provisions if any of the Companies Act, 2013 and the rules framed there under, consent of the members of the Company be and is hereby accorded in respect of all contracts or arrangements with M/s Brakes India Private Limited for purchase of Automotive Spare Parts, Brake Oil, Coolants and other allied products every year and thereafter, up to a maximum of Rs. 300 crores p.a commencing from the financial year 2015-16.

RESOLVED FURTHER that the Board of Directors of the Company be and are hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient for the purpose of giving effect to this Resolution and for matter connected therewith or incidental thereto.

EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT, 2013

APPROVAL FOR MATERIAL RELATED PARTY TRANSACTION

The Company in the ordinary course of business has been purchasing Automotive Spare Parts, Brake oil, Coolants and other allied products from M/s. Brakes India Private Limited. By virtue of the definition of related party under section 2(76) of the Companies Act, 2013 M/s Brakes India Private Limited has become a related party to the Company. The transactions put up for approval are in the ordinary course of business and at arm's length.

Being a listed company, in terms of Regulation 23 (1) the transaction with Brakes India Private Limited will be Material Related Party transaction. Regulation 23 (4) & (8) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 prescribes seeking shareholders approval for material related party transactions. Further,

Regulation 23 (8) prescribes obtaining approval of the shareholders for the transactions entered into prior to coming into force of this regulation viz 02nd September, 2015 and which may continue to go beyond that date, in the first general meeting subsequent to the notification of this regulation.

Pursuant to the regulations of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as the transactions entered with M/s Brakes India Private Limited are material in nature, the approval of the unrelated shareholders of the company is required by an Ordinary Resolution.

Nature and material terms of the contract or arrangement:
Purchase of Automotive Spare Parts, Brake Oil, Coolants and other allied products in the ordinary course of business upto a maximum value of Rs.300 crores per annum, year after year from 01st April, 2015.

This has been approved by the Audit Committee and recommended by the Board of Directors to the shareholders of the Company for their approval.

Accordingly, the approval of the Members is being sought by way of an Ordinary Resolution in terms of Regulation 23 (4) & (8) of the SEBI (Listing Obligation and Disclosure Requirements), Regulations 2015 by voting through postal ballot/e-voting process.

INTEREST OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Sri S Ram and Sri Ananth Ramanujam Directors, are interested in the resolution, since their relatives are Directors in M/s Brakes India Private Limited. Except Sri S Ram and Sri Ananth Ramanujam, none of the other Directors and Key Managerial Personnel of the Company or their relatives, are interested in the resolution.

By Order of the Board

Chennai
11th February 2016

S Kalyanaraman
Secretary & Compliance Officer

PROCEDURE AND INSTRUCTIONS FOR E-VOTING

In case of members receiving e-mail:

- (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 Character DP ID 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 voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:

PAN*	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>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.</p> <ul style="list-style-type: none"> • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xi) 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.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) 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.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xvii) Note for Non – Individual Shareholders and Custodians
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

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