

Standardization and Optimization.



**Maximize numbers using
Innovations.**



ENKEI WHEELS (INDIA) LIMITED

An ISO/TS 16949:2009 ISO14001:2004 BS OHSAS 18001:2007 Company

BOARD OF DIRECTORS:

Mr. Kazuhiko Shimamura	Managing Director
Mr. Junichi Suzuki	Non-Executive Director
Dr. Haresh Shah	Independent & Non-Executive Director
Mr. Shailendrajit Rai	Non-Executive Director
Mr. Satyavara Prasad Garimella	Independent & Non-Executive Director
Ms. Shilpa Dixit	Independent & Non-Executive Director

CHIEF FINANCIAL OFFICER :

Mr. Jitendra Parmar

COMPANY SECRETARY:

Mr. Omkar Kaulgud

BANKERS:

Bank of Tokyo Mitsubishi UFJ Ltd	-	Mumbai
Mizuho Bank Ltd	-	Mumbai
Sumitomo Mitsui Banking Corporation	-	Delhi
Axis Bank Ltd	-	Pune
Kotak Mahindra Bank Ltd	-	Pune
State Bank of India	-	Pune
ICICI Bank Ltd.	-	Pune

AUDITORS:

Asit Mehta & Associates
Chartered Accountants, Mumbai

REGISTERED OFFICE & WORKS:

Enkei Wheels (India) Limited,
CIN : L34300PN2009PLC133702
Gat no. 1425, Village Shikrapur,
Taluka Shirur, Dist. Pune - 412208.
Tel: (02137) 618700 , Fax: (02137) 618720
Email: secretarial@enkei.in
Website : www.enkei.in

REGISTRAR & SHARE TRANSFER AGENTS:

Universal Capital Securities Pvt. Ltd.
21, Shakil Niwas, Mahakali Caves Road,
Andheri, (East), Mumbai 400093.
Tel: 022-28207203-05/ 28257641
Email: info@unisec.in

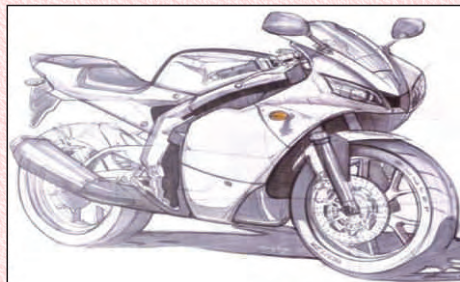
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PRODUCT PROFILE

PASSENGER CAR WHEELS



MOTORCYCLE WHEELS



MESSAGE FROM MD's DESK

In order to embrace opportunities of favorable Indian automobile market and implement Diversity & Sustainability, Enkei India will enhance capacity of plant facility in the coming year and plan to increase production capacity.

Dear Shareholders,

It gives me an immense pleasure to share with you an update on the overall performance of the Company. I feel grateful for your continuous support towards Enkei Wheels (India) Limited.

Performance

In the financial year, 2016-17 Enkei India made significant way towards the goal. The Indian government's move to ban high value notes (demonetization) on November 8, 2016 slowed down the market. Consequently orders for 2W segment took hit to some extent in 3Q however were recovered immediately. On the other hand, 4W segment was blessed with the favorable Indian market situation and thus Enkei India went for maximum orders & production numbers. Overall we landed with the 2.27 million wheels including 2W & 4W during the year. As against last year, Enkei India posted 6% growth in terms of sales volume as well as sales value - and delivered profit of AP 2.2 (Profit before tax Achieve Profit 2.2%).

External Scenario

In case of 4W there are many new models being launched by our customers. It was a favorable market for the sale of sedan car & SUV car than ever. Since there was diversified car sale in domestic market, mounting rate of alloy wheel also went up which is the reason to boost the sales of 4W. For the first time in history, the automobile sale of Indian domestic market went beyond estimated number and achieved the sale of 3 million passenger cars (incl. UV & Van) which was up by 9.2% (3,046,727 Cars) and 2W segment witnessed the growth of 6.9% (17,589,511 Cars) in FY 2016-17.

Internal Controllers

Internally, we continue to adopt & inculcate Enkei DNA, Enkei Ownership & 7 Efforts and try to Level & Label up of employees with the help of fundamentals like 5S activities & improve the loyalty of employees towards the company.

We also have been continuously practicing the BEP (Break Even Point) Management and Daily Income Statement (DIS), that is:

1. Increase Value Added Ratio (Implementation of 3B)
2. Reduce Fixed Cost (FCR Activity: Fixed Cost Reduction activity)
3. Increase Sales Amount (Adoption of Product Mix strategy)

Enkei India also makes use of CFT Activity (Cross Functional Team activity) for better problem solving, Enhancement of communication and motivational activities, Compliance of world standards (Certification of ISO/TS16949, ISO14001 & OHSAS18001) for environmental compliance and with the diversity in cars, Enkei India will have diversity in wheels as well, and in order to adjust to different designs of different models, Enkei India will undertake the process change, initiatives for new paint shades, thorough control over the process from development to final product stage including quality maintenance of large diameter wheels.

Parent Support & Policy

It is our accomplishment that we have strengthened 66 years of vast experience of Enkei Group in the field of research & development and manufacturing of aluminum alloy wheels. The technical assistance & cultural exchange from Japan and other ASEAN group companies of



Enkei, help us to successfully uphold the No.1 position for OEM supplier in the hybrid industry producing 2W & 4W aluminum alloy wheels of India and we remain committed to continue the same growth.

Looking Forward

Since 1st April 2017 there is a change in environmental standard (BS3 to BS4, BS=Bharat Stage) however it is expected that Enkei India's orders will not be much affected. Enkei India is looking forward for new orders & has set production target as "10% Higher Output" in the year to come. Enkei India, with orders & production along with maximum efforts, has set target over & above last year i.e profit of AP5. (Achieve Profit) In order to align with our Enkei Group 2017 Company Policy "INOBESHON DE SUUJI WO TSUKURU: Maximize numbers using innovations", Enkei India will set clear targets in numbers. We believe in the Enkei India 2017 slogan: "Standardization and Optimization". In order to align with our group standards, Enkei India will undertake Enkei standardization of production processes (smart factory, automation, robotization and installation of new technology),

- set up of testing lab for better quality control,
- improvement in DIS & BEP management for management control and
- implementation of the concept "**Build strong operations without labor cost impacts**", to reduce fixed cost.

In order to embrace opportunities of favorable Indian automobile market and implement Diversity & Sustainability, Enkei India will enhance capacity of plant facility in the coming year and plan to increase production capacity.

Challenges

Currently India's growth rate is very high in the world however it is also addressing many issues like environmental challenges, introduction of GST, further compliances and huge transformations.

Each of them has different challenges and thus we will overcome them with the fundamental approach of proactive action (Be positive, Positive thinking), and also adhere to those policies and promote good production & exercise healthy management.

To adhere to the same, we will

- Follow upcoming GST laws & IND-AS (IFRS Converged Standards)
- Comply with health & safety standards, environmental management system

"ANZEN DAIICHI: Safety First,
KENKOU DAIICHI: Health First,
KHANKYOU DAIICHI: Green First".

With further preparation for the future and more contribution to the society we, Enkei India & Enkei group evolving to be a reliable company will ensure to prove its reason for existence in the society.

At the end of this communication, I would like to thank to all our stakeholders, shareholders, customers, suppliers, vendors, employees, union, our group companies, the Governments and regulatory agencies around the world for taking keen interest in the company and extending continuous support to us and we hope to receive the same in future as well.

Kazuhiko Shimamura
Managing Director

7 YEARS AT A GLANCE

(Figures in Million)

Particulars	FY 2010-11	FY 2011-12	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17
Net Sales	2389.2	2792.1	2863.4	3200.1	3839.3	3854.9	4067.2
Other Income	9.0	3.7	11.9	9.1	1.8	3.6	2.0
Material Cost	1353.3	1613.0	1545.7	1739.2	2140.2	2057.2	2221.4
Other Expenses	828.7	1038.6	1049.4	1141.4	1318.9	1521.9	1511.0
Interest	76.3	50.1	63.6	86.4	81.2	51.5	30.5
Depreciation	137.2	146.5	159.6	235.5	281.8	256.5	217.3
Profit Before Tax	2.7	-52.4	57.0	6.6	18.9	-28.6	89.0
Income Tax Provision	0.0	0.9	13.5	1.3	-3.9	26.1	46.9
Net profit after Tax	2.7	-53.3	43.5	5.3	22.8	-54.7	42.1
Net worth	222.5	77.9	121.4	160.3	183.1	261.2	444.7
Basic Earnings per share (₹) (Face Value of ₹ 5/-)	0.25	(4.78)	(3.86)	0.43	1.76	(4.03)	2.95
Basic Earnings per share (₹) (Face Value of ₹ 5/-) (Excluding Extraordinary Income/Expense)	0.25	(4.78)	(3.86)	0.43	1.76	(4.03)	2.95
Book Value per Share (₹)*	5.4	4.8	9.5	12.6	13.6	18.5	29.9
Debt Equity Ratio	8.40	8.69	7.05	5.39	3.411	2.40	1.38

Note :

* Figures of book value per share are calculated for all the reported periods above after considering the subdivision of equity share ₹ 10/- each to share of ₹ 5/- also calculated considering the Compulsory convertible preference shares of ₹ 10/-

**NOTICE**

NOTICE IS HEREBY GIVEN THAT THE EIGHTH ANNUAL GENERAL MEETING OF THE MEMBERS OF ENKEI WHEELS (INDIA) LIMITED WILL BE HELD ON WEDNESDAY THE 19TH DAY OF JULY 2017 AT 12.30 P.M. AT THE REGISTERED OFFICE OF THE COMPANY AT GAT NO. 1425, VILLAGE SHIKRAPUR, TALUKA SHIRUR, PUNE-41220 TO TRANSACT THE FOLLOWING BUSINESS :

ORDINARY BUSINESS :

ITEM NO. 1 - To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March 2017 and the Reports of the Board of Directors and Auditors thereon.

ITEM NO.2 - To appoint a director in place of Mr. Shailendrajit Rai (DIN: 00050950), who retires by rotation, and being eligible, seeks reappointment.

ITEM NO. 3 - Ratification of Appointment of Statutory Auditors.

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

"RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, the appointment of M/s Asit Mehta & Associates, Chartered Accountants (Firm's Registration No. 100733W), as Auditors of the Company for the term of five years i.e. till the conclusion of the Tenth Annual General Meeting (AGM), to be held in calendar year 2019 subject to ratification at every AGM, be and is hereby ratified to hold office till the conclusion of Ninth AGM of the Company to be held in calendar year 2018 at such remuneration plus service tax, out-of-pocket expenses etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors."

For & On Behalf of the Board of Directors



Kazuhiko Shimamura
(Managing Director)
(DIN: 05129816)

Place : Pune
Date : 25th May, 2017

NOTES :

- 1) A member entitled to attend and vote, is entitled to appoint a proxy to attend and vote instead of himself/ herself and the proxy need not be a member of the company. Proxies in order to be effective must be deposited at the registered office of the company in not less than 48 hours before the time fixed for the meeting. The blank proxy form is enclosed.
- 2) Pursuant to SS-2 i.e. Secretarial Standard on General Meetings as issued by the Institute of Company Secretaries of India, the route map for reaching the Meeting venue is given on page no. 86 of this Annual Report. Further, the Company has uploaded the above route map on its website at www.enkei.in.
- 3) Corporate Members intending to send their authorised representative to attend the Annual General Meeting are requested to send to the Company a duly certified copy of the Board Resolution authorising their representative to attend and vote at the Annual General Meeting.



- 4) The Registrar of Members and Share Transfer Books of the Company will be closed from 13th July 2017 to 19th July 2017 (both days inclusive).
- 5) Members desiring any information as regards accounts or operations of the Company are requested to send their queries in writing at least seven days in advance of the date of the meeting so as to enable the management to keep the information ready.
- 6) Following are the details of director seeking appointment/re-appointment at Annual General Meeting.

Sr. No.	Particulars	Description
1.	Name of Director	Shailendrajit Rai
2.	Father's Name	Charanjit Rai
3.	Relationship with other Directors	NIL
4.	Date of Birth	01 / 02/ 1956
5.	Date of Appointment	30 / 03 / 2009
6.	Qualifications	Chartered Accountant
7.	Expertise	Management & Finance
8.	List of outside directorships Held (Public Limited Co.)	1. Alicon Castalloy Limited 2. Silicon Meadows Engineering Services Limited 3. Silicon Meadows Design Limited 4. Atlas Castalloy Limited
9.	Member of the Committees in other companies in India	02
10.	Shareholding in the Company	262,674

- 7) In terms of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and in terms of Regulation 44 of Listing Regulations, 2015 all the businesses i.e. Ordinary and Special may be transacted through electronic voting system (remote e-voting), which is being provided by the Company or by ballot paper. The Company has engaged the services of Central Depository Services (India) Limited (CDSL) to provide the remote e-voting facility. The instructions for remote e-voting are given herein below.

The instructions for shareholders voting electronically are as under :

- (i) The voting period begins on 16th July, 2017 at 9.00 a.m. (IST) and ends on 18th July, 2017 at 5.00 p.m. (IST). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 12th July, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) 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.



- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) 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.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
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).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.



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

(xix) **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


DIRECTORS' REPORT

To,
The Members,
We are delighted to present the Eighth Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2017:

Financial Highlights:

The Company's financial performance during the year 2016-17, as compared to the previous year 2015-16 is summarized below:

Particulars	(₹ In Million)	
	For the Year ended March 31,2017	For the Year ended March 31,2016
Net Sales	4,067.17	3,854.86
Earnings before exceptional items, extraordinary items, interest, tax, depreciation and amortisation (EBITDA)	336.82	400.45
Less : Depreciation	217.33	256.47
Less : Financial Expenses	30.48	51.50
Profit / (Loss) before exceptional and extraordinary items and tax	89.01	92.49
Less : Exceptional and Extraordinary items	-	(121.09)
Profit / (Loss) before Tax	89.01	(28.60)
Less : Provisions for Taxes	46.89	26.11
Profit/(Loss) after Tax	42.12	(54.71)

REVIEW OF OPERATIONS:

In the financial year, 2016-17 your Company has made significant way towards the goal of productivity up. Due to Demonetization announced by Central government on 8th November, 2016 overall 2 wheeler market slowed down. Therefore Company's 2 Wheeler wheels orders took hit to some extent in third quarter however those were recovered immediately in the fourth quarter. On the other hand, Company's orders for 4 Wheeler was blessed with the favorable Indian market situation and thus Company went for maximum orders & production numbers. Overall your Company landed with the sales of total 2.27 million wheels during the year under review. Your Company had posted 6% growth in terms of sales volume as well as sales value in year under review as compared to last year.

TURNOVER

During the year under review, the Company has recorded Gross Sales of ₹5216.58million (net Sales of ₹ 4067.17) in current financial year as compared to Gross Sales of ₹5175.56 million (net sales of ₹3854.86 million) last financial year. There was a increase of 6% in sales of the Company as compared to last year. Despite of Demonetization in third quarter your Company has managed to maintain the growth in year under review mainly due to good orders from 4 wheeler manufactures.

CAPITAL

During the year under review, Company has allotted 743,835 Equity Shares on Preferential basis on 16th January 2017 against share application money of ₹ 14,13,28,650 at ₹ 190 (including the premium of ₹185) each received from its Holding Company i.e. Enkei Corporation, Japan after obtaining requisites approvals from all competent authorities.



MANAGEMENT DISCUSSION & ANALYSIS REPORT

a) Industry Structure and Development:

Production:

The 4 wheeler industry produced a total of 3,719,540 Passenger vehicles including utility vehicles & Vans in Financial Year 2016-2017 as against 3,465,045 in Financial Year 2015-2016, registering a growth of 9.42% on year to year basis.

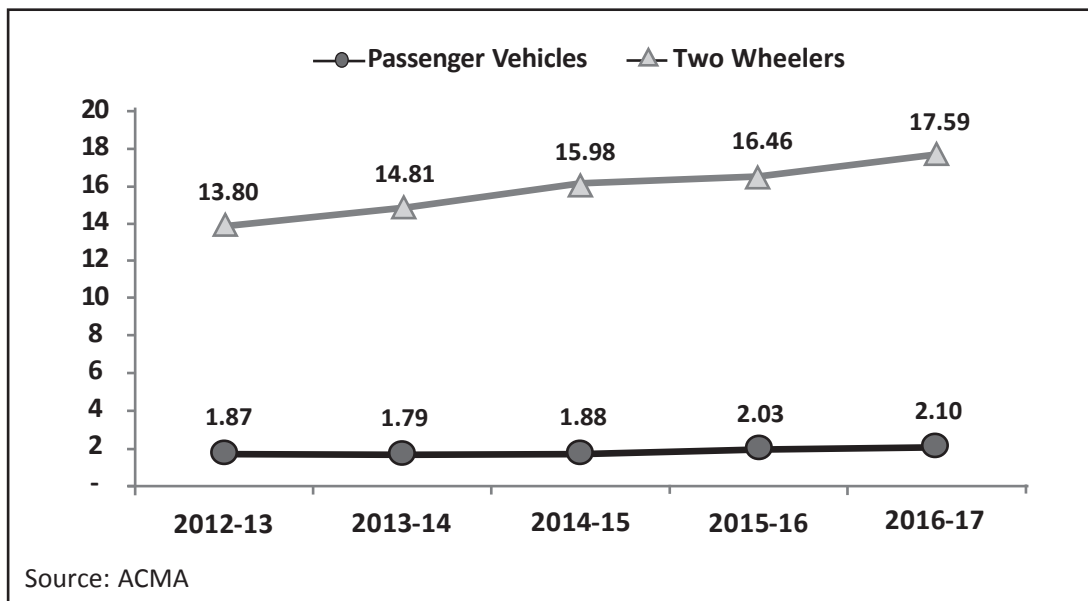
2 wheeler industry produced a total of 19,929,485 including Scooter, Motor cycles & Mopeds in Financial Year 2016-2017 as against 18,830,227 in Financial Year 2014-2015, registering strong growth of 5.85% on year to year basis.

Domestic Sales

The sales of Passenger Vehicles grew by 9.23 % in Financial Year 2016- 2017 as compared to last year. Within the Passenger Vehicles, Passenger Cars, Utility Vehicles and Vans grew by 3.85 %, 29.91 % and 2.37 % respectively during Financial Year 2016- 2017.

On other side Two Wheelers sales registered a growth at 6.89 % during Financial Year 2016- 2017 over Financial Year 2015- 2016. Within the Two Wheelers segment, Scooters, Motorcycles and Mopeds grew by 11.39 %, 3.68 % and 23.02 % respectively in same period.

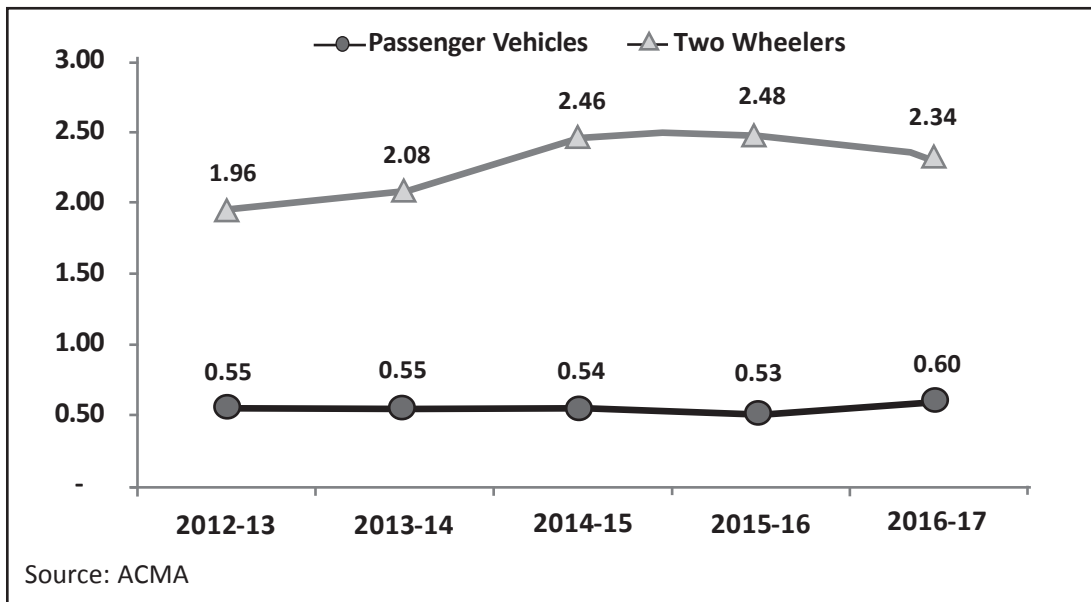
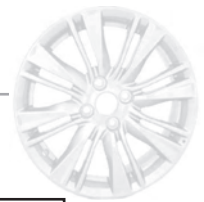
(Figures in Million)



Exports

In financial year 2016-17, passenger cars exports grew by 13.09% on year to year basis. In Passenger Vehicles utility vehicles registered lower growth as compared last year at 29.82%

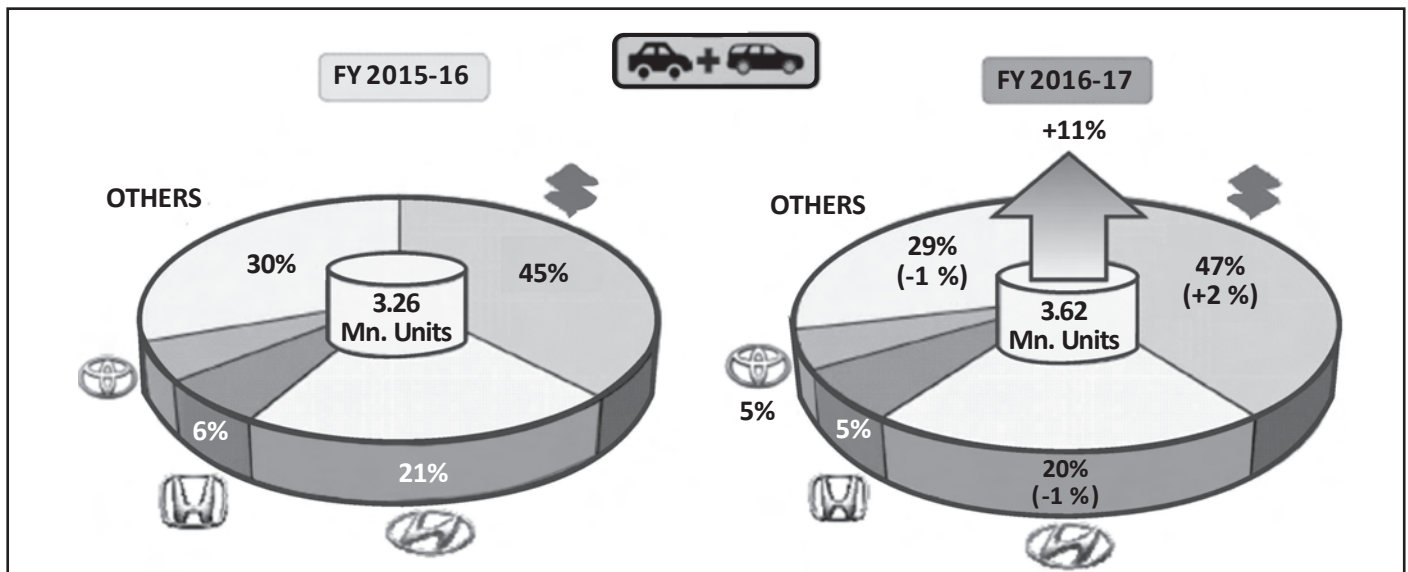
On other hand 2 wheelers registered negative growth of -5.78% in total exports on year to year basis. In case of 2 wheelers Mopeds has registered highest growth of 36.35%.



b) Opportunities, Threats & Outlook :

Indian Economy is one of the fastest growing in the world. Currently Indian Economy is increasing at the rate of 7.1% which is highest in G20 nations. The Indian automobile industry also one of the fastest growing in the world which contributes close to 7% to the Indian gross domestic product. Indian automotive industry also employs more than 19 million people. According to the experts Indian Auto industry will continue to increase and become third largest car market by year 2020. At the same time Auto component industry will address domestic as well as international threats. On domestic front Auto component Industry will witness the compliance transformation through implementing of GST (Goods & Service Tax) in India and environmental norms are also becoming stringent in India. On the International front Auto component Industry will face the tough competition from Chinese exporters also price of the basic raw material is also on higher side.

In case of domestic market Maruti Suzuki India Limited has increase its market share by 2% while Honda Cars India had lost their share by 1%. On other hand Toyota India has maintained their market share at 5%.



Source: ACMA



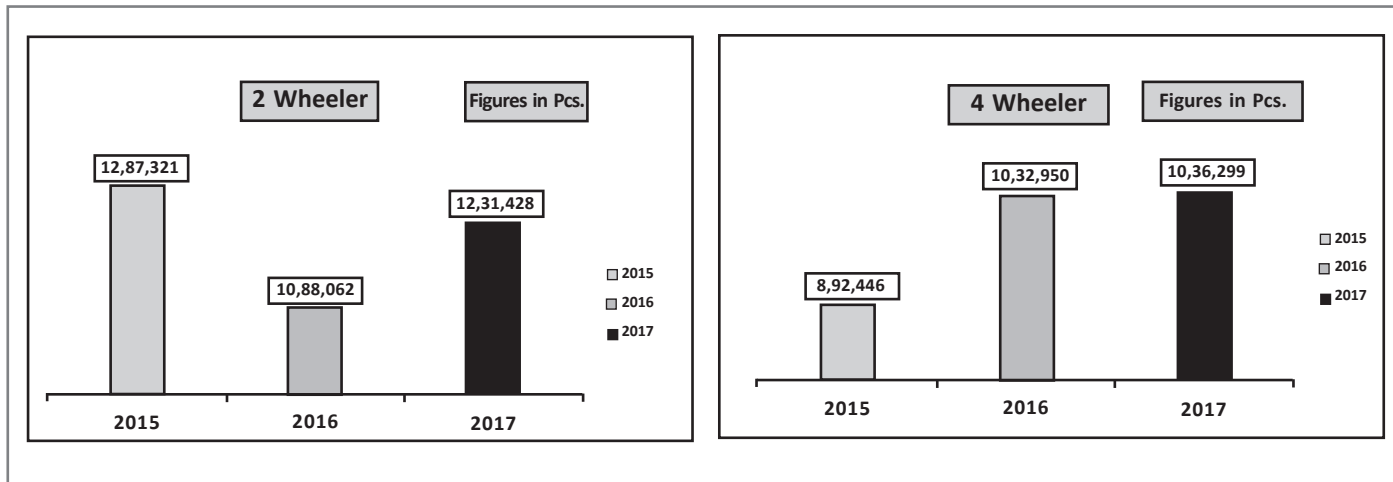
c) Product wise Performance

Your Company has mainly two products i.e. Aluminum alloy wheels for 2 Wheeler & Aluminum alloy wheels for 4 Wheeler. Following is the product wise installed capacity:

For 2 Wheeler : 110,000 pcs/month

For 4 Wheeler : 85,000 pcs/month

Chart of 2W & 4W Production Details :



d) Risks & Concerns :

The management is accountable for the integration of risk management practice into the day to-day activities. The risk assessment and minimization procedures being followed by the management and steps taken by it to mitigate these risks are periodically placed before the Board and Audit Committee along with findings of the internal auditors. All the assets of the Company are adequately insured.

Your Company evaluates potential risks, and has evolved over the years a comprehensive risk-management strategy. It takes into account changing market trends, competition scenario, emerging customer preferences, potential disruptions in supplies and regulatory changes, among others.

Your Company imports its main raw material i.e. aluminum alloy ingots from Dubai & Qatar for manufacturing aluminum alloy wheels. Your Company has a comprehensive risk assessment framework and well laid out policy to manage the risks arising out of the inherent price volatility & overseas risks associated with aluminum alloy ingots.

e) Internal Control Systems & their adequacy:

Your Company has an adequate system of internal controls commensurate with its size and nature of business to ensure adequate protection of Company's resources, efficiency of operations, check on cost structure and compliance with the legal obligations and the Company's policies and procedures.

This ensures high degree of system-based checks and control and continuous monitoring of the effectiveness of the controls. Your Company's internal audit team performs audits in all its areas.

The audit findings and management's resolution plans are reported on quarterly basis to the Audit Committee of the Board, headed by a Non-executive Independent Director.



Internal controls have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorised use, executing transactions with proper authorisation and ensuring compliance of corporate policies.

Asit Mehta & Associates, the statutory auditors of the Company has audited the financial statements included in this annual report and has issued an attestation report on our internal control over financial reporting (as defined in section 143 of Companies Act 2013).

Your Company has also appointed M/s MrugendraMandake& Associates, Chartered Accountant, Pune to oversee and carry out internal audit of its activities. The audit is based on an internal audit plan, which is reviewed each year in consultation with the statutory auditors and the audit committee.

f) Discussion on Financial Performance with respect to operational performance

At operational level your Company is doing well with the help of advance Japanese technology & benchmarking within Enkei Group. Your Company's value addition has increased as compared with financial year 2015-16& also productivity improved due to improvement in Pass through ratio (PTR) and reduction in rejection ratio. Company has posted positive growth of 6% in sales as well in production numbers. With new MAT line project (Advance Technology) your Company is continued to focus and enhance its technology to meet the expectation of the Customers thus expecting the consistent orders of new models lunching in the future.

g) Human Resources:

The Company is giving utmost importance to human resource development as Company's performance is highly depending on Human Resource. In this direction, the Company is providing intensive training in India and overseas to employees of all levels for improving competence, production, enhancing safety and social values.

To retain the skill with the company a special drive has been given towards increasing the ratio of company and contractual labors. Achieving the high morale and motivation is the ultimate goal of each training program. The management also launched the "3E" - Enkei Evolving Education system and thereby ensuring a framed training to all employees.

For all the employees of your company has a policy of annual health checkup and also conducts health and fitness education as an on-going process. Your Company follows its group standard's to up LEVEL & LABLE of its employees. For the year ended as on 31st March 2017 Company's attrition ratio was 5.22%.

The management expects to continue the customized development program of employees during the current year also. The management of the Company enjoys cordial relations with its employees at all levels. The Board of Directors wishes to place on record its highest appreciation of the contribution being made by all the employees.

The Company's total employee's strength as on 31st March, 2017 stands at 436.

Expansion and Capital Expenditure:

In view to meet the customer demand Company has is in the process of converting already converted its MAP- 4 line to MAT Line (Most Advance technology). This will add up around 30% production capacity of the MAP-4 line. The total cost estimation to incurred for this technical expansion is approximately Rs. 80 million The Company is also planning to convert other existing MAP Lines into MAT Line in coming years which will increase the production capacity of the Company to meet the future demand from customer.



Cautionary Statement:

Certain Statements in Management Discussion and Analysis Report describing the Company's view's about Industry, objectives, projections, estimates and expectation may be considered as 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ materially from those expressed or implied in the statement. The Company's operations may be affected with supply and demand situation, input prices and their availability, changes in Government regulations, tax laws and other factors such as Industrial relations and economic developments etc.

PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE :

The Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace Act, 2013 provides for protection against sexual harassment of women at workplace and for the prevention and redressal of complaints of sexual harassment and for matters connected there with or incidental thereto.

The Company has framed a Policy on Prevention of Sexual Harassment at Workplace as per the provisions of this Act. There were no cases reported during the year under review under the said Policy.

LISTING FEES:

The annual listing fees for the year under review have been paid to BSE Limited where your Company's shares are listed.

PARTICULARS OF INFORMATION FORMING PART OF THE BOARD'S REPORT PURSUANT TO SECTION 134 OF THE COMPANIES ACT, 2013, RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014 AND RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of Annual Return in Form MGT - 9 is annexed herewith as 'Annexure I' to this Report.

NUMBER OF MEETINGS OF THE BOARD :

During the year under review, Seven Board Meetings were convened and held. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and as per the SEBI (Listing Obligation & Disclosure) Regulations, 2015. Following are the details of the Board Meeting held during the year:

Name of Director	No. of Board Meetings Attended (Total Meetings held: 7)
Mr. Kazuhiko Shimamura	7 / 7
Mr. Junichi Suzuki	1 / 7
Mr. Shailendrajit Rai	5 / 7
Dr. Haresh Shah	7 / 7
Mr. Satyavara P. Garimella	6 / 7
Ms. Shilpa Dixit	6 / 7

**SEPARATE MEETING OF INDEPENDENT DIRECTORS:**

Pursuant to schedule IV of the Companies Act, 2013, the independent directors of the Company shall hold at least one meeting in a year without attendance of non-independent directors and members of the Management. Accordingly, independent directors of the Company met on 20th March 2017 to consider the following business as required under the Companies Act, 2013:

- I. review the performance of non-independent directors and the Board as a whole;
- II. review the performance of the Chairperson of the Company, taking into account the views of executive directors and non-executive directors;
- III. assess the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

All the independent directors were present for the meeting.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(5) of the Companies Act 2013, with respect to Directors' responsibility Statement, it is hereby confirmed as under:

- a. That in the preparation of the annual accounts for year ending on 31st March 2017; the applicable accounting standards had been followed along with proper explanation relating to material departures.
- b. That the Directors had selected such accounting policies and applied them consistently, and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the company at the end of the financial year and of the Profit of the company for that year.
- c. That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding assets of the company and for preventing and detecting fraud and other irregularities.
- d. That the Directors had prepared the annual accounts for the year ended on 31st March 2017 on a going concern basis.
- e. Proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- f. Proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

DIVIDEND

In the view of accumulated losses of the company & to conserve the resources of the company, your Directors have not recommended any dividend for the current financial year.



A STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS:

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION:

The Board had on the recommendation of the Nomination and Remuneration Committee framed a policy for selection and appointment of Directors, Key Managerial Personnel and Senior Management Personnel and their remuneration. The Company policy on Directors & KMP remuneration is available on the Company's website at http://www.enkei.in/download/others/Nomination_Remuneration_Policy.pdf

AUDITORS :

A. Statutory Auditor

The Members of your Company at fifth Annual General Meeting of your Company held on 25th September 2014 appointed M/s. Asit Mehta & Associates, Chartered Accountants, Mumbai (Firm Registration No. 100733W) as the Statutory Auditors of your Company to hold such office till the conclusion of the Annual General Meeting in the calendar year 2019. The ratification of appointment of Statutory Auditors is subject to the approval of the Members of your Company.

The Company has received requisite certificate pursuant to Section 139 of the Companies Act, 2013. Your Directors propose ratification of appointment of M/s. Asit Mehta & Associates. as the Statutory Auditors of your Company.

B. Secretarial Auditor

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 Mr. Shailesh Indapurkar, Practicing Company Secretary (Membership No. ACS 17306 CP No. 5701), to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit is annexed herewith as 'Annexure II' to this Report.

EXPLANATION ON COMMENTS ON STATUTORY AUDITORS' AND SECRETARIAL AUDITORS' REPORTS:

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. Asit Mehta & Associates Statutory Auditors, in their Audit Report and by Mr. Shailesh Indapurkar, Practicing Company Secretary, in his Secretarial Audit Report.

RISK MANAGEMENT

The m'angement is accountable for the integration of risk management practice into the day to-day activities. The risk assessment and minimization procedures being followed by the management and steps taken by it to mitigate these risks are periodically placed before the Board and Audit Committee along with findings of the internal auditors. All the assets of the Company are adequately insured.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the year under review, the Company has not advanced any loans, given guarantees and made investments.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188 OF THE COMPANIES ACT, 2013:

All contract/arrangement/transactions entered by the Company during the Financial Year 2016-17 with the related parties were in the ordinary course of business and on arm's length basis. Hence, no particulars are being provided in Form AOC-2.



During the year, the Company has not entered into contract/arrangement/transactions with related parties which could be considered material in accordance with the Company's 'Policy on Related Party Transactions'. The said policy is uploaded on the website of the Company.

Further, we draw your attention to Note no 32(o) of the Financial Statements of the Company.

STATE OF COMPANY'S AFFAIRS :

Discussion on state of Company's affairs has been covered in the Management Discussion and Analysis Report.

AMOUNTS PROPOSED TO BE CARRIED TO RESERVES:

Particulars of the amounts proposed to be carried to reserves have been covered as part of the financial performance of the Company.

MATERIAL CHANGES AND COMMITMENTS BETWEEN THE DATE OF THE BALANCE SHEET AND THE DATE OF REPORT:

There have been no material changes and commitments 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 and the date of the report.

EMPLOYEES' REMUNERATION :

In terms of the provisions of Section 197(12) of the Companies Act 2013, there are no employees of the Company drawing remuneration in excess of the limits set out in the said provision.

Details of the Remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as Annexure-III to this Report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT FOREIGN EXCHANGE EARNINGS AND OUTGO:

CONSERVATION OF ENERGY :

Your Company is committed to conservation of Energy which will result in reduction in Energy Cost. Being a Manufacturing Company, We have wide scope to conserve energy at different stages of production.

We are following Group Policy "Save 20 Return 10" towards energy saving. Company's aim is to reduce Energy Cost by 20%. During the year under review Company has installed solar panels on its Canteen roof. Now all the Canteen Lights are powered by Solar Energy. Company also implements various Kaizan to conserve energy.

RESEARCH AND DEVELOPMENT:

During the year under review your company has started the MAT Project (Most Advance Technology) in MAP -4 plant. This is will enable to up productivity by 10%. This year your Company slogan is "Standardization & Optimisation". This means Enkei India will try to match its standard with Enkei Global this year. This is not only in production but also in support section. The company also planning to expand its existing lab to enable wheel tasting of MAT Line.



FOREIGN EXCHANGE EARNINGS AND OUTGO:

Total foreign exchange earned : ₹ 1.56 Million

Total foreign exchange used : ₹ 1991.11 Million

Detailed information on foreign exchange earnings and outgo is also furnished in the notes to accounts.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

For the year under review the provisions of Section 135 of the Companies Act, 2013 are not applicable to the company. Further, the Board of Directors of the Company in their meeting held on 25th October, 2016 has decided to do voluntarily formed the CSR Committee & approve CSR Policy.

The detailed constitution of CSR Committee is provided in Corporate Governance Report & CSR Policy is available on the website of the Company.

The Company has incurred ₹ 0.2 Million towards CSR Activities during the year under review. Further the disclosures under section 135 are not applicable to the Company.

BOARD EVALUATION:

Pursuant to provisions of the Companies Act, 2013, Rules thereunder, the Board has carried out evaluation of its own performance and that of its Committees and individual Directors.

DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR:

There is no change in the composition of the Board during the year under review.

DIRECTORS AND KMP'S RESIGNED DURING THE YEAR:

There is no change in the composition of the Board during the year under review.

DIRECTORS PROPOSED TO BE RE-APPOINTED AT THE ENSUING ANNUAL GENERAL MEETING:

Mr. Shailendrajit Rai, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

DETAILS OF DEPOSITS WHICH ARE NOT IN COMPLIANCE WITH THE REQUIREMENTS OF CHAPTER V OF THE COMPANIES ACT, 2013:

None.

CHANGE IN THE NATURE OF BUSINESS, IF ANY:

There has been no change in the nature of business during the Financial Year under review.

SUBSIDIARY COMPANIES, JOINT VENTURE OR ASSOCIATE COMPANIES:

During the year under review, there are no companies which has become/ ceased to become a Subsidiary/ Joint Ventures/ Associate Companies.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

The Company has neither received nor is aware of any such order from Regulators, Courts or Tribunals during the year.

**DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:**

The Company has developed a strong two tier internal control framework comprising entity level controls and process level controls. The entity level controls of the Company include elements such as defined code of conduct, whistle blower policy, rigorous management review and MIS and strong internal audit mechanism. The process level controls have been ensured by implementing appropriate checks and balances to ensure adherence to Company policies and procedures, efficiency in operations and also reduce the risk of frauds. Regular management oversight and rigorous periodic testing of internal controls makes the internal controls environment strong at the Company. The Audit Committee along with Management overseas results of the internal audit and reviews implementation on a regular basis.

COMPOSITION OF AUDIT COMMITTEE:

The composition of Audit Committee is provided in Corporate Governance Report.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND :

During the year under review, pursuant to the provisions of Section 125 of the Companies Act, 2013, no amount was due to be transferred to the Investor Education and Protection Fund.

VIGIL MECHANISM:

The Company has formulated and implemented the Whistle Blower Policy / Vigil Mechanism. This has provided a mechanism for directors and employees of the Company and other persons dealing with the Company to report to the Chairman of the Audit Committee; any instance of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. The aforesaid policy has also been uploaded on the Company's website.

CASH FLOW:

A Cash Flow Statement for the year ended 31st March 2017 is attached to the Balance Sheet.

CORPORATE GOVERNANCE:

The provisions of Corporate Governance of SEBI (Listing Obligation & Disclosure) Regulations, 2015 become applicable to the Company w.e.f. 1st October, 2016 earlier Company was falling under the criteria of Regulation 15 (2) of SEBI (Listing Obligation & Disclosure) Regulations, 2015 (Company's paid up Equity Capital is below Rs. 10 Crores and Net worth is below Rs. 25 Crores as per the latest audited Balance Sheet of the Company) As per the Audited Balance Sheet of the Company as on 31st March, 2016 net worth of the Company exceeded Rs. 25 Crores therefore, Corporate Governance provisions become applicable w.e.f. 1st October, 2016.

Therefore, Corporate Governance report for the year under review is annexed herewith.

ACKNOWLEDGEMENT:

Your Directors wish to convey their appreciation to all the employees for their collective contribution to the Company's performance. Directors also wish to thank Enkei Corporation, our promoters, banks, financial institutions, and customers for their unstinted support and shareholders for their confidence reposed in the management.

For & On Behalf of the Board of Directors



Kazuhiko Shimamura
Managing Director
(DIN: 05129816)



Haresh Shah
Director
(DIN: 00228471)

Place : Pune
Date : 25th May 2017



ANNEXURE TO DIRECTORS' REPORT

Form No. MGT - 9
(as at Financial Year ended 31st March 2016)

Annexure I

EXTRACT OF ANNUAL RETURN :

[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	L34300PN2009PLC133702
ii.	Registration Date	30th March 2009
iii.	Name of the Company	Enkei Wheels (India) Limited
iv.	Category / Sub-Category of the Company	Company Limited By Shares/ Indian Non-Government Company
v.	Address of the Registered Office and contact details	Gat No. 1425, Village Shikrapur, Taluka-Shirur, Pune - 412208, Maharashtra. Tel No. (02137)-618700 Fax No. (02137)-618720 Website: www.enkei.in
vi.	Whether listed company	Yes
vii.	Name, address and contact details of Registrar and Transfer Agent, if any	Universal Capital Securities Pvt Ltd. (Formerly known as Mondkar Computers Pvt Ltd.) 21/25 Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali Caves Road, Andheri (East), Mumbai - 400 093. Tel:+91 (22) 2820 7203-05 / 2825 7641 Fax: +91 22 2820 / 7207 Website : www.unisec.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

All the business activities contributing 10% or more of the total turnover of the Company stated below :

Sr. No.	Name and description of main products	NIC code of the product	% to total turnover of the Company
1.	Manufacturing of Aluminum Alloy road wheels for 2 Wheeler & 4 Wheeler	29301	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

Sr. No.	Name and address of the Company	CIN/GLN	Holding / Subsidiary Associate /	% of shares Held	Applicable Section
1.	Enkei Corporation ACT Tower 26F 111-2 Itaya-machi, Naka-ku Hamamatsu City, Shizuoka Pref 430-7726, Japan	N.A.	Holding	69.75	2(46)


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

(i) Category Wise Shareholding :

	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.	Promoter									
1)	Indian	0	0	0	0	0	0	0	0	0
a)	Individual/ HUF	0	0	0	0	0	0	0	0	0
b)	Central Govt.	0	0	0	0	0	0	0	0	0
c)	State Govt.(s)	0	0	0	0	0	0	0	0	0
d)	Bodies Corp	0	0	0	0	0	0	0	0	0
e)	Banks / FI	0	0	0	0	0	0	0	0	0
f)	Any Other	0	0	0	0	0	0	0	0	0
	Sub-total (A) (1) :-	0	0	0	0	0	0	0	0	0
2)	Foreign									
g)	NRIs-Individuals	0	0	0	0	0	0	0	0	0
h)	Other-Individuals	0	0	0	0	0	0	0	0	0
i)	Bodies Corporate	9,632,860	0	9,632,860	68.16	10,376,695	0	10,376,695	69.75	1.59
j)	Banks / FI	0	0	0	0	0	0	0	0	0
k)	Any Other....	0	0	0	0	0	0	0	0	0
	Total Shareholding of Promoter :	9,632,860	0	9,632,860	68.16	10,376,695	0	10,376,695	69.75	1.59
B.	Public Shareholding									
1.	Institutions	0	0	0	0	0	0	0	0	0
a)	Mutual Funds	0	0	0	0	0	0	0	0	0
b)	Banks / FI	0	0	0	0	0	0	0	0	0
c)	Central Govt	0	0	0	0	0	0	0	0	0
d)	State Govt(s)	0	0	0	0	0	0	0	0	0
e)	Venture Capital Funds	0	0	0	0	0	0	0	0	0
f)	Insurance Companies	0	0	0	0	0	0	0	0	0
g)	FIs	0	0	0	0	0	0	0	0	0
h)	Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i)	Others (specify)	0	0	0	0	0	0	0	0	0
	Sub-total (B) (1)	0	0	0	0	0	0	0	0	0
2.	Non Institutions									
a)	Bodies Corp.									
(i)	Indian	294,815	1,210	1,293,325	9.15	1,357,456	1,210	1,358,666	9.13	(0.02)
b)	Individuals									
(i)	Individual shareholders holding nominal share capital upto ₹ 1 lakh	1,696,143	139,462	1,835,605	12.98	1,820,859	132,262	1,953,121	13.13	0.15
(ii)	Individual share holders holding nominal share capital in excess of ₹ 1 lakh	940,161	0.00	940,161	6.65	790,577	0.00	790,577	5.31	(1.34)
c)	Others (Specify)									
i.	Clearing Members	28,554	0.00	28,554	0.20	23,087	0.00	23,087	0.16	(0.04)
ii.	NRI/OCB'S	121,921	0.00	121,921	0.86	96,515	0.00	96,515	0.65	(0.21)
iii.	Directors & Relatives	277,734	0.00	277,734	1.96	277,734	0.00	277,734	1.87	(0.09)
	Sub-total(B)(2)	4,359,328	140,672	4,500,000	31.84	4,366,528	133,472	4,500,000	30.25	(1.59)
	Total Public Shareholding (B)=(B)(1)+ (B)(2)	4,359,328	140,672	4,500,000	31.84	4,366,528	133,472	4,500,000	30.25	(1.59)
C.	Shares held by Custodian for GDRs& ADRs	0	0	0	0	0	0	0	0	0
	Grand Total (A+B+C)	13,992,188	140,672	14,132,860	100	14,743,223	133,472	14,876,695	100	



(ii) Shareholding of Promoters:

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding 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.	Enkei Corporation	9632860	68.16	0.00	10376695	69.75	0.00	1.59
	Total	9632860	68.16	0.00	10376695	69.75	0.00	1.59

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.	Particulars			Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares of the company the	No. of Shares	% of total shares of the company
	At the beginning of the year			9,632,860	68.16		
	Date wise increase / decrease in promoters' shareholding during the year specifying the reasons for increase / (e.g. allotment / transfer / bonus / sweat equity etc.)						
	Date	Name of Promoter	Reason				
1.	16th Jan. 2017	Enkei Corporation	Preferential Allotment	743,835	4.99	10376695	69.75
	At the End of the Year			743,835	4.99	10376695	69.75

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

Sr. No.	For each of the Top 10 Shareholders	Particulars	Shareholding at the beginning of the year		Reason for Change	Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company		No. of Shares	% of total shares of the company
1	Nastic Trading LLP	At the Beginning of the year	570000	3.83			
		At the end of the year	570000	3.83			
2.	Pamela Trading LLP	At the beginning of the year	286000	1.92			
		At the end of the year	286000	1.92			
3.	Skyblue Trading And Investment P Ltd	At the beginning of the year	254880	1.71			
		At the end of the year	254880	1.71			



Sr. No.	For each of the Top 10 Shareholders	Particulars	Shareholding at the beginning of the year		Reason for Change	Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company		No. of Shares	% of total shares of the company
4	MOTILAL GOPILAL OSWAL	At the Beginning of the year	159390	1.07			
		22nd April 2016	(2390)	0.02	Transfer	157000	1.06
		29th April 2016	(4500)	0.03	Transfer	152500	1.03
		6th May 2016	(2500)	0.02	Transfer	150000	1.01
		13th May 2016	(4500)	0.03	Transfer	145500	0.98
		20th May 2016	(2500)	0.02	Transfer	143000	0.96
		27th May 2016	(9500)	0.06	Transfer	133500	0.9
		3rd June 2016	(1500)	0.01	Transfer	132000	0.89
		10th June 2016	(9000)	0.06	Transfer	123000	0.83
		17th June 2016	(46500)	0.31	Transfer	76500	0.51
		24th June 2016	(2000)	0.01	Transfer	74500	0.5
		30th June 2016	(3000)	0.02	Transfer	71500	0.48
		1st July 2016	(4500)	0.03	Transfer	67000	0.45
		8th July 2016	(16000)	0.11	Transfer	51000	0.34
		15th July 2016	(19500)	0.13	Transfer	31500	0.21
		22nd July 2016	(31500)	0.21	Transfer	0	0
	At the end of Year	0	0				
5	Ankit Ranswroop Goyal	At the beginning of the year	110029	0.74			
		29th July 2016	300	0.00	Transfer	110329	0.74
		At the end of the year	110029	0.74			
6	Omkar Singh Karla	At the beginning of the year	103070	0.69			
		At the end of the year	103070	0.69			
7	Shailaja Devi Agrwal	At the beginning of the year	102611	0.69			
		At the end of the year	102611	0.69			
8	Chandraparkash Padiyar	At the beginning of the year	102268	0.69			
		At the end of the year	102268	0.69			
9	Ramswaroop Agrawal	At the beginning of the year	95946	0.64			
		At the end of the year	95946	0.64			
10	Savita Raghavan	At the beginning of the year	58365	0.39			
		At the end of the year	58365	0.39			
11	S KusumaBai	At the beginning of the year	52540	0.35			
		At the end of the year	52540	0.35			



(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year		No. of Shares		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	Increase	Decrease	No. of shares	% of total shares of the company
	At the beginning of the year						
1.	Mr. Kazuhiko Shimamura	Nil	Nil	Nil	Nil	Nil	Nil
2.	Mr. Junichi Suzuki	Nil	Nil	Nil	Nil	Nil	Nil
3.	Mr. Shailendrajit Rai	262,674	1.86	Nil	Nil	262,674	1.76
4.	Dr. Hareesh Shah	Nil	Nil	Nil	Nil	Nil	Nil
5.	Mr. Satyavara Prasad Garimella	Nil	Nil	Nil	Nil	Nil	Nil
6.	Ms. Shilpa Dixit	Nil	Nil	Nil	Nil	Nil	Nil
7.	Mr. Jitendra Parmar	Nil	Nil	Nil	Nil	Nil	Nil
8.	Mr. Omkar Kaulgud	Nil	Nil	Nil	Nil	Nil	Nil

V. INDEBTEDNESS OF THE COMPANY INCLUDING INTEREST OUTSTANDING / ACCRUED BUT NOT DUE FOR PAYMENT:

(₹ In Millions)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
a. Principal Amount	-	786,036,000	-	786,036,000
b. Interest due but not paid	-	-	-	-
c. Interest accrued but not due	-	-	-	-
Total (a+b+c)	-	786,036,000	-	786,036,000
Change in indebtedness during the financial year				
• Addition	50,000,000	1,419,161,860		1,469,161,860
• Reduction	50,000,000	1,510,821,860		1,560,821,860
Net Change	-	(91,660,000)	-	-
Indebtedness at the end of the financial year				
d. Principal Amount	-	694,376,000	-	694,376,000
e. Interest due but not paid	-	158,219	-	158,219
f. Interest accrued but not due	-	-	-	-
Total (a+b+c)	-	694,534,219	-	694,534,219


VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:
A. Remuneration of Managing Director, Whole-time Directors and / or Manager

Sr. No.	Particulars of Remuneration	Name of Managing Director / Whole Time Director / Manager
		Mr. Kazuhiko Shimamura Managing Director
1.	Gross Salary	2,762,739
	Salary as per provisions contained in Section 17 (1) of the Income Tax Act, 1961	2,295,746
	Value of perquisites under Section 17 (2) of the Income Tax Act, 1961	466,993
	Profits in lieu of salary under Section 17 (3) of the Income Tax Act, 1961	Nil
2.	Stock Option	Nil
3.	Sweat Equity	Nil
4.	Commission - as % of profit - others, specify	Nil
5.	Others, please specify (Company's contribution towards Provident Fund and Superannuation)	36,288
	Total (A)	2,799,027
Ceiling as per the Companies Act, 2013		Mr. Kazuhiko Shimamura was appointed as Managing Director of the Company w.e.f. 1st March, 2016. The shareholders of the Company has confirmed his appointment in 7th Annual General Meeting of the Company held on 29th July, 2016. His remuneration is in compliance with Schedule V of the Companies Act, 2013.



B. Remuneration to other Directors :

Particulars of Remuneration	Name of the Director			Total Amount
	Dr. Haresh Shah	Mr. Satyavara Prasad Garimella	Ms. Shilpa Dixit	
Independent Directors				
Fee for attending board / committee meetings	70,000	70,000	40,000	1,80,000
Commission	Nil	Nil	Nil	Nil
Others, please specify	Nil	Nil	Nil	Nil
Total (1)	70,000	70,000	40,000	1,80,000
Other Non-Executive Directors				
Fee for attending board / committee meetings	5,000	35,000		40,000
Commission	Nil	Nil		Nil
Others, please specify	Nil	Nil		Nil
Total (2)	5,000	35,000		40,000
Total (B) = (1 + 2)	75,000	1,05,000	40,000	2,20,000
Total Managerial Remuneration				
Overall Ceiling as per the Companies Act, 2013	In Compliance with Schedule V of Companies Act, 2013.			

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MANAGING DIRECTOR / MANAGER / WHOLE TIME DIRECTOR :

Sr. No.	Particulars of Remuneration	Mr. Jitendra Parmar Chief Financial Officer	Mr. Omkar Kaulgud Company Secretary	Total Amount
1.	Gross Salary	2,213,716	563,719	2,777,435
a.	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	2,213,716	563,719	2,777,435
b.	Value of perquisites under Section 17 (2) of the Income Tax Act, 1961	Nil	Nil	Nil
c.	Profits in lieu of salary under Section 17 (3) of the Income Tax Act, 1961	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission - as % of profit - others, specify	Nil	Nil	Nil
5.	Others, please specify (Company's contribution towards Provident Fund and Superannuation)	122,031	25,566	147,597
	Total	2,335,747	589,285	2,925,032


VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

Sr. No.	Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fee imposed	Authority (RD / NCLT / Court)	Appeal made, if any (give details)
A.	Company					
	Penalty	--	--	--	--	--
	Punishment	--	--	--	--	--
	Compounding	--	--	--	--	--
B.	Directors					
	Penalty	--	--	--	--	--
	Punishment	--	--	--	--	--
	Compounding	--	--	--	--	--
C.	Other Officers in Default					
	Penalty	--	--	--	--	--
	Punishment	--	--	--	--	--
	Compounding	--	--	--	--	--



Form No. MR-3

Annexure II

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

[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,
Enkei Wheels (India) Limited
Gat No. 1425, Village Shikrapur
Tal - Shirur, Pune - 412208

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ENKEI WHEELS (INDIA) LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2017, according to the provisions of :

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, 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; (Not Applicable to the company during the audit period); and
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 & The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 & The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not Applicable to the company during the audit period);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable to the company during the audit period); and



- (f) 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;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable to the company during the audit period); and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable to the company during the audit period);
- vi) As informed to us none of the other laws are applicable specifically to the company.

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

- i) Secretarial Standards with respect to board & general meetings issued by The Institute of Company Secretaries of India.
 - ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We 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. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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 except for notice for the Board Meeting dated 12.12.2016 (Notice dated 07.12.2016) and Board Meeting dated 16.01.2017 (Notice dated 11.01.2017), wherein, Independent Director was present and company complied with the section 173 (3) of the Companies Act, 2013. 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 and recorded as part of the minutes.

We 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.

We further report that during the audit period the Company had following event which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, standards, guidelines etc.

- 1) The Company has made allotment of 743,835 equity shares to the promoters i.e. Enkei Corporation Japan on preferential basis.

For Shailesh Indapurkar & Associates

Company Secretaries



CS Shailesh Indapurkar

Proprietor

ACS 17306

C. P. No: 5701

Place : Pune

Date :

This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.



'ANNEXURE A'

To,
Enkei Wheels (India) Limited
Gat No. 1425, Village Shikrapur
Tal - Shirur, Pune - 412208

Our report of even date is to be read along with this letter.

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

For Shailesh Indapurkar & Associates
Company Secretaries

CS Shailesh Indapurkar
Proprietor
ACS 17306
C. P. No: 5701

Place : Pune
Date :


Annexure III
DETAILS OF THE REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

1. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2016-17, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2015-16 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as follows:

Sr. No.	Name of Director/KMP & Designation	Remuneration of Director / KMP for financial year 2016-17 (In ₹)	% increase in Remuneration in the financial year 2015-16	Ratio of remuneration of each Director to median remuneration of employees	Comparison of the remuneration of the KMP against the performance of the Company
1	Mr. Kazuhiko Shimamura (Managing Director)	27,62,739/-	No change	7.13	The growth in revenue was 6% and increase in Profit after tax was 177% during FY 2016-17
2	Mr. Jitendra Parmar (Chief Financial Officer)	22,13,716/-	10.74	5.71	The growth in revenue was 6% and increase in Profit after tax was 177% during FY 2016-17
3	Mr. Omkar Kaulgud (Company Secretary)	5,63,719/-	30.42	1.45	The growth in revenue was 6% and increase in Profit after tax was 177% during FY 2016-17

2. The median remuneration of employees of the Company during the financial year 2016-17 was ₹ 387,744.
3. In the financial year 2016-17, there was an increase of 13.35% in the median remuneration of employees.
4. As on March 31, 2017, there were 436 permanent employees who were on the roll of the Company.
5. Relationship between average increase in remuneration and Company performance:
The Profit After Tax for the financial year ended 31st March, 2017 increased by 177% whereas the median remuneration increased by 13.35% which was in line with Company performance.
6. Comparison of Remuneration of the Key Managerial Personnel(s) against the performance of the Company:
The total remuneration of the Key Managerial Personnel(s) decreased by 17.83% from 67.42 Lacs in 2015-16 to 55.40 Lacs in 2016-17 whereas Profit After Tax increased by 177% from (547.14) Lacs in 2015-16 to 421.22 Lacs in 2016-17.



CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company aspires to achieve long-term corporate goals by adopting the 'best practices' that are followed in the area of Corporate Governance. The Company emphasises the need of good corporate governance in order to protect the interests of its stakeholders. The Board acknowledges its responsibilities towards shareholders for creation and safeguarding their wealth. In this pursuit, the Company is committed to conduct the business in accordance with the highest legal and ethical standards, superior product quality and services to its customers. The Company has adhered to such superior product policies to fulfill its corporate responsibilities and achieve its financial objectives.

2. BOARD OF DIRECTORS

a) Board Membership Criteria

The members of the Board of Directors of your Company are expected to possess the required expertise, skill, and experience to effectively manage and direct your Company so that it can attain its organizational goals. They are expected to be persons with vision, leadership qualities, a strategic bent of mind, proven competence, and integrity.

Each member of the Board of Directors of your Company is expected to ensure that his/her personal interest does not run in conflict with your Company's interests. Moreover, each member is expected to use his/her professional judgment to maintain both the substance and appearance of independence and objectivity.

b) Composition & Number of Companies or Committees in which the Director is a Director/Chairman:

Name of Director	Category	Relation with Other Directors	No. of other Directorship held*		No. of Committees of other Companies in which Member/ Chairman	No. of Shares held in the Company as at 31.03.2017
			Public	Private		
Mr. Kazuhiko Shimamura	Executive Managing Director	None	1	0	0	NIL
Mr. Junichi Suzuki	Promoter & Non Executive	None	1	0	0	NIL
Mr. Shailendrajit Rai	Non-Executive Director	None	4	5	1	262,674
Dr. Hareesh Shah	Independent & Non-Executive	None	0	6	0	NIL
Mr. Satyavara P. Garimella	Independent & Non-Executive Director	None	0	0	0	NIL
Ms. Shilpa Dixit	Woman & Independent Director	None	1	1	0	NIL

* Directorship held in Section 8 Companies & Enkei Wheels (India) Limited are excluded & Directorships in Foreign Companies & Private Companies are included.

c) Board Meetings and Annual General Meetings :

During the year 2016-17, 7 (Seven) meetings of the Board of Directors of the Company held on following dates:

27th May 2016; 28th July 2016; 25th October 2016; 23rd November, 2016, 12th December, 2016, 16th January, 2017 and 3rd February 2017;

The previous Annual General Meeting was held on 29th July, 2016.



Details regarding the attendance of Directors at the Board Meetings and the Annual General Meeting held during the year 2016-17 are presented in the following table.

Name of Director	No. of Board Meetings Attended (Total Meetings held - 7)	Whether last AGM attended
Mr. Kazuhiko Shimamura	7 / 7	Yes
Mr. Junichi Suzuki	1 / 7	No
Mr. Shailendrajit Rai	5 / 7	Yes
Dr. Haresh Shah	7 / 7	Yes
Mr. Satyavara P. Garimella	6 / 7	Yes
Ms. Shilpa Dixit	6 / 7	Yes

d) Code of Conduct

The Board of Directors has prescribed a Code of Conduct for all members of the Board and the Senior Management of your Company. All the Board Members and Senior Management personnel have affirmed compliance with the code of conduct. A declaration signed by the Managing Director of the Company to this effect is enclosed at the end of this report.

e) Board Procedure

All the Directors on the Board are informed the date and venue of the each Board Meeting at least seven days in advance along with Agenda. Detailed Agenda folder is sent to each Director in advance of the Board and Committee Meetings. To enable the Board to discharge its responsibilities effectively, the Managing Director appraises to the Board the overall performance of the Company. The Board reviewed the strategy, business plan, annual operating and capital expenditure budgets, projections, compliance reports of all laws applicable to the Company as well as the steps taken to rectify instances of non-compliances, taking on record of unaudited quarterly/half yearly/annual results, minutes of the meetings of the Audit and other Committees of the Board and information on recruitment of officers just below the Board level including the Compliance Officer. The company is complying with the Secretarial Standards issued by Institute of Company Secretaries of India in this regard.

3. BOARD COMMITTEES

In compliance with both the mandatory and non-mandatory requirements under the SEBI Regulations, and the applicable laws, the Board has constituted the following committees:

- I. Audit Committee
- II. Nomination & Remuneration Committee
- III. Stakeholder Grievance Committee
- IV. Share Transfer Committee
- V. Corporate Social Responsibility (CSR) Committee

The Chairman of the Board, in consultation with the Company Secretary and the respective chairmen of these committees, determines the frequency of the meetings of these committees. The recommendations of the committees are submitted to the Board for noting/approval.



(i) Audit Committee :

The Audit Committee comprises of Dr. Haresh Shah, Chairman of the Committee and Mr. Satyavara P. Garimella, both being Independent Directors and Mr. Kazuhiko Shimamura, Managing Director. The terms of reference of this Committee are wide enough covering the matters specified for Audit Committee under the SEBI (Listing Obligation & Disclosure requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013.

The Company Secretary acts as the Secretary to the Committee. The representatives of the Internal Auditors and Statutory Auditors are also invited to the meetings.

During the Financial Year 2016-17, 4 (Four) Audit Committee Meetings were held on following dates:

27th May 2016; 28th July 2016; 25th October 2016 and 3rd February 2017.

Particulars of attendance of Audit committee Members at the Audit committee Meetings held during the Financial Year 2016-17 :

Name of Audit committee Member	Meetings Attended during Financial Year 2016-17 (Total Meetings held 4)
Dr. Haresh Shah	4 / 4
Mr. Kazuhiko Shimamura	4 / 4
Mr. Satyavara P. Garimella	4 / 4

Powers of Audit Committee

- a. To investigate any activity within its terms of reference;
- b. To seek information from any employee;
- c. To obtain outside legal or other professional advice;
- d. To secure attendance of outsiders with relevant expertise, if it considers necessary.

(ii) Remuneration Committee

The Remuneration Committee comprises of Dr. Haresh Shah, Chairman of the Committee, Mr. Shailendra Rai and Mr. Satyavara P. Garimella. Being all Non-Executive Directors of the Company. The composition is in conformity with the Companies Act, 2013.

The terms of reference of this committee are:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Recommending remuneration payable to Managing Director and other Directors as and when necessity arises.
- Reviewing sitting fees payable to Directors for attending Board Meetings, Committee Meetings, etc.

Criteria for performance evaluation of Independent Directors

As required under Regulation 19 (4) & Schedule II Part D of the Listing Regulations and in terms of Companies Act, 2013, the criteria for performance evaluation of the Independent Directors and Board of Directors has been laid down in the 'Board Evaluation Policy' formulated by the Company. This policy evaluates the performance of



the Board, its committees and individual directors. In terms of the policy, performance evaluation of the directors has been done by each director individually scoring each other director on the basis of guidelines of professional conduct, role, functions and duties performed by him/her which in turn are based on numerous parameters. Criteria include director's level of ethical conduct, objectivity, value addition, participation level, attendance and various other qualitative as well as quantitative parameters which have had an impact on the Board process becoming more and more effective.

Details of remuneration paid to Managing Director-

During the year 2016-17, the remuneration paid to the Managing Director is ₹ 27,62,739/- per annum.

- **Details of sitting Fees paid to the Non-Executive Directors for attending the Board and Committee Meetings during the financial year 2016-2017.**

Name of the Non - Executive Director	Sitting Fees (In ₹)
Dr. Haresh Shah	₹ 70,000
Mr. Satyavara P. Garimella	₹ 70,000
Ms. Shilpa Dixit	₹ 40,000
Mr. Junichi Suzuki	₹ 5,000
Mr. Shailendrajit Rai	₹ 35,000

(iii) Stakeholder Grievance Committee

The Stakeholder Grievance Committee comprises of, Mr. Satyavara P. Garimella Chairman of the Committee, Dr. Haresh Shah and Mr. Kazuhiko Shimamura as members to look into redressal of Stakeholders' complaints on various issues.

There were no complaints received from the shareholders during the year 2016-17.

The Company Secretary is designated as a "Compliance Officer" who oversees the redressal of the investors' grievances.

Name and designation of Compliance Officer:

Mr. Omkar Kaulgud, Company Secretary.

(iv) Share Transfer Committee

The Share Transfer Committee comprises of Mr. Satyavara P. Garimella, Chairman of the Committee, Dr. Haresh Shah, and Mr. Kazuhiko Shimamura as members.

The Committee :

- Looks into the redressal of investors' complaints relating to transfer, transmission of shares, non-receipt of Annual Reports;
- Approves transmission of shares held in physical mode subject to fulfilment of other conditions as may be deemed necessary;
- Considers the issue of duplicate share certificates under the Common Seal of the Company in terms of the requirements of the Companies (Share Capital and Debenture) Rules, 2014.



During the Financial Year 2016-17, 2 (Two) Share Transfer Committee Meetings were held on 7th October, 2016 & 9th November, 2016

Name of Share Transfer committee Member	Meetings Attended during Financial Year 2016-17 (Total Meetings held 2)
Mr. Satyavara P. Garimella	2 / 2
Dr. Haresh Shah	2 / 2
Mr. Kazuhiko Shimamura	2 / 2

(v) Corporate Social Responsibility (CSR) Committee

The CSR Committee comprises of Mr. Satyavara P. Garimella, Chairman of the Committee, Mr. Kazuhiko Shimamura, and Ms. Shilpa Dixit as members. For the year under review the provisions of Section 135 of the Companies Act, 2013 are not applicable to the company. Further, the Board of Directors of the Company in their meeting held on 25th October, 2016 has decided to do voluntarily formed the CSR Committee & approve CSR Policy.

The detailed constitution of CSR Committee is provided in Corporate Governance Report & CSR Policy is available on the website of the Company.

During the Financial Year 2016-17, 1 (One) CSR Committee Meeting was held on 20th March 2017 in which all the members were present.

4. GENERAL BODY MEETINGS

Details of the last three General Meetings of your Company are presented in the following table.

Sr. No.	Nature of Meeting	Date	Time	Venue	No. of Special Resolution Passed
1	EGM	07-Jan-2017	3.00 PM	Registered office of the Company at Gat No. 1425, Village Shikrapur, Tal - Shirur, Pune - 412208	01
2	AGM	29-Jul-2016	12.30 PM	Registered office of the Company at Gat No. 1425, Village Shikrapur, Tal - Shirur, Pune - 412208	02
3	EGM	04-Jan-2016	11.00 AM	Registered office of the Company at Gat No. 1425, Village Shikrapur, Tal - Shirur, Pune - 412208	01
4	AGM	19-Sept-2015	12.30 PM	Registered office of the Company at Gat No. 1425, Village Shikrapur, Tal - Shirur, Pune - 412208	Nil
5	AGM	25-Sept-2014	12.30 PM	Registered office of the Company at Gat No. 1425, Village Shikrapur, Tal - Shirur, Pune - 412208	03


5. Details of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting :

Name of the Director	Date of Birth	Date of Appointment	Qualification	Expertise	Directorships held in other Public Limited Companies (Excluding Foreign & Private Companies)	Memberships/ Chairmanships of committees across all Companies
Shailendrajit Rai	01-02-1956	30-03-2009	Chartered Accountant	Management & Finance	04	02

6. MEANS OF COMMUNICATION :

i) Financial results :	Quarterly and annual financial results are published in Business Standard (English), Loksatta (Marathi)
ii) Website :	www.enkei.in
iii) News releases :	All official news releases are sent to stock exchanges as well as displayed on the Company's website.

7. GENERAL SHAREHOLDER INFORMATION :
(i) Annual General Meeting

Date and Time : 19th July 2017 at 12.30 p.m.
 Venue : At the registered office of the Company at Gat No. 1425, Vilege Shikrapur, Taluka Shirur, District, Pune - 412208.

(ii) Financial Year : from 1st of April every year to 31st of March next year

(iii) Date of Book closure : 13th July 2017 to 19th July 2017 (Both days inclusive)

(iv) Dividend payment date : N A

(v) Listing on Stock Exchange : The shares of the are listed Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers Dalal Street, Mumbai- 400001. (w.e.f. 11th July 2011)

(vi) Stock Code : BSE Limited : 533477

(vii) ISIN : INE130L01014.

(viii) Name & Address of the Stock exchange where Company's shares are listed :

BSE Limited
 PhirozeJeejeebhoy Towers, Dalal Street,
 Mumbai - 400 001
 Tel. No. (022) 2272 1233/34
 Fax No. (022) 2272 1919
 The annual Listing fees have been paid to BSE Limited.

(ix) Market Price Data for the Year 2016-17 :

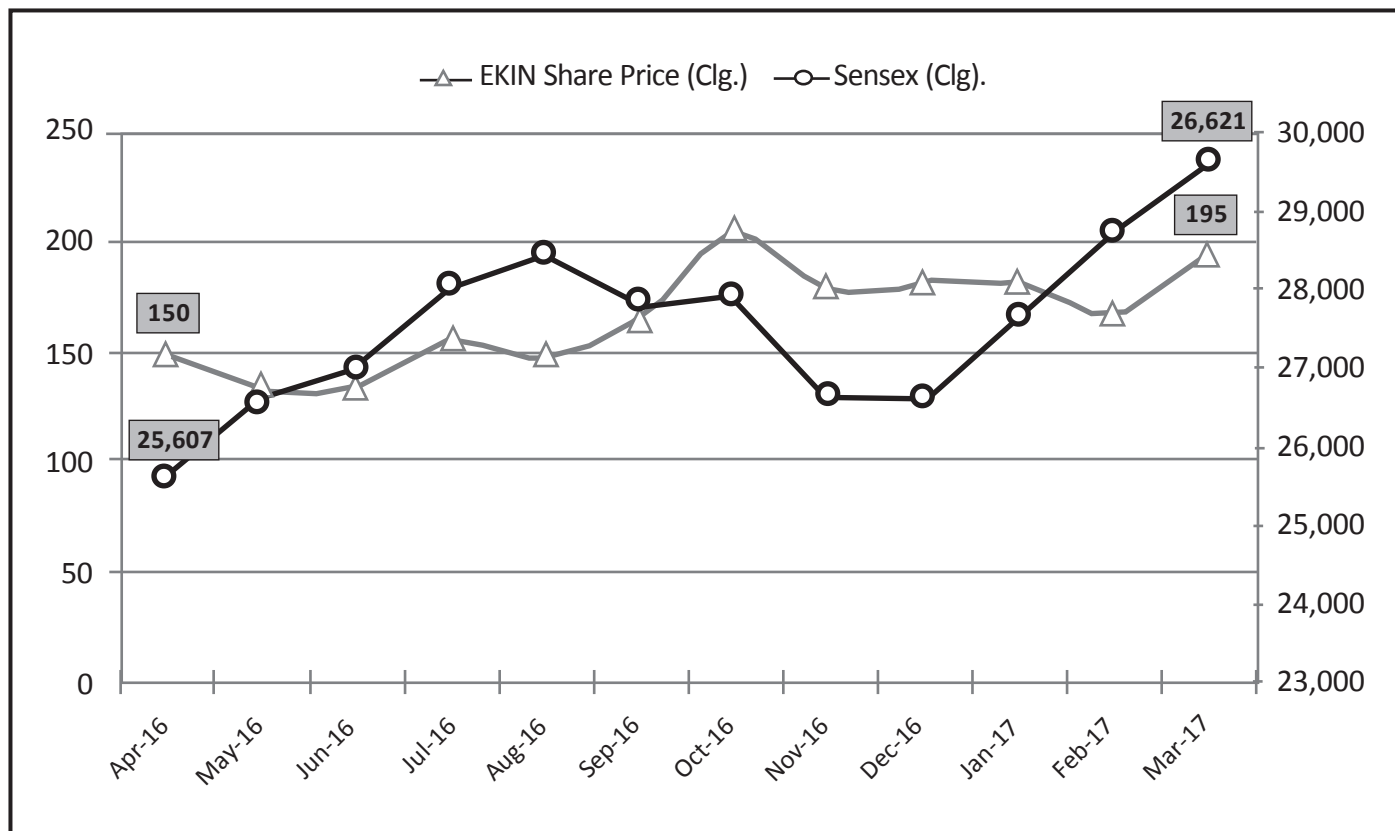
The high and low market price and the volume of Enkei's shares traded on the BSE Limited during the period from April 01, 2016 to March 31, 2017 are presented in the following table.



Market Price Data :

Month	EKIN Share Price (Clg.) (In ₹)	Sensex (Clg.) (In ₹)
Apr-16	150	25607
May-16	134	26668
Jun-16	135	27000
Jul-16	155	28052
Aug-16	149	28452
Sep-16	167	27866
Oct-16	204	27930
Nov-16	180	26653
Dec-16	182	26626
Jan-17	181	27656
Feb-17	168	28743
Mar-17	195	29621

Movement of Sensex & Share Price of Enkei Wheels (India) Limited




(x) Registrars and share transfer agents :

The Company has appointed M/s. Universal Capital Securities Private Limited as its Registrar and Transfer Agent (R & T Agent). Share Transfers, dematerialisation of shares and all other investor related activities are attended and processed at the office of the R & T Agent at the following address :

M/s. Universal Capital Securities Private Limited

(Unit: Enkei Wheels (India) Limited)

21, Shakil Niwas, Opp. Sai Baba Temple, Mahakali Caves Road,
Andheri (E), Mumbai - 400093.

Tel no. (022) 2820 7203-05 / 2825 7641

Mail id: info@unisec.in

(xi) Share Transfer System

Transfers of shares are processed by the Share Transfer Agent and approved by the Share Transfer Committee which meets at frequent intervals. Share transfers are registered and returned generally within 15 days from the date of receipt if the relevant documents are complete in all respects. Transfers of shares are processed by the Share Transfer Agent and approved by the Share Transfer Committee which meets at frequent intervals.

(xii) Distribution and Shareholding Pattern as on 31st March, 2017

SHARES OR DEBENTURE HOLDINGS NOMINAL VALUE OF	SHARES HOLDERS		SHAREHOLDINGS	
	Numbers	% to Total	Holding	% to Total
UPTO - 500	3319	80.52	518418	3.48
501 - 1000	383	9.30	306936	2.06
1001 - 2000	205	4.97	318993	2.14
2001 - 3000	58	1.40	145136	0.97
3001 - 4000	42	1.02	150422	1.01
4001 - 5000	23	0.56	105772	0.71
5001 - 10,000	52	1.26	400041	2.69
10,001 AND ABOVE	40	0.97	12930977	86.92
TOTAL	4122	100.00	14876695	100



(xiii) Dematerialization of shares and liquidity

As on 31st March 2017 the equity shares of the Company were dematerialized with NSDL as follows:

Particulars	No. of records (allottees)	No. of shares (Quantity)
(a) Electronic form - NSDL	2003	13,302,507
(b) Electronic form - CDSL	1764	1,440,716
(c) Physical form	355	133,472
TOTAL (A)	4122	14,876,695

(xiv) Outstanding GDRs/ADRs/warrants or any convertible instruments etc.:

As of date, the Company has not issued these types of Securities.

(xv) Foreign Exchange Risk

During the year 2016-17, the Company had managed the foreign exchange risk by hedging activities to the extent considered necessary. The details of foreign currency exposure are disclosed in Note No. 32(d) and Note No. 32(e) to the Financial Statements.

(xvi) Plant Location

GAT No. 1425, Village Shikrapur, Taluka Shirur, Pune- 412 208.

(xvii) Address for correspondence

(I) For transfer/dematerialization of shares, change of address of members and other queries relating to the shares of the Company:

M/s. Universal Capital Securities Private Limited
 (Formerly known as Mondkar Computers Private Limited)
 21, Shakil Niwas, Opp. Sai Baba Temple,
 Mahakali Caves Road, Andheri (E),
 Mumbai - 400093.
 Tel no. (022) 2820 7203-05 / 2825 7641
 Mail id: info@unisec.in

(II) Shareholders holding shares in Electronic Mode should address all their correspondence to their respective depository participant.

(III) Company Address for correspondence :

Company Secretary
 Enkei Wheels (India) Limited
 Gat No. 1425, Village Shikrapur, Taluka - Shirur,
 Pune - 412208, Maharashtra.
 Tel No.: (02137-618700)
 Mail id : secretarial@enkei.in

8. OTHER DISCLOSURES:

1. There are no materially significant transactions made by the Company with its promoters, directors or THEIR relatives etc. any related parties which have potential conflict with the interests of the Company at large.



2. There are no non-compliance by the Company, no penalties and strictures imposed on the Company by Stock Exchange(s) or SEBI or any statutory authority on any matter related to capital markets, during the last three years.
3. **Vigil Mechanism:**
The Company has formulated and implemented the Whistle Blower Policy / Vigil Mechanism. This has provided a mechanism for directors and employees of the Company and other persons dealing with the Company to report to the Chairman of the Audit Committee; any instance of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct. The aforesaid policy has also been uploaded on the Company's website.
4. **Related Party Policy**
Board of Director of the company has approve the related party policy of the company which is available on the website of the company at <http://www.enkei.in/download/others/Related%20Party%20Policy.pdf>.

NON MANDATORY REQUIREMENTS :

1. **Shareholders Rights :**
As the Company shall publish quarterly/half yearly results in English and Marathi newspapers having wide circulation the same shall not be sent to shareholders household.
2. **Reporting of Internal Auditor :**
The Board of Directors of the Company has appointed M/s. Mrugendra Mandke and Associates, Chartered Accountants, Pune as the Internal Auditor of the Company. The quarterely reports provided by Internal Auditor are presented to the Audit Committee of the Company.

Place : Pune

Date : 25th May, 2017



DECLARATION

Pursuant to Regulation 34(3) read with Schedule V Par D of SEBI (Listing Obligations & Disclosure requirements) Regulations, 2015, I, Kazuhiko Shimamura, Managing Director of Enkei Wheels (India) Limited, hereby confirm that all the members of the Board of Directors and the Senior Management personnel have affirmed compliance with the Code of Conduct.

Place : Pune

Date : 25th May 2017

KAZUHIKO SHIMAMURA

(Managing Director)

Auditors' Certificate regarding compliance of conditions of Corporate Governance

To The Members of

Enkei Wheels (India) Limited,

We have examined the compliance of conditions of Corporate Governance by Enkei Wheels (India) Limited (the Company) for the year ended 31st March 2017 as stipulated in under Regulations 17 to 27, 46 (2) (b) to (i) and para C, D, E of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (w.e.f. 1st October, 2016).

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations to given to us and based on the management representations, we certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Asit Mehta & Associates**

Chartered Accountants

Registration No. 100733W

Place : Pune

Date : May 25, 2017

Sanjay Rane

(Partner)

Membership No. 100374

**CEO/CFO CERTIFICATION TO THE BOARD**

We, Kazuhiko Shimamura, Managing Director and Jitendra Parmar, Chief Financial Officer of the company, to the best of our knowledge and belief, certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended on 31st March 2017 and that based on our knowledge, belief and information:
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- (b) to the best of our knowledge and belief, no transactions entered into by the company during the year are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated effectiveness of the internal control system of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit committee of:
 - (i) There has been no change in the accounting policies followed by the Company during the year.
 - (ii) There has not been any significant changes in accounting policies during the year requiring disclosure in the notes to the financial statements; and
 - (iii) We are not aware of any instance during the year of significant fraud with involvement therein, of the management or any employee having a significant role in the company's internal control system over financial reporting.

Place : Pune
Date : May 25, 2017



Kazuhiko Shimamura
Managing Director



Jitendra Parmar
Chief Financial Officer



INDEPENDENT AUDITORS' REPORT

To,

The Members

Enkei Wheels (India) Limited.

Report on the Financial Statements

1. We have audited the accompanying financial statements of Enkei Wheels (India) Limited ("the Company") which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements.

2. The Company's Board of Directors and management are responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these 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 and the Companies (Accounting Standards) Amendment Rules, 2016 ("the Rules").

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 regularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder and the Order under section 143(11) of the Act.

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 financial statements are free from material misstatement.

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



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

Emphasis of Matter:

6. a) The Company has followed the useful lives of the assets prescribed under Part C of Schedule II to the Companies Act, 2013, for calculation of depreciation in respect of its fixed assets(s). It has neither reviewed useful lives of all its assets nor determined useful lives of significant components of all its principal assets separately as required under amended Accounting Standard (AS) -10, 'Property, Plant and Equipment' notified and duly amended under the Companies (Accounting Standard), Amendment Rules, 2016, in its entirety, as useful lives of only some of its assets /components have been reviewed and depreciation has been provided accordingly.
- b) The Company has not tested its fixed assets for impairment as required under - Accounting Standard (AS) -28, "Impairment of Assets" read with amended Accounting Standard (AS) -10. The Company's management believes that there is no indication of potential impairment loss as of the March 31, 2017.

Opinion

7. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 March 31, 2017, and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

8. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of sub-section (11) of Section 143 of the Act, we give in "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order.
9. As required by Section 143(3) of the Act, we report that :
- (a) Except for the matters described under 'Emphasis of Matter' paragraph above, and for the reasons stated therein, we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- (c) The Balance sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, the aforesaid financial statements comply, in all material respects, with the Accounting Standards specified under section 133 of the Act, read with the Rules, as applicable except and to the extent referred under 'Emphasis of Matter' paragraph above.
- (e) On the basis of written representations received from the Directors, as on March 31,2017 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a Director in terms of section 164 (2) of the Act;



- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**".
- (g) With respect to other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, in our opinion and to the best of our information and according to the explanations given to us :
- i. The Company has, disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 33(k) to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses under the applicable law or accounting or accounting standards.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes (SBN) during the period from November 08, 2016 to December 30, 2016 and these are in accordance with the books of account maintained by the Company. Refer Note 33(m) to the financial statements;

For **Asit Mehta & Associates**

Chartered Accountants

Registration No. 100733W

Sanjay S. Rane

Partner

Membership No.100374

Place : Pune

Date : May 25, 2017

**ANNEXURE- A TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in Paragraph 8 under the heading 'Report on Other Legal and Regulatory Requirements of our report of even date on the financial statements of **Enkei Wheels (India) Limited** ('the Company') for the year ended March 31, 2017).

Report on Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Companies Act, 2013 ('the Act)

On the basis of such checks, as we considered appropriate and according to the information and explanations given to us during the course of our audit, we state that:

- (i) (a) The Company has generally maintained proper records showing particulars including quantitative details and situation of its fixed assets.
- (b) In our opinion and according to the information and explanations given to us, some of the fixed assets have been physically verified by the Company's management as a part of the Company's plan of verification of all its fixed assets over a period three years. We are informed that discrepancies noticed, on physical verification have been properly dealt with in the books of account.
- (c) According to the information and explanations given to us and on the basis our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) The inventories comprising semi-finished goods, raw materials, stores and spares etc. have been physically verified by the Company's management during the year. In our opinion, the frequency of verification is reasonable. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been properly dealt with in the account.
- (iii) In our opinion and according to the information and explanations given to us, the Company has not granted any loan, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause (iii) (a), (b) & (c) of paragraph 3 of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company does not have any transactions to which the provisions of section 185 of the Act apply. There are no loans, investments, guarantees and security by a company to any person or other body corporate contemplated by the provisions section 186 of the Act. Accordingly, the provisions of clause (iv) of paragraph 3 of the Order are not applicable to the Company.
- (v) The Company has not accepted any deposits from the public and does not have unclaimed deposits within the meaning of the provisions of section 73 to 76 of the Companies Act, 2013 Act and rules framed thereunder. Accordingly, the provisions of clause (v) of paragraph 3 of the Order are not applicable to the Company.
- (vi) According to the information and explanations given to us and in our opinion, maintenance of cost records has not been specified by the Central Government under sub section (1) of section 148 (1) of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014. Accordingly, the provisions of clause (vi) paragraph 3 of the Order are not applicable to the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is generally regular in depositing of the amounts deducted / accrued in its books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income-tax, service tax, duty of customs, duty of excise, sales-tax, value added tax, cess and other material statutory dues as applicable to it to the appropriate authorities.

According to the records of the Company and according to the information and explanations given to us, no undisputed amounts payable in respect of statutory dues referred above were in arrears as at March 31, 2017 for a period of more than six months from the date those became payable.



(b) According to the information and explanations given to us, there are no dues of income-tax, service tax, duty of customs, duty of excise, sales-tax, value added tax, cess which have not been deposited on account of any dispute other than those mentioned below.

Name of the Statute/nature of Dues	Period to which the amount relates	Amount involved (₹)	Forum where dispute is pending
Value Added Tax	2010-11	53,428,525/-	Joint Commissioner of Sales Tax (Appeals) 2, Pune

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or borrowing to banks. There are no loans or borrowings from financial institutions or government and has not issued any debentures.
- (ix) In our opinion and according to the information and explanations given to us, moneys raised by way of term loans by the Company, have, prima-facie, been applied for the purposes for which those were raised. The Company has not raised moneys by way of initial public offer or further public offer.
- (x) According to the information and explanations given to us and to the best of our knowledge, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and on the basis of our examination of the records of the Company has paid / provided the managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V of the Act.
- (xii) The Company is not the Nidhi Company and therefore the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, transactions with the related parties are in compliance of with section 177 and 188 of the Act where applicable and the details of which have been disclosed in the financial statements etc as required by the applicable accounting standards.
- (xiv) The Company has made preferential allotment during the year under audit which is in compliance of the requirement of section 42 of Act and the amount raised have, prima- facie, been used for the purpose for which the funds were raised.
- (xv) In our opinion an according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with the and therefore the provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of clause (xvi) of paragraph 3 of the Order are not applicable to the Company.

For **Asit Mehta & Associates**
Chartered Accountants
Registration No. 100733W

Sanjay S. Rane
(Partner)
Membership No. 100374
Place : Pune
Date : May 25, 2017

**ANNEXURE- B TO THE INDEPENDENT AUDITORS' REPORT**

(Referred to in Paragraph 8 (f) of our report of even date on the financial statements of Enkei Wheels (India) Limited ('the Company') for the year ended March 31, 2017)

Report on the Internal Financial Controls Over Financial Reporting 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 **Enkei Wheels (India) Limited** ("the Company") as of March 31, 2017 in conjunction with our audit of the 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 ('the Guidance Note').

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 safe guarding 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 Act.

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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.

According to the information and explanations given to us and based on our audit, the following deficiencies & weaknesses have been identified in internal financial controls over financial reporting as at March 31, 2017.

- a) The existing rules, policies, and some of its key business processes including that in respect of assets and related expenditure have remained to be documented, updated and strengthened to cover all components and facets of internal control.

The Company needs to improve upon the policy documentation and related controls to ensure proper accounting, classification and the safeguarding of all its properties and assets from loss, damage, misappropriation etc.

We have been advised that the Company's management has already initiated some steps in this regard.

- b) The Company does not have risk assessment framework & mitigation plan at present, to address the risks - both current and potential. The Company, inter alia, has been incurring foreign exchange losses which are quite substantial and which have eroded sizable part of the Company's net worth.



The Company needs to ensure of its sustainability, business continuity and overall financial health of the Company in the medium term.

We have been advised that the Company's management has already initiated some steps in this regard.

Opinion

In our opinion and to the best of our information and according to the explanation given to us, the Company has, except for the matters stated above, 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, 2017, 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.

For **Asit Mehta & Associates**
Chartered Accountants
Registration No. 100733W



Sanjay S. Rane
Partner
Membership No.100374

Place : Pune
Date : May 25, 2017



BALANCE SHEET AS AT MARCH 31, 2017

(Amt. in ₹)

Particulars	Note No.	As at March 31, 2017	As at March 31, 2016
I. EQUITY AND LIABILITIES			
1 Shareholder's funds			
(a) Share capital	3	74,383,475	70,664,300
(b) Reserves and surplus	4	239,973,585	(47,389,643)
2 Non-current liabilities			
(a) Long-term borrowings	5	614,376,000	626,036,000
(b) Deferred tax liabilities (net)	6	-	31,806,703
(c) Other Long-term liabilities	7	823,000,140	922,122,494
(d) Long-term provisions	8	10,188,905	6,377,970
3 Current liabilities			
(a) Short-term borrowings	9	80,000,000	160,000,000
(b) Trade payables	10		
(i) Total outstanding dues of micro enterprises and small enterprises;	10(i)	-	-
(ii) Total outstanding dues of creditors other than micro enterprises & small enterprises	10(ii)	372,112,419	576,745,489
(c) Other current liabilities	11	39,763,527	35,300,072
(d) Short-term provisions	12	63,744,693	9,880,884
	TOTAL	2,317,542,744	2,391,544,269
II ASSETS			
1 Non-current assets			
(a) Property, Plant & Equipment	13	1,289,787,632	1,313,429,585
(b) Capital work-in-progress		-	-
(c) Non-current investments		-	-
(d) Deferred tax assets (net)	14	14,073,160	-
(e) Long term loans and advances	15	109,997,712	71,913,293
2 Current assets			
(a) Current investments		-	-
(b) Inventories	16	136,697,414	188,404,728
(c) Trade receivables	17	641,029,870	646,594,408
(d) Cash & bank balances	18	71,619,911	78,501,864
(e) Short-term loans and advances	19	54,020,117	91,322,640
(f) Other current assets	20	316,928	1,377,751
	TOTAL	2,317,542,744	2,391,544,269
Significant Accounting Policies	1 & 2		
Other Notes forming part of Financial Statements	32		

As per our report attached.

For **Asit Mehta & Associates**
Chartered Accountants
Registration No. 100733W

Sanjay S. Rane
(Partner)
Membership No. : 100374
Place : Pune
Date : May 25, 2017

For and on behalf of the Board of Directors of Enkei Wheels (India) Limited

Kazuhiko Shimamura
(Managing Director)
(DIN : 05129816)

Jitendra Parmar
(Chief Financial Officer)

Place : Pune
Date : May 25, 2017

Haresh Shah
(Director)
(DIN : 00228471)


Omkar Kaulgud
(Company Secretary)


STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017
(Amt. in ₹)

Particulars	Note No.	For year ended March 31, 2017	For year ended March 31, 2016
I Revenue from operations (Net of excise duty of ₹ 521,658,906) (PY : ₹ 517,557,644)	21	4,067,174,003	3,854,861,287
II Other income	22	2,016,289	3,631,899
III Total Revenue (I+II)		4,069,190,292	3,858,493,186
IV Expenses			
Cost of materials consumed	23	2,220,068,600	2,046,627,205
Purchases of stock-in-trade	24	2,163,914	2,621,517
Changes in inventories of work-in-progress and stock-in-trade	25	(823,000)	7,956,887
Employee benefits expense	26	289,604,007	259,856,386
Finance costs	27	30,476,994	51,495,668
Depreciation and amortization expense	28	217,333,149	256,468,208
Stores and spares consumed	29	347,373,898	339,470,721
Other expenses	30	873,978,106	801,509,289
	TOTAL	3,980,175,668	3,766,005,881
V Profit before exceptional & extraordinary items and tax (III - IV)		89,014,624	92,487,305
VI Prior Period & Exceptional items - Income / (Expenses)	31	-	(121,087,921)
VII Profit before extraordinary items and tax (V - VI)		89,014,624	(28,600,616)
VIII Extraordinary items		-	-
IX Profit before tax (VII - VIII)		89,014,624	(28,600,616)
X Tax expense:			
(1) Current tax - Current Year		62,282,600	9,011,405
(2) Current Tax - Prior Years		30,490,023	(14,704,710)
(3) Deferred tax charge/(credit)		(45,879,863)	31,806,703
		46,892,760	26,113,398
XI Profit/(Loss) for the period (IX- X)		42,121,864	(54,714,014)
Earnings per equity share (Face Value ₹ 5 /-)			
(1) Basic		2.95	(4.03)
(2) Diluted		2.95	(4.03)
Significant Accounting Policies	1 & 2		
Other Notes forming part of Financial Statements	32		


As per our report attached.

 For **Asit Mehta & Associates**
Chartered Accountants
 Registration No. 100733W


Sanjay S. Rane
 (Partner)
 Membership No. : 100374
Place : Pune
Date : May 25, 2017

For and on behalf of the Board of Directors of Enkei Wheels (India) Limited


Kazuhiko Shimamura
 (Managing Director)
 (DIN : 05129816)


Jitendra Parmar
 (Chief Financial Officer)

Place : Pune
Date : May 25, 2017

Haresh Shah
 (Director)
 (DIN : 00228471)


Omkar Kaulgud
 (Company Secretary)

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017**

(Amt. in ₹)


Particulars	For year ended March 31, 2017	For year ended March 31, 2016
A. Cash flow from operating activities		
Net Profit / (Loss) before extraordinary items and tax	89,014,624	(28,600,616)
Adjusted for:		
Loss on surrender of Land	–	121,102,447
Old liabilities written back (net)	–	(14,526)
Net Profit / (Loss) before exceptional items and tax	89,014,624	121,087,921
Adjusted for:		
Depreciation and amortisation	217,333,149	256,468,208
Loss/(Profit) on sale of Other Fixed Assets	(410,064)	415,190
Interest expense	21,022,263	46,080,059
Interest Income	(1,008,695)	(1,415,385)
Provision for Bad & Doubtful debts	0	2,666,633
Unrealised Foreign Exchange Loss (net)	39,116,509	45,708,206
Sundry Balances written off	(400,848)	1,530
Rebates	699,765	–
Old inventories written off	0	–
Operating profit / (loss) before working capital changes	276,352,079	9,814,490
Adjusted for:		
Inventories	51,707,314	(15,435,716)
Trade receivables	5,564,538	(86,423,975)
Advances and other current assets	43,871,171	64,820,229
Trade payables	(201,880,073)	(88,439,554)
Other liabilities and provisions	(37,725,816)	(197,618,651)
	(138,462,866)	(323,097,667)
Cash generated from operations	226,903,837	129,128,569
Income tax (paid) / refunds	(69,495,132)	(3,199,774)
Income tax excess receivable written off	0	2,420,129
Net cash flow from / (used in) operating activities (A)	157,408,705	128,348,924
B. Cash flow from investing activities		
Purchase of Fixed Assets, Capital Expenditure and Capital Advances	(207,362,294)	(143,564,602)
Sale of Fixed Assets	1,756,553	83,787,858
Investment in Term deposits (not considered as cash & cash equivalent)	416,000	(516,000)
Interest Income	1,008,695	1,415,385
Net cash flow from / (used in) investing activities (B)	(204,181,045)	(58,877,359)


CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017 (Contd.)
(Amt. in ₹)


Particulars	For year ended March 31, 2017	For year ended March 31, 2016
C. Cash flow from financing activities		
Proceeds from issue of share capital / share application	141,328,650	132,822,000
Proceeds from short term borrowings	—	—
Repayment of long term borrowings	0	(145,454,546)
Short term borrowings (net)	(80,000,000)	(16,734,244)
Interest paid	(21,022,263)	(46,848,640)
Net cash flow from / (used in) financing activities	40,306,387	(76,215,430)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(6,465,953)	(67,43,865)
Cash and cash equivalents at the beginning of the year	77,985,864	84,729,729
Effect of exchange difference on restatement of foreign currency cash and cash equivalents	—	—
Cash and cash equivalents at the end of the year	71,519,911	77,985,864
<u>Reconciliation of cash and cash equivalents with the balance sheet :</u>		
Cash and cash equivalents as per Balance Sheet (Refer Note 19)	71,519,911	77,985,864
Less : Bank balances not considered as Cash and cash equivalents as defined in AS 3 Cash Flow Statements		
Net Cash and cash equivalents (as defined in AS 3 Cash Flow Statements) included in Note 14	71,519,911	77,985,864
Cash and cash equivalents at the end of the year*	71,519,911	77,985,864
* Comprises		
(a) Cash on Hand	582,482	438,358
(b) Balances with banks		
- in current accounts -Rupee accounts	70,617,429	75,227,506
- In deposit accounts	320,000	2,320,000
See accompanying notes forming part of the financial statements	0	0


As per our report attached.

For **Asit Mehta & Associates**
Chartered Accountants
Registration No. 100733W


Sanjay S. Rane
(Partner)
Membership No. : 100374
Place : Pune
Date : May 25, 2017


For and on behalf of the Board of Directors of Enkei Wheels (India) Limited


Kazuhiko Shimamura
(Managing Director)
(DIN : 05129816)


Jitendra Parmar
(Chief Financial Officer)

Place : Pune
Date : May 25, 2017


Haresh Shah
(Director)
(DIN : 00228471)


Omkar Kaulgud
(Company Secretary)

**SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF THE FINANCIAL STATEMENTS****Note 1 Corporate information**

Enkei Wheels (India) Limited ("the Company") is public limited company incorporated and domiciled in India and has its works and registered office are in Pune. The Company is listed on the Bombay Stock Exchange Limited.

The Company manufactures aluminium alloy casting wheels ("products") which are being used in automotive segment of the industry in India.

Note 2 Significant accounting policies**2.1 Basis of accounting and preparation of financial statements**

- a) These financial statements have been prepared under historical cost convention on the accrual basis and are presented in Indian Rupees.
- b) The financial statements have been prepared from the books of account maintained on an accrual basis and comply in all material respects with the accounting principles generally accepted in India ('Indian GAAP'), the Accounting Standards specified under Section 133 of the Companies Act, 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, duly amended by the Companies (Accounting Standards) Amendment Rules, 2016 except and to the extent otherwise stated hereinafter.
- c) All assets and liabilities have been classified as current or non current as per the Company's operating cycle and other criteria set out in Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current – non current classification of assets and liabilities.
- d) The accounting policies adopted in the preparation of financial statements by the Company are consistent with those of the earlier years except and to the extent stated otherwise hereinafter.

2.2 Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) in India requires that the Company's management to make judgments, estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expense during the reported period. Examples of such estimates include the useful lives of depreciable assets, employee benefits, provision for doubtful receivables, provision for income taxes. Future results could differ as a result of changes in the estimates. Difference between the actual results and estimates are recognized in the period in which the results are known / materialise.

2.3 Inventories**a. Raw Materials and Traded goods**

Inventory of Raw materials is valued at cost. Cost represents purchase price, net of recoverable taxes and is determined on weighted average basis.

b. Work-In-Progress/Semi-Finished goods

Inventory of Work-In-Progress/Semi-Finished goods is valued at lesser of cost or net realisable value. Cost comprises of material cost and conversion cost. Conversion cost includes cost of consumables, direct labour, variable overheads and fixed cost in respect of production facilities.

c. Consumables, Stores and Spares

Consumables, Stores and Spares are valued at cost. Cost represents purchase price, net of recoverable taxes, and is determined on First In First Out basis.

2.4 Depreciation and amortisation

- a) Depreciation on property, plant and equipment has been provided on Straight Line Method in the manner provided under of Schedule II to the Companies Act, 2013 on the basis of the useful lives of the assets prescribed under Part C of Schedule II to the Companies Act, 2013.

**SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF THE FINANCIAL STATEMENTS (Contd).**

- b. Depreciation on additions during the year has been provided on pro-rata basis from the date of acquisition or from the date(s) on which commercial production is obtained, particularly in case of plant and equipment with fair degree of regularity and not only on the basis of the assets are ready to put to use, as the case may be.
- c. The Company has not reviewed useful lives of its assets. The Company has also not determined useful lives of significant components of its principal assets(s) separately as required under amended Accounting Standard (AS) -10, 'Property, Plant and Equipment' notified and duly amended under the Companies (Accounting Standard), Amendment Rules, 2016, in its entirety, as useful lives of only some of the assets have been reviewed and depreciation has been provided accordingly.

2.5 Revenue recognition

- a. Revenue is recognised only when it can be reliably measured and it is reasonable to expect ultimate collection based upon negotiations with the customers for price escalations and price settlements.

- b. Sale of goods

Revenue from sale of goods are recognised on despatch of goods by the Company from its factory premises and are accounted in the books net of returns and trade discounts.

- c. Other operating revenue

Other operating revenue represents income earned from the Company's principal activities and is recognised when the right to receive the income is established as per the terms of the contract.

2.6 Other income

Interest income is recognised on time proportion basis taking into account the amount of term deposits held and applicable rate of interest. During the year, the Company has also accounted interest income (both - realised and unrealised) on security deposits placed with the MSEB. Till last year, interest income was accounted on cash basis though was not shown separately.

2.7 Expenditure

Purchases and Expenses, net of taxes recoverable, are accounted on accrual basis and once liability is determined for goods, services & value received.

2.8 Property, Plant and Equipment

- a. Property, plant and equipment are carried at cost, less accumulated depreciation and impairment losses, if any. The cost represents purchase price (net of recoverable of taxes) and all other direct expenses including financing cost in respect of acquisition or construction of property, plant and equipment for the period up to the date of bringing the asset to its location and condition necessary for it to be capable of operating in the manner intended by the Company's management.
- b. Property, plant and equipment includes investment in land which is intended to be occupied for use by /in the operations of the Company, though actual use may have been pro-longed. Property, plant and equipment does not include spares and equipment which do not meet the definition of property, plant and equipment, though they are expected to be used for a longer period.
- c. Advances paid for the acquisition of property, plant and equipment, that remained outstanding at each balance sheet date is classified as 'capital advances' under "non-current assets". The cost of assets not put to use before the intended date are shown under 'Capital work-in-progress'. Subsequent expenditure relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

2.9 Foreign currency transactions and translations

- a. Transactions denominated in foreign currencies are recorded in the books at the exchange rate prevailing on the date transactions or that approximates the actual rate at the date of transaction.
- b. Monetary items denominated in foreign currencies at the year end are translated into the functional currently, which is Indian Rupee at exchange rates prevailing as at the Balance sheet date.

**SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF THE FINANCIAL STATEMENTS (Contd).**

- c. As per the option available under paragraph 46 of the Accounting Standard (AS-11)– 'The Effects of changes in Foreign Exchange Rates' and exercised by the Company, the exchange differences on account of depreciable fixed assets are capitalised as part of the asset to which differences relate and depreciated over the remaining useful life of such assets. In other cases, exchange differences are accumulated in a 'Foreign Currency Monetary Item Translation Difference Account' amortisable equally over the period of 8 years starting with the year in which the option is first exercised.

Balance in 'Foreign Currency Monetary Item Translation Difference Account' is shown as a separate line item under the head "Reserves and Surplus" as per ICAI Announcement on "Presentation of Foreign Currency Monetary Item Translation Difference Account"

- d. The gains or losses on account of exchange differences either on settlement or on translations are recognised in the Statement of Profit and Loss.
- e. In case of monetary items, which are covered by forward exchange contracts, the premium or discount arising at the inception of such a forward exchange contract is amortised as an expense or income, as the case may be over the life of the contract.

2.10 Investments

All Long-term investments, which are unquoted, are stated at cost. Current investments are stated at lower of cost and fair value.

2.11 Employee benefits

Employee benefits include provident fund, pension fund, gratuity fund, compensated absences and medical benefits.

Defined contribution plans

Both, the eligible employee and the company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary.' The Company's contribution to provident fund and pension fund are considered as defined contribution plans and are charged to the statement of profit and loss as and when those are incurred.

Defined benefit plans

For defined benefit plans, such as gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss of the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested or otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the period when the employees render the service. These benefits include compensated absences such as paid annual leave ,bonus, and performance incentives.

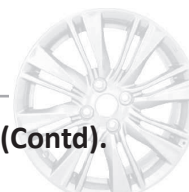
Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability determined by actuarial valuation, at the present value of the defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets out of which the obligations are expected to be settled.

2.12 Borrowing costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. All other borrowing costs incurred and which are not identified to the particular qualifying assets is charged to the revenue. Qualifying assets are those that necessarily take a substantial period of time to get ready for their intended use. A longer period than period of twelve months has been considered as a substantial period of time in exceptional and unforeseen circumstances.

2.13 Leases

**SIGNIFICANT ACCOUNTING POLICIES FORMING PART OF THE FINANCIAL STATEMENTS (Contd).**

- a. **Operating Leases** : Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor, are recognised as operating leases. Lease payments under operating leases are recognised as an expense and are charged to the Statement of Profit and Loss on a straight line basis over the lease term.
- b. **Finance Leases** : Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets acquired are capitalised at fair value of the asset or present value of the minimum lease payments at the inception of the lease whichever is lower. The principal component in the lease rental is adjusted against the lease liability and the interest component is charged to the Statement of Profit and Loss.

2.14 Segment Reporting

The Company has single business segment viz. that of automotive castings of Alloy Wheels. Accordingly, disclosure requirements as per Accounting Standard 17 "Segment Reporting" specified in the Companies (Accounting Standard) Rules 2006 are not applicable to the Company, which continue to apply under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014.

2.15 Taxes on income

- a. Tax expense comprises of current income tax and deferred tax.
- b. Current income tax for current period is recognised at the amount expected to be paid (or recovered) from the tax authorities using the tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date.
- c. Current income tax for prior periods is recognised to cover shortfall /(excess) provisions of earlier years and which may not necessarily expected to be paid or recovered from the tax authorities.
- d. Minimum Alternate Tax (MAT) paid and recognised as an asset earlier has been fully utilised by the Company for payment/ settlement of income tax demand under the normal provisions of the Act and thus there is no such asset as at the balance sheet date.
- e. Deferred tax expense (or credit) are recognised subject to the consideration of prudence, on timing differences between accounting income and taxable income that originate in one period and are likely to be reversed in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantially enacted by the balance sheet date.
- f. Deferred tax assets in respect of unabsorbed depreciation, carry forward of losses etc. are recognised, only when there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realised. At times, these are recognised only to the extent of Deferred tax liabilities, if it has legally enforceable right and those relate to taxes on income levied by the same governing taxation laws.
- g. Deferred tax assets in respect of others are recognised, only when there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

2.16 Impairment of assets

- a. The management of the Company periodically assesses using external and internal sources, whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying amount of the asset exceeds its recoverable value. An impairment loss, if any is charged to the statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.
- b. The significant portion of the Company's assets have remained to be tested for impairment, as the Company's management believes that there is no indication of potential impairment loss as of the March 31, 2017.

2.17 Provisions, contingencies and commitments

- a. Provisions involving substantial degree of estimation in measurement are recognised when there is a present legal or constructive obligation as a result of past events and it is probable that outflow of economic benefits will be required to settle the obligation.
- b. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of time value of money and the risks specific to the liability.
- c. Contingent Liabilities are not recognised but are disclosed in the financial statements. Contingent Assets are neither recognised nor disclosed in the financial statements.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS

NOTE : 3 SHARE CAPITAL

(Amt. in ₹)

Sr. No.	Particulars	As at 31st March 2017		As at 31st March 2016	
		Number of shares	Amount	Number of shares	Amount
1	AUTHORISED :				
	(i) Equity shares of ₹ 5/- each with voting rights	52,000,000	260,000,000	52,000,000	260,000,000
	(ii) Compulsorily Convertible Preference shares of ₹ 10/- each	14,000,000	140,000,000	14,000,000	140,000,000
		<u>66,000,000</u>	<u>400,000,000</u>	<u>66,000,000</u>	<u>400,000,000</u>
2	ISSUED , SUBSCRIBED & PAID UP				
	(i) Equity shares of ₹ 5/- each with voting rights	14,876,695	74,383,475	14,132,860	70,664,300
	TOTAL	<u>14,876,695</u>	<u>74,383,475</u>	<u>14,132,860</u>	<u>70,664,300</u>

a) Reconciliation of share capital

(Amt. in ₹)

Sr. No.	Particulars	As at 31st March 2017		As at 31st March 2016	
		Number of shares	Amount	Number of shares	Amount
(i)	Shares outstanding at the beginning of the year	14,132,860	70,664,300	13,426,360	67,131,800
(ii)	Add/(Less) : Shares Issued	743,835	3,719,175	706,500	3,532,500
		<u>14,876,695</u>	<u>74,383,475</u>	<u>14,132,860</u>	<u>70,664,300</u>
(iii)	Shares outstanding at the end of the year	<u>14,876,695</u>	<u>74,383,475</u>	<u>14,132,860</u>	<u>70,664,300</u>

(b) Detail of the rights, preferences and restrictions attaching to each class of shares

Sr. No.	Particulars	As at 31st March 2017	As at 31st March 2016
		No. of Equity shares with voting rights	No. of Equity shares with voting rights
	Lock-in of shares held by Promoters Enkei Corporation, Japan	10,376,695	9,632,860

(c) Rights of the Equity Share holders

The Company has one class of equity shares of face value of ₹ 5/-each. Each shareholder is eligible for one vote per share held. In the event of liquidation the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(d) Details of shares held by each shareholder holding more than 5% shares:

(Amt. in ₹)

Sr. No.	Class of shares / Name of shareholder	As at 31st March, 2017		As at 31st March, 2016	
		Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
(i)	Equity shares with voting rights Enkei Corporation, Japan	10,376,695	69.75	9,632,860	68.16


NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)
(e) Details of Allotment of Shares for consideration other than cash, allotments of Bonus Shares and Shares bought back

Sr. No.	Particulars	Financial Year (Aggregate No. of Shares)				
		2015-16	2014-15	2013-14	2012-13	2011-12
(i)	Equity shares :					
a	Fully paid up by way of bonus shares	-	-	-	-	-
b	Allotted pursuant to contract(s)* without payment being received in cash	-	-	-	521,860	1,233,500
c	Shares bought back	-	-	-	-	-

* Allotted on conversion of Compulsorily Convertible Preference Shares, earlier issued on preferential basis to the promoters of the company.

(f) Details of shares held by Holding Company (Face value ₹ 5 /-)

Sr. No.	Particulars	As at 31st March, 2017		As at 31st March, 2016	
		Number of shares held	Amount ₹	Number of shares held	Amount ₹
(i)	Equity shares with voting rights				
a	Enkei Corporation, Japan	10,376,695	51,883,475	9,632,860	48,164,300

NOTE : 4 RESERVES & SURPLUS
(Amt. in ₹)

Sr. No.	Particulars	As at 31st March, 2017	As at 31st March, 2016
1	<u>Securities premium account</u>		
	As per last Balance sheet	318,252,008	188,962,508
	Add : Addition during the year	137,609,475	129,289,500
		<u>455,861,483</u>	<u>318,252,008</u>
2	<u>Surplus / (Deficit) in Statement of Profit and Loss</u>		
	As per last Balance sheet	(127,682,697)	(72,968,683)
	Add : Profit / (Loss) for the year	42,121,863	(54,714,014)
		<u>(85,560,834)</u>	<u>(127,682,697)</u>
	TOTAL	<u>370,300,650</u>	<u>190,569,311</u>
Less :			
3	<u>Foreign Currency Monetary Item Translation Difference</u>		
	As per last Balance sheet	237,958,954	158,479,326
	Add: Adjustment/Accumulation during the year	(64,189,534)	129,750,533
		<u>173,769,420</u>	<u>288,229,859</u>
	Less: Amortisation during the year	43,442,355	50,270,906
		<u>130,327,065</u>	<u>237,958,954</u>
	TOTAL	<u>239,973,585</u>	<u>(47,389,643)</u>



NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)

NOTE : 5 LONG-TERM BORROWINGS

(Amt. in ₹)

Sr. Particulars No.	As at 31st March, 2017	As at 31st March, 2016
1 Unsecured		
(A) Foreign Currency Loans (ECBs)	614,376,000	626,036,000
TOTAL	614,376,000	626,036,000

There is no default, continuing or otherwise in repayment of loans and interest as on the balance sheet date.

(Amt. in ₹)

Sr. Particulars No.	As at 31st March, 2017	As at 31st March, 2016												
Details of terms of repayment of long-term borrowings, applicable rate of interest, security wherever provided etc.														
1 Unsecured														
Foreign Currency Loans from Bank														
<u>External Commercial Borrowings</u>														
Lender - THE BANK OF TOKYO-MITSUBISHI UFJ LTD, Japan	614,376,000	626,036,000												
<table border="1"> <thead> <tr> <th>Bank</th> <th>ECB AMT in Million JPY</th> <th>Rate of Interest</th> <th>ECB Repayment in Million JPY</th> <th>No. of Installment</th> <th>Repayment Date</th> </tr> </thead> <tbody> <tr> <td>Bank Tokyo Mitsubshhi UFJ Ltd</td> <td>1060</td> <td>1.515%</td> <td>106</td> <td>10</td> <td>Half Yearly Equal installments starting from 30th September 2018</td> </tr> </tbody> </table>	Bank	ECB AMT in Million JPY	Rate of Interest	ECB Repayment in Million JPY	No. of Installment	Repayment Date	Bank Tokyo Mitsubshhi UFJ Ltd	1060	1.515%	106	10	Half Yearly Equal installments starting from 30th September 2018		
Bank	ECB AMT in Million JPY	Rate of Interest	ECB Repayment in Million JPY	No. of Installment	Repayment Date									
Bank Tokyo Mitsubshhi UFJ Ltd	1060	1.515%	106	10	Half Yearly Equal installments starting from 30th September 2018									
Sub-Total	614,376,000	626,036,000												
Less: Current maturities of long-term debt (Refer Note No. 11)	-	-												
TOTAL	614,376,000	626,036,000												
Total Long-term Borrowings	614,376,000	626,036,000												

NOTE : 6 DEFERRED TAX LIABILITIES (NET)

(Amt. in ₹)

Sr. Particulars No.	As at 31st March, 2017	As at 31st March, 2016
Deferred tax liabilities		
Property, Plant & Equipment / Depreciation	-	31,806,703
	-	31,806,703
Less :Deferred tax assets		
Expenses Disallowable under the Income Tax Act	-	-
TOTAL	-	31,806,703

NOTE : 7 OTHER LONG-TERM LIABILITIES

(Amt. in ₹)

Sr. Particulars No.	As at 31st March, 2017	As at 31st March, 2016
a Trade Payables	692,441,524	791,403,749
b Other - Property, Plant & Equipment	130,558,616	130,718,745
TOTAL	823,000,140	922,122,494


NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)
NOTE : 8 LONG-TERM PROVISIONS
(Amt. in ₹)

Sr. No.	Particulars	As at 31st March,2017	As at 31st March,2016
	<u>Provision for employee benefits:</u>		
1	Defined benefit obligation - Leave encashment	10,188,905	6,377,970
	TOTAL	<u>10,188,905</u>	<u>6,377,970</u>

NOTE : 9 SHORT-TERM BORROWINGS
(Amt. in ₹)

Sr. No.	Particulars	As at 31st March,2017	As at 31st March,2016
1	<u>Unsecured</u>		
	<u>Working Capital Demand Loans</u>		
	- From Banks	80,000,000	160,000,000
	TOTAL	<u>80,000,000</u>	<u>160,000,000</u>

There is no default, continuing or otherwise in repayment of loans and interest as on the balance sheet date.

Sr. No.	Particulars	As at 31st March,2017	As at 31st March,2016
	Details of applicable rate of interest, security wherever provided etc.		
1	<u>UNSECURED</u>		
	(a) Working Capital Demand Loans from Banks		
	(1) Bank of Tokyo Mitsubishi UFJ Ltd.*	50,000,000	-
	<u>Repayment</u>		
	Bullet on maturity of each draw down with tenor of 3 months (within sanction limit of Rs. 17,50,00,000/-)		
	(2) Mizuho Bank Ltd.	30,000,000	160,000,000
	<u>Repayment</u>		
	From time to time, nevertheless payable on demand. (within sanction limit of Rs. 20,00,00,000/-)		

* against corporate guarantee from Enkei Corporation, Japan



NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)

NOTE : 10 TRADES PAYABLES

(Amt. in ₹)

Sr. Particulars No.	As at 31st March,2017	As at 31st March,2016
1 Micro, Small & Medium Enterprises	-	-
2 <u>Others</u>		
Raw materials & Components	242,068,141	493,626,191
Services & Expenses	52,714,594	32,486,530
3 <u>Payables to Overseas Group Companies</u>		
Raw materials & Components	32,326,246	7,543,894
Services & Expenses	45,003,438	43,088,874
TOTAL	372,112,419	576,745,489

NOTE : 11 OTHER CURRENT LIABILITIES

Sr. Particulars No.	As at 31st March,2017	As at 31st March,2016
1 Interest accrued and due on borrowings	158,219	-
2 Hedging premium accrued but not due on Forward Contract	477,093	699,990
3 Payables on purchase of Property, Plant & Equipment	19,265,190	17,162,729
4 Statutory remittances *	10,936,153	8,552,188
5 Employee dues	8,829,926	7,938,401
6 Others	96,946	946,764
TOTAL	39,763,527	35,300,072

* there are no amounts due and outstanding to be credited to the Investor Education and Protection Fund.

NOTE : 12 SHORT-TERM PROVISIONS

Sr. Particulars No.	As at 31st March,2017	As at 31st March,2016
1 <u>Provision for employee benefits</u>		
a Defined benefit obligation - (Gratuity) - (net of plan assets)	150,857	-
b Defined benefit obligation - Leave encashment	1,311,236	869,479
2 <u>Others</u>		
Income Tax - Current Tax	62,282,600	9,011,405
TOTAL	63,744,693	9,880,884


NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)

(₹)

NOTE : 13 PROPERTY, PLANT & EQUIPMENT

Sr. No	Particulars	Gross Block				Depreciation				Net Block		
		Cost As on 01-04-2016	Additions during the year	Deductions during the year	Effect of foreign currency exchange differences	Cost As on 31-03-2017	Depreciation As on 01-04-2016	Depreciation for the year	Deduction for the year	Depreciation upto 31-03-2017	As on 31.03.2017	As on 31.03.2016
1	Freehold Land	340,985,703	0	0	0	340,985,703	0	0	0	0	340,985,703	340,985,703
2	Leasehold Land	0	0	0	0	0	0	0	0	0	0	0
3	Buildings	234,809,977	22,169,242	0	0	256,979,219	46,588,606	29,084,058	0	75,672,664	181,306,554	188,221,370
4	Plant and Machinery	1,382,551,139	82,773,069	397,250	(4,767,058)	1,460,159,900	926,786,291	117,433,729	266,938	1,043,953,082	416,206,818	455,764,848
5	Factory Equipments	95,854,550	14,083,490	1,100,000	0	108,838,040	73,952,483	7,727,313	947,688	80,732,109	28,105,931	21,902,067
6	Electrical Installation	69,880,179	13,849,799	0	0	83,729,978	36,852,389	8,073,468	0	44,925,857	38,804,121	33,027,790
7	Furniture and Fixture	13,931,658	98,485	0	0	14,030,142	8,450,578	2,775,326	0	11,225,904	2,804,238	5,481,079
8	Computers	18,194,543	2,607,060	532,033	0	20,269,570	10,672,361	4,280,467	505,432	14,447,397	5,822,173	7,522,183
9	Office Equipments	10,568,830	1,496,973	31,500	0	12,034,304	8,282,758	923,014	28,096	9,177,676	2,856,628	2,286,073
10	Quality Control Equipments	3,191,976	39,297	0	0	3,231,272	2,383,999	119,126	0	2,503,124	728,148	807,977
11	Vehicles - Owned - Leased	12,615,291 2,104,193	3,802,563 0	2,043,147 0	0 0	14,374,707 2,104,193	5,218,286 904,439	1,558,527 265,102	1,809,101 0	4,967,712 1,169,541	9,406,996 934,652	7,397,005 1,199,754
12	Dies & Moulds	434,201,866	61,856,292	1,208,966	(2,971,523)	491,877,670	185,368,130	45,093,023	409,152	230,052,002	261,825,670	248,833,736
	GRAND TOTAL (Current Year)	2,618,889,906	202,776,270	5,312,896	(7,738,581)	2,808,614,698	1,305,460,321	217,333,153	3,966,406	1,518,827,068	1,289,787,632	1,313,429,585
	(Previous Year)	2,689,949,021	130,024,653	208,103,693	7,019,925	2,618,889,906	1,051,790,310	256,468,208	2,798,197	1,305,460,321	1,313,429,585	1,638,158,711



NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)

NOTE : 14 DEFERRED TAX ASSETS (NET)

(Amt. in ₹)

Sr. Particulars No.	As at 31st March,2017	As at 31st March,2016
Deferred Tax Assets		
Property, Plant & Equipment/Depreciation	11,413,039	-
Expenses disallowable under Income Tax Act	2,660,121	-
	<u>14,073,160</u>	<u>-</u>
Less - Deferred tax liabilities	-	-
Total	<u><u>14,073,160</u></u>	<u><u>-</u></u>

NOTE : 15 LONG TERM LOANS AND ADVANCES

Unsecured, considered good

a Capital Advances	19,841,624	15,254,489
b Security Deposits	23,943,755	24,086,764
c Other Loans and advances		
i) Advance income tax	62,190,435	2,704,038
ii) MAT credit entitlement	-	20,481,288
iii) Balances with government authorities	4,021,898	8,420,707
iv) Advance paid to the Gratuity Fund	-	966,007
TOTAL	<u><u>109,997,712</u></u>	<u><u>71,913,293</u></u>

NOTE : 16 INVENTORIES

1 Raw Materials	88,566,529	138,362,753
2 Work-In-Progress	27,297,645	25,834,776
3 Stock of Traded Goods	32,843	672,714
4 Stores, Spares & Consumables	17,804,662	21,364,483
5 Fuel & Gas	2,995,735	2,170,002
TOTAL	<u><u>136,697,414</u></u>	<u><u>188,404,728</u></u>


NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)
NOTE : 16 INVENTORIES (contd.)

Sr. Particulars No.	As at 31st March,2017	As at 31st March,2016
Details of inventories (contd.)		(Amt. in ₹)
1 Raw Materials		
Alluminium Ingots	88,566,529	138,362,753
2 Semi Finished Goods		
a Wheels - Two Wheelers	4,166,178	115,809
b Wheels - Four Wheelers	23,131,467	25,718,967
	<u>27,297,645</u>	<u>25,834,776</u>
3 Traded Goods		
a Wheels - Two Wheelers	-	-
b Wheels - Four Wheelers	-	-
c Accessories	32,843	672,714
	<u>32,843</u>	<u>672,714</u>
4 Stores, Spares & Consumables	17,804,662	21,364,483
5 Fuel & Gases	2,995,735	2,170,002
Total	<u><u>136,697,414</u></u>	<u><u>188,404,728</u></u>

NOTE : 17 TRADE RECEIVABLES*
a) Debts Outstanding for a period exceeding six months from the date they were due for payment

Unsecured, considered good	5,451,510	454,413
Unsecured, considered doubtful	2,666,633	2,666,633
	<u>8,118,143</u>	<u>3,121,046</u>
Less: Provision for doubtful debts	2,666,633	2,666,633
	<u>5,451,510</u>	<u>454,413</u>

b) Other Debts

Unsecured, considered good	518,391,367	99,283,596
Unsecured, considered doubtful	-	-
	<u>518,391,367</u>	<u>99,283,596</u>
TOTAL DEBTS DUE (a+b)	<u><u>523,842,877</u></u>	<u><u>99,738,009</u></u>

c) Debts Not Due

	-	-
	117,186,993	546,856,399
TOTAL	<u><u>641,029,870</u></u>	<u><u>646,594,408</u></u>

* Subject to Party Confirmations.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)

NOTE : 18 CASH & CASH EQUIVALENTS

Sr. Particulars No.	For the year ended 31st March, 2017	For the year ended 31st March, 2016
a) Cash & Cash Equivalents		
1 Balances with Banks		
In current accounts	70,617,429	75,227,506
In deposit accounts*	320,000	2,320,000
2 Cash On Hand	582,482	438,358
b) Other Bank Balances		
In margin monies deposits **	100,000	516,000
Total	71,619,911	78,501,864
Note* With maturity more than 12 months, original and from the balance sheet date.		
** With maturity more than 12 months, original and from the balance sheet date.		
NOTE : 19 SHORT TERMS LOANS AND ADVANCES		
1 Secured, Considered Good :	-	-
2. Unsecured, Considered Good :		
Others		
i) Advances to employees & others	320,793	428,,130
ii) Prepaid Expenses	5,027,656	6,106,906
iii) Balances with government authorities	45,055,125	72,462,402
iv) Advance paid to the Gratuity Fund	-	2,316,879
v) Advance to suppliers	3,616,543	10,008,323
Total	54,020,117	91,322,640
NOTE : 20 OTHER CURRENT ASSETS		
1 Accrued interest on deposits	102,813	1,377,751
2 Gratuity Receivable	214,115	-
TOTAL	316,928	1,377,751


NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)
NOTE : 21 REVENUE FROM OPERATIONS
(Amt. in ₹)

Sr. No.	Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
1	Sale of Products	4,536,053,915	4,322,660,664
2	Other operating revenues	52,778,994	49,758,267
		<u>4,588,832,909</u>	<u>4,372,418,931</u>
	Less :		
	Excise duty	521,658,906	517,557,644
	TOTAL	<u><u>4,067,174,003</u></u>	<u><u>3,854,861,287</u></u>

NOTE: 21.1 PARTICULARS OF SALE OF PRODUCTS
a Manufactured goods

i	Wheels - Two Wheelers	1,462,582,942	1,336,550,223
ii	Wheels - Four Wheelers	2,554,844,178	2,472,253,693
	TOTAL - Sale of manufactured goods	<u><u>4,017,427,120</u></u>	<u><u>3,808,803,916</u></u>

b Traded goods

i	Wheels - Four Wheelers	12,220	-
ii	Accessories	2,807,688	1,846,979
	TOTAL - Sale of traded goods	<u><u>2,819,908</u></u>	<u><u>1,846,979</u></u>
	TOTAL - Sale of products (a + b)	<u><u>4,020,247,028</u></u>	<u><u>3,810,650,895</u></u>

NOTE : 22 OTHER INCOME

1	Interest on Term Deposits with Banks & others	1,008,695	1,415,385
2	Profit on sale of Property, Plant & Equipment	410,064	-
3	Sundry balances written-back	597,530	2,216,514
	TOTAL	<u><u>2,016,289</u></u>	<u><u>3,631,899</u></u>

NOTE : 23 COST OF MATERIALS CONSUMED

1	Opening Stock	138,362,753	127,522,495
	Add: Purchases	2,170,272,377	2,057,467,463
		<u>2,308,635,130</u>	<u>2,184,989,958</u>
	Less: Closing Stock	88,566,530	138,362,753
	Cost of materials consumed	<u><u>2,220,068,600</u></u>	<u><u>2,046,627,205</u></u>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)****NOTE : 23.1 DETAILS OF PURCHASE OF RAW MATERIAL IMPORTED AND INDIGENOUS ITEMS****(Amt. in ₹)**

Sr. Particulars No.	For the year ended 31st March, 2017		For the year ended 31st March, 2016	
	%	Value	%	Value
Raw Materials				
Imported	84.9	1,843,610,718	92.7	1,907,512,017
Indigenous	15.1	326,661,659	7.3	149,955,445
TOTAL	100	2,170,272,377	100	2,057,467,462

NOTE : 24 PURCHASES OF STOCK-IN-TRADE**(Amt. in ₹)**

Sr. Particulars No.	For the year ended 31st March, 2017	For the year ended 31st March, 2016
1 Traded Goods	2,163,914	2,621,517
TOTAL	2,163,914	2,621,517

NOTE : 24.1 DETAILS OF PURCHASE OF STOCK-IN-TRADE IMPORTED AND INDIGENOUS ITEMS**(Amt. in ₹)**

Sr. Particulars No.	For the year ended 31st March, 2017		For the year ended 31st March, 2016	
	%	Value	%	Value
Traded Goods				
Imported accessories	0.0	-	0.0	-
Imported Wheels	2.0	42,198	-	-
Indigenous	98.0	2,121,716	100.0	2,621,517
TOTAL	100.0	2,163,914	100.0	2,621,517

NOTE :25 CHANGES IN INVENTORIES OF WORK-IN-PROGRESS AND STOCK-IN-TRADE**(Amt. in ₹)**

Sr. Particulars No.	For the year ended 31st March, 2017	For the year ended 31st March, 2016
1 Inventories (at close)		
a Semi Finished goods	27,297,645	25,834,775
b Traded goods	32,845	672,715
	27,330,490	26,507,490
2 Inventories (at commencement)		
a Semi Finished goods	25,834,775	33,626,696
b Traded goods	672,715	837,681
	26,507,490	34,464,377
TOTAL	(823,000)	7,956,887

NOTE : 26 EMPLOYEE BENEFITS EXPENSES

1 Salaries, Wages, Allowances and Bonus	231,092,105	209,019,258
2 Contribution to Provident, Gratuity and other Funds	14,061,430	12,882,746
3 Leave Encashment	5,252,162	2,536,703
4 Welfare Expenses	39,198,310	35,417,679
TOTAL	289,604,007	259,856,386


NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)
NOTE : 27 FINANCE COST
(Amt. in ₹)

Sr. No.	Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
1	Interest on Rupee Loans	-	12,715,918
2	Interest on Foreign Currency Loans (ECB)	10,448,703	9,787,283
3	Interest on Working Capital Demand Loan	10,183,850	20,098,668
4	Interest on delayed Payment of Statutory Dues	389,710	3,478,190
5	Other Borrowing Costs	9,454,731	5,415,609
	Total	30,476,994	51,495,668

NOTE : 28 DEPRECIATION & AMORTISATION EXPENSE

1	Depreciation on Property, Plant & Equipment	217,333,153	256,468,208
	TOTAL	217,333,153	256,468,208

NOTE : 29 CONSUMPTION - STORES & SPARES

1	Opening Stock	21,364,483	18,596,607
	Add: Purchases	343,814,076	342,238,597
		365,178,559	360,835,204
	Less : Closing Stock	17,804,662	21,364,483
	COST OF MATERIALS CONSUMED*	347,373,898	339,470,721

NOTE : 29.1 CONSUMPTION - STORES & SPARES

Sr. No.	Particulars	For the year ended 31st March, 2017		For the year ended 31st March, 2016	
		%	Value	%	Value
	<u>Consumption- Stores and Spares</u>				
	Imported	5.7	19,816,438	8.2	27,673,538
	Indigenous	94.3	327,557,460	91.8	311,797,183
	TOTAL	100.0	347,373,898	100.0	339,470,721



NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)

NOTE : 30 OTHER EXPENSES

(Amt. in ₹)

Sr. No.	Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
1	Manufacturing Expenses		
a	Power and Fuel	307,124,462	269,387,572
b	Processing Charges- Remelting	85,724,366	81,035,434
c	Processing Charges- Others	89,950,394	70,030,404
d	Royalty	51,715,926	49,514,451
e	Other Manufacturing Expenses	82,297,620	67,674,877
		616,812,768	537,642,738
2	Foreign Exchange Fluctuation Loss/(Gain)	50,824,959	82,603,638
	including unrealised loss of ₹ 41,090,206/- PY ₹ 45,708,206/-)		
3	Administrative Expenses		
a	Legal and Professional Fees	14,148,881	9,836,798
b	Other Administrative expenses	70,862,154	62,978,096
		85,011,035	72,814,894
4	Selling & Distribution Expenses		
a	Freight Outward	102,582,809	91,218,671
b	Other selling & distribution expenses	18,746,535	17,229,348
		121,329,344	108,448,019
	Total	873,978,106	801,509,289

NOTE : 31 PRIOR PERIOD & EXCEPTIONAL ITEMS

a	<u>Prior period income</u>		
i	Old liabilities (net) written back (including overseas)	-	(14,526)
b	<u>Less : Prior period & exceptional expenses</u>		
i	Loss on surrender of Leasehold Land to RIICO	-	121,102,447
	TOTAL	-	(121,087,921)

NOTE : 32 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS

a Share Capital

During the year, the Company has allotted 7,43,835 equity shares issued on preferential basis to its promoter & holding Company ENKEI CORPORATION, Japan after receiving the requisite approvals from the regulatory authorities.


NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)
b Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006
(Amt. in ₹)

Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting year	-	-
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting year	-	-
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	-	-
(iv) The amount of interest due and payable for the year	-	-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	-	-

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

c Disclosure under regulation 34 (3) of SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015

Amount of loan and advances in nature of loans outstanding from subsidiaries as at March 31, 2017 :

Name of the subsidiary	Relationship	Amount outstanding as at 31st March, 2017	Amount outstanding as at 31st March, 2016
-	-	-	-

d Details of the year-end foreign currency exposures that have been hedged

The company has entered into foreign exchange forward contracts to partly hedge its risks associated with the foreign currency fluctuations relating to firm commitments. Forward Exchange Contracts entered into by the Company and remained outstanding at the year end are :

(Amt. in ₹)

	For the year ended 31st March, 2017 in Foreign Currency	For the year ended 31st March, 2016 in Foreign Currency
Forward Contracts against Imports		
- In US Dollars ... Number of contracts.....(6)	2,757,505	2,242,669
	2,757,505	2,242,669
	In Indian Rupees	In Indian Rupees
- Equivalent Indian Rupees	183,475,774	150,442,884



NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)

NOTE : 32 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (contd...)

(Amt. in ₹)

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
e		
Details of the year-end foreign currency exposures that have not been hedged		
Particulars with balances as per books of account		
<u>Foreign Currency Liability</u>		
External Commercial Borrowings	614,376,000	626,036,000
Purchase of Property, Plant & Equipment	130,558,616	130,718,745
Trade Payables	741,347,762	1,055,260,192
<u>Foreign Currency Assets :</u>		
Capital Advances	7,898,951	-
Advances against expenses/others or Suppliers Advances	173,250	-
	<u>1,494,354,579</u>	<u>1,812,014,937</u>
f		
Value of imports calculated on CIF basis @ :		
Raw materials	1,843,610,718	1,907,512,017
Traded goods	42,198	-
Spare parts	19,816,438	27,673,538
Capital goods	109,964,279	58,877,331
	<u>1,973,433,633</u>	<u>1,994,062,886</u>
@ the total value of imports relates to the imports made excluding the relevant taxes:		
g		
Expenditure in foreign currency # :		
Testing Expenses	9,755,237	8,516,583
Foreign Travel	684,259	652,309
Computer Hire Charges	645,627	669,856
Professional and consultation fees	5,959,282	2,977,211
Interest on Foreign Currency Loans	10,448,703	9,787,283
	<u>17,737,872</u>	<u>14,086,658</u>
# on accrual basis on the gross amount of expenditure (i.e. the expenditure before withholding taxes)		
h		
Earnings in foreign exchange :		
Export of goods calculated on FOB basis	1,567,950	731,706
	<u>1,567,950</u>	<u>731,706</u>
i		
Remittance in foreign currency during the year on account of dividends		
Gross amount of dividend remitted in foreign currency	-	-
Number of non-resident shareholders		
Number of equity shares held by them on which dividend was due		
Year to which the dividend relates		
TDS Deducted		


NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)
NOTE : 32 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS (contd...)
(Amt. in ₹)

	For the year ended 31st March, 2017	For the year ended 31st March, 2016
j Auditors Remuneration		
Audit Fees	1,300,000	1,200,000
Certification Fees	20,000	27,000
Limited Reviews	150,000	150,000
Out of Pocket Expenses	90,331	129,613
	<u>1,560,331</u>	<u>1,506,613</u>
k Contingent liabilities and commitments (to the extent not provided for)		
(i) Contingent liabilities		
(a) Claims against the Company /disputed liabilities not acknowledged as debts	54,928,525	54,850,000
(b) Guarantees and Letters of Credits issued by the banks	1,000,000	7,150,880
(c) Other money for which the company is contingently liable Differential Tax Liability - C Forms not received	459,012,456	578,856,245
(ii) Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for - Tangible Assets	75,334,080	49,312,682
(b) Other Commitments	-	-
l Earning per Share as computed in accordance with Accounting Standard 20		
Net profit / (loss) for the year	42,121,864	(54,714,014)
(Add) / Less : Extraordinary items (net of tax)	-	-
Less : Preference dividend and tax thereon	-	-
Net profit / (loss) for the year attributable to the equity shareholders, excluding extraordinary items	<u>42,121,864</u>	<u>(54,714,014)</u>
Weighted average number of equity shares for calculation of Basic EPS	14,285,285	13,580,786
Weighted average number of equity shares for calculation of Diluted EPS	14,285,285	13,580,786
Face value per share	₹ 5/- per share	₹ 5/- per share
Earnings per share - Basic	2.95	(4.03)
Earnings per share excluding extraordinary items - Basic	2.95	(4.03)
Earnings per share - Diluted	2.95	(4.03)
Earnings per share, excluding extraordinary items - Diluted	2.95	(4.03)



NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)

m Disclosure for the details of Specified Bank Notes held and transacted during the period from 08.11.2016 to 30.12.2016 as per MCA notification dtd. 31.03.2017.

(Amt. in ₹)

	Specified Bank Notes		Other denomination notes		Total		
	Denom-ination	Amount	Denom-ination	Amount	Denom-ination	Amount	
Closing Balance as at 8 November 2016	1,000.00	132,000			1,000.00	132,000.00	
	500.00	208,000			500.00	208,000.00	
			100	46,000.00	100.00	46,000.00	
			50	32,600.00	50.00	32,600.00	
			20	6,020.00	20.00	6,020.00	
			10	1,810.00	10.00	1,810.00	
			2	4,926.00	2.00	4,926.00	
			1	41.00	1.00	41.00	
				340,000		91,397.00	431,397.00

Transactions between 9th November 2016 and 30th December 2016

Add: Withdrawal from Bank accounts			2000	1,12,000.00	2,000.00	1,12,000.00
			100	88,000.00	100.00	88,000.00
			0	200,000.00		200,000.00
Add: Receipts for permitted transactions if any [Refer reporting scenario 6]			100	2,300.00	100.00	2,300.00
			10	60.00	10.00	60.00
			5	5.00	5.00	5.00
			2	6.00	2.00	6.00
				2,371.00		2,371.00
Less : Paid for permitted transactions			2,000	18,000.00	2,000.00	18,000.00
	500.00	21,000	-	-	500.00	21,000.00
			100	121,300.00	100.00	121,300.00
			50	4,100.00	50.00	4,100.00
			20	640.00	20.00	640.00
			2	140.00	2.00	140.00
			1	2.00	1.00	2.00
			21,000	144,182.00		165,182.00


NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)

m Disclosure for the details of Specified Bank Notes held and transacted during the period from 08.11.2016 to 30.12.2016 as per MCA notification dtd. 31.03.2017. (contd.)

Transactions between 9th November 2016 and 30th December 2016 (contd.) (Amt. in ₹)

	Specified Bank Notes		Other denomination notes		Total	
	Denom-ination	Amount	Denom-ination	Amount	Denom-ination	Amount
Less : Paid for non-permitted transactions (if any)) [Refer reporting scenario 6]	1,000.00	132,000			1,000.00	1,32,000.00
Less: Deposited in bank accounts	500.00	187,000			500.00	187,000.00
		319,000				319,000.00
Closing balance as at 30 December 2016			2,000	94,000.00	2,000.00	94,000.00
			100	15,000.00	100.00	15,000.00
			50	28,500.00	50.00	28,500.00
			20	5,380.00	20.00	5,380.00
			10	1,870.00	10.00	1,870.00
			5	5.00	5.00	5.00
			2	4,792.00	2.00	4,792.00
			1	39.00	1.00	39.00
				149,586.00		149,586.00

n Employee benefit plans

The Company has adopted Accounting Standard 15 "Employee Benefits". The disclosures required by the Standard are given below:

Defined contribution plans

The Company makes Provident Fund contributions to defined contribution plans for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. The Company recognised ₹ 9,732,174/- (Year ended 31 March, 2016 ₹ 10,498,657/-) for Provident Fund contributions in the Statement of Profit and Loss. The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

Defined Benefit plans

The Company offers the following employee benefit schemes to its employees :

- i. Gratuity
- ii. Leave Entitlements



NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)
n (contd.)

Disclosures of Defined Benefit Plans in respect of Gratuity and Leave Entitlements, as per actuarial valuations by an independent valuer. The following table sets out the funded status of the defined benefit schemes and the amount recognised in the financial statements:

Particulars	Year ended 31st March, 2017		Year ended 31st March, 2016	
	Gratuity	Leave Entitlements	Gratuity	Leave Entitlements
(Amt. in ₹)				
<u>Components of employer expense</u>				
Current service cost	2,316,879	2,424,065	2,247,170	1,847,239
Interest on obligation	1,222,960	404,852	957,620	341,235
Expected return on plan assets	(1,452,340)	-	(1,039,734)	-
Net Actuarial (gain) / loss recognized in the year	1,846,244	1,279,832	(467,066)	209,458
Past service cost	-	-	-	-
Actuarial losses/(gains) on curtailments & settlement	-	-	-	-
Expense recognised in the Statement of Profit & Loss	3,933,743	4,108,749	1,697,990	2,397,932
<u>Net asset / (liability) recognised in the Balance Sheet</u>				
Present value of defined benefit obligation	19,974,036	8,356,322	15,350,663	5,247,043
Fair value of plan assets	19,823,179	-	18,633,549	-
Funded status [Surplus / (Deficit)]	(150,857)	(8,356,322)	3,282,886	(5,247,043)
Unrecognised past service costs	-	-	-	-
Unrecognised Actuarial loss	-	-	-	-
Net asset / (liability) recognised in the Balance Sheet	(150,857)	(8,356,322)	3,282,886	(5,247,043)
<u>Change in defined benefit obligations (DBO) during the year</u>				
Present value of DBO at beginning of the year	15,350,663	5,247,043	12,555,886	4,515,844
Current service cost	2,316,879	2,424,065	2,247,170	1,847,239
Interest cost	1,222,960	404,852	957,620	341,235
Actuarial (gains) / losses	1,682,883	1,279,832	(51,442)	209,458
Past service cost	-	-	-	-
Loss (gains) on Curtailments	-	-	-	-
Benefits paid	(599,349)	(999,470)	(358,571)	(1,666,733)
Present value of DBO at the end of the year	19,974,036	8,356,322	15,350,663	5,247,043


NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)

Particulars	Year ended 31st March, 2017		Year ended 31st March, 2016	
	Gratuity	Leave Entitlements	Gratuity	Leave Entitlements
(Amt. in ₹)				
Change in fair value of assets during the year				
Fair value of plan assets at beginning of year	18,633,549	-	13,053,827	-
Expenses deducted from the fund	-	-	(213,456)	-
Expected return on plan assets	1,452,340	-	1,039,734	-
Actuarial gain / (loss)	(163,361)	-	415,624	-
Assets distributed on settlements	-	-	-	-
Contribution by the employer	500,000	-	4,696,391	-
Benefits paid	(599,349)	-	(358,571)	-
Plan assets at the end of the year	19,823,179	-	18,633,549	-
Actual return on plan assets	1,288,979	-	1,455,358	-
Composition of the plan assets is as follows:				
Government of India Securities	0%	0%	0%	0%
High quality corporate bonds	0%	0%	0%	0%
Equity shares of listed companies	0%	0%	0%	0%
Property	0%	0%	0%	0%
Policy of insurance	100%	0%	100%	0%
Bank Balance	0%	0%	0%	0%
Actuarial assumptions				
Discount rate	7.40%	7.40%	8.15%	8.15%
Expected return on plan assets	7.40%	NA	8.15%	NA
Salary escalation	6.00%	6.00%	6.00%	6.00%
Proportion of employees opting for early retirement	-	-	-	-

The estimates of future salary increase, considered in actuarial valuation, take into account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The above information is certified by the actuary.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)

Note	Particulars	
o	Related party transactions Details of related parties :	
	Description of relationship	Names of Related Party
	Holding & Promoter Company	Enkei Corporation, Japan
	Associates	Enkei Thai Co. Ltd., Thailand
	Associates	Enkei Thai Moulding Co. Ltd.,Thailand
	Associates	Asian Enkei Trading Co. Limited,Thailand
	Associates	Enkei Audit & Computer Ltd.,Japan
	Associates	PT. Enkei Indonesia, Indonesia
	Associates	Enkei Alluminium Product (China) Co. Ltd., China
	Associates	Enkei Wheel Corporation, Japan
	Associates	Enkei Asia Pacific Company Limited,Thailand
	Associates	Enkei Moldings (Kunshan) Co. Ltd., China
	Key Managerial Personnel (KMP)	Kazuhiko Shimamura, Managing Director

Note: Related parties have been identified by the Company’s Management.


NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)
Details of related party transactions during the year ended 31 March, 2017:
(Amt. in ₹)

Particulars		Associates	Holding & Promoter Company	Key Management Personnel (KMP)	Total
Purchases of Traded goods	CY	–	–	–	–
	PY	–	–	–	–
Export Sale	CY	–	1,567,950	–	1,567,950
	PY	–	731,706	–	731,706
Purchases of Stores & Spares	CY	2,176,314	11,526,774	–	13,703,088
	PY	398,825	19,355,341	–	19,754,165
Reimbursement of expenses (net)	CY	645,627	–	–	645,627
	PY	830,618	–	–	830,618
Royalties Paid/Payable	CY	–	51,716,722	–	51,716,722
	PY	–	49,514,451	–	49,514,451
Remuneration	CY	–	–	2,662,739	2,662,739
	PY	–	–	4,311,147	4,311,147
Other Expenses Charged to Company	CY	4,838,451	10,411,793	–	15,250,244
	PY	3,982,815	8,239,727	–	12,222,542
Write-back of Liabilities (old)	CY	–	–	–	–
	PY	–	–	–	–
Purchase of Property, Plant & Equipment	CY	55,840,232	54,124,047	–	109,964,279
	PY	58,877,331	–	–	58,877,331
Sale of Property, Plant & Equipment	CY	–	–	–	–
	PY	–	–	–	–
Net Transaction during the year	CY	63,500,624	129,347,286	2,662,739	195,510,649
	PY	64,089,589	77,841,225	4,311,147	146,241,961
Balances with related parties					
Amount Receivable	CY	–	–	–	–
	PY	–	–	–	–
Amount Payable	CY	820,252,630	80,076,400	–	900,329,030
	PY	920,655,790	52,099,472	–	972,755,262

Note: Figures in CY relates to the year 2016-17 and PY relates to the year 2015-16



NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)

P Disclosure in respect of Leases pursuant to Accounting Standard (AS-19) "Leases".

i) where the Company is a lessee :

Operating Leases

The Company has operating leases in respect of its plants, premises, computers, etc. Further, lease rentals payable in respect of the same which are non-cancellable are as follows.


Particulars	For the year ended 31st March, 2017	For the year ended 31st March, 2016
Not later than one year	28,946,783	27,728,734
Later than one year but not later than five years	-	-
Later than five years	-	-

Other Notes :

- q The Company is engaged in the manufacturing of aluminium alloy casting wheels which constitutes a single business segment. Accordingly, primary and secondary reporting disclosures for business/geographical segment as envisaged in Accounting Standard –17 notified under the Companies (Accounting Standards) Rules, 2006, which continue to apply under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014 are not applicable to the Company.
- r In the opinion of the board, current assets have a value on realisation, in the ordinary course of the Company's business, equal to the amount at which these are stated.
- s Figures of the previous year have been regrouped, reclassified & restated wherever necessary to correspond with the current year classification /disclosure.

For and on behalf of the Board of Directors of Enkei Wheels (India) Limited

For **Asit Mehta & Associates**
Chartered Accountants
Registration No. 100733W



Sanjay S. Rane
(Partner)
Membership No. : 100374
Place : Pune
Date : May 25, 2017


Kazuhiko Shimamura
(Managing Director)
(DIN : 05129816)


Jitendra Parmar
(Chief Financial Officer)

Place : Pune
Date : May 25, 2017


Haresh Shah
(Director)
(DIN : 00228471)


Omkar Kaulgud
(Company Secretary)



ENKEI WHEELS (INDIA) LIMITED

CIN : L34300PN2009PLC133702

Gat no. 1425, Village Shikrapur, Taluka Shirur, Dist. Pune - 412208.

Tel: (02137) 618700 , Fax: (02137) 618720 Email: secretarial@enkei.in Website : www.enkei.in

Attendance Slip

I / We record my / our presence at the 'EIGHTH ANNUAL GENERAL MEETING' of the Company to be held on Wednesday, 19th July 2017 at 12.30 P. M. at the registered office of the Company at Gat no. 1425, Village Shikrapur, Taluka Shirur, Pune - 412208.

Full name of the Member/ Proxy (In block letters)

No. of Share held

Folio No. DP ID No.* Client ID No.*.....

Signature(s) of the Member(s) / Proxy 1 2

Note : Members attending the meeting in-person or by proxy are requested to complete the attendance slip and deposit with the Company Officials at the venue of the Meeting.

ENKEI WHEELS (INDIA) LIMITED

Gat No.-1425, Village Shikrapur, Tal-Shirur, Dist-Pune, Maharashtra, India-412208.

8th Annual General Meeting on 19th July 2017.

Proxy Form

I/We being a Member(s) of Enkei Wheels (India) Limited, hereby appoint:

1. Name:.....

Address:.....

Email Id:.....

Signature:..... or failing him;

2. Name:

Address:.....

Email Id:.....

Signature:.....or failing him;

3. Name:

Address:

Email Id:

Signature:

as my/our proxy to attend and vote (on a poll) for me/us on my/our behalf at the 8th Annual General Meeting of the Company scheduled to be held on Wednesday, 19th July 2017 and at any adjournment thereof, in respect of following resolutions.

ORDINARY BUSINESS	
1.	To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March 2017 and the Reports of the Board of Directors and Auditors thereon.
2.	To appoint a director in place of Mr. Shailendrajit Rai (DIN: 00050950), who retires by rotation, and being eligible, seeks reappointment.
3.	Ratification of Appointment of Statutory Auditors.

Signed thisday of2017

Folio No. / DP ID / Client ID.....Signature of shareholder.....

Signature of Proxy Holder



Note:

1. This proxy form in order to be effective, should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.
2. For the Resolutions, Explanatory Statements and Notes, please refer to the Notice of the 8th Annual General Meeting.



ENKEI WHEELS (INDIA) LIMITED

CIN : L34300PN2009PLC133702

Gat no. 1425, Village Shikrapur, Taluka Shirur, Dist. Pune - 412208.

Tel: (02137) 618700 , Fax: (02137) 618720 Email: secretarial@enkei.in Website : www.enkei.in

BALLOT FORM (In lieu of E-voting)

1. Registered Folio Number / DP ID No. / Client ID No.
2. Name(s) & Registered Address
3. Name(s) of the Joint holder(s), if any:
4. Number of Ordinary Share(s) held
5. I/We hereby exercise my/our vote(s) in respect of the Resolutions set out in the Notice of the Eighth Annual General Meeting (AGM) of the Company to be held on Wednesday, 19th July, 2017 by sending my/our assent or dissent to the said Resolutions by placing the tick (✓) mark at the appropriate box below :

Item No.	Description of Resolution	No. of ordinary Shares for which votes cast	I/We assent to the Resolutions (FOR)	I/We dissent to the Resolutions (AGAINST)
1.	To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March 2016 and the Reports of the Board of Directors and Auditors thereon.			
2.	To appoint a director in place of Mr. Shailendrajit Rai (DIN: 00050950), who retires by rotation, and being eligible, seeks reappointment.			
3.	Ratification of Appointment of Statutory Auditors.			

Date :

Place :

Signature of Shareholder

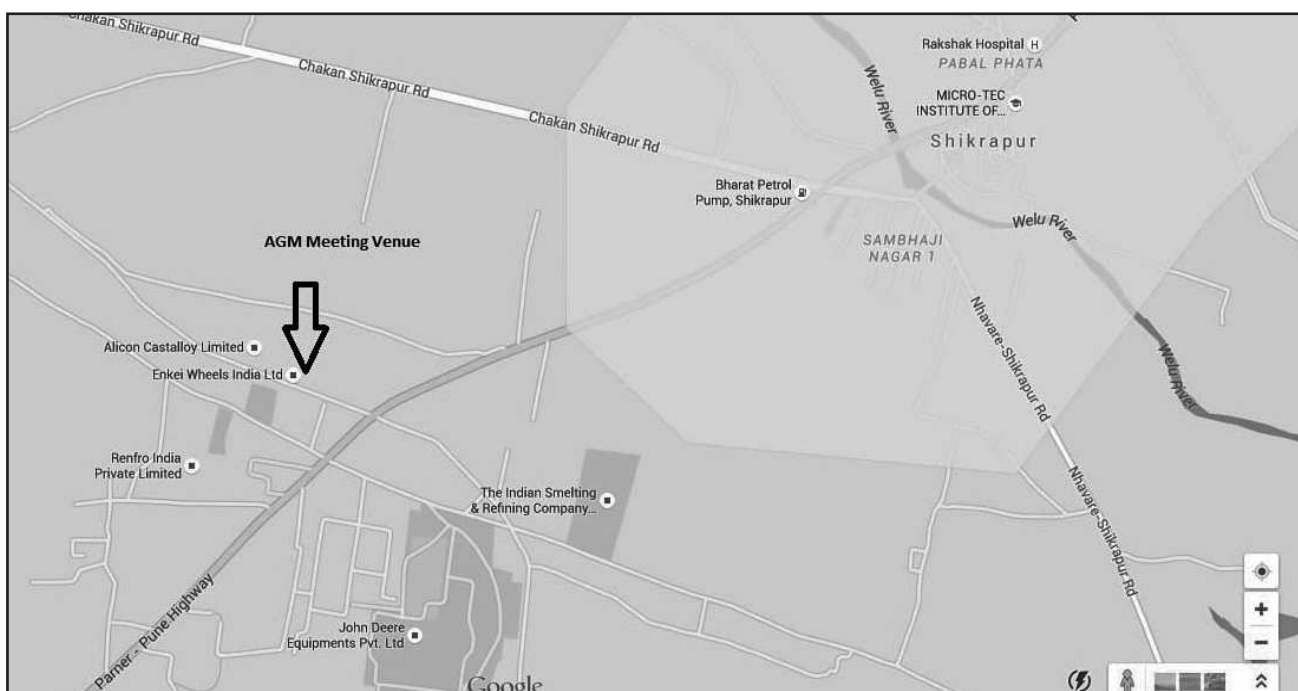
Notes: Please read the instructions printed overleaf before filling the form, valid Ballot form received by the scrutinizer by IST 5.00 p.m. on 18th July, 2017 shall only be considered.



INSTRUCTIONS

1. Members may fill up the Ballot Form printed overleaf and submit the same in a sealed envelope to the Scrutinizer, Mr. Shailesh Indapurkar, Practising Company Secretary, Unit: Enkei Wheels (India) Limited. C/o. Universal Capital Securities Pvt. Ltd., 21/25 Shakil Niwas, Opp. Satya Saibaba Temple, Mahakali Caves Road, Andheri (East), Mumbai - 400 093, so as to reach by IST 5.00 p.m. of 18th July, 2017. Ballot Form received thereafter will strictly be treated as if not received.
2. The Company will not be responsible if the envelope containing the Ballot Form is lost in transit.
3. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the Scrutinizer on the validity of the forms will be final.
4. In the event member casts his votes through both the processes i.e., E-voting and Physical Ballot Form, the votes in the electronic system would be considered and the Ballot Form would be ignored.
5. The right of voting by Ballot Form shall not be exercised by a proxy.
6. To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic/demat form is verified with the specimen signatures furnished by NSDL/CDSL and that of members holding shares in physical form is verified as per the records of the share transfer agent of the Company i.e., Universal Capital Securities Pvt. Ltd. Members are requested to keep the same updated.
7. There will be only one Ballot Form for every Folio / DPID Client ID irrespective of the number of joint members.
8. In case of joint holders, the Ballot Form should be signed by the first named shareholder and in his / her absence by the next named shareholders. Ballot form signed by a joint holder shall be treated valid if signed as per records available with the Company and the Company shall not entertain any objection on such Ballot Form signed by other joint holders.
9. Where the Ballot Form has been signed by an authorized representative of the body corporate/Trust/Society etc., a certified copy of the relevant authorization / Board Resolution to vote should accompany the Ballot Form.
10. The Ballot Form is also placed on the website of the Company.

MAP FOR AGM VENUE



Registered / courier

TO,

ENKEI WHEELS (INDIA) LIMITED.

CIN : L34300PN2009PLC133702

Registered Office :

Gat No. 1425, Village Shikrapur,
Taluka Shirur, Dist. Pune - 412 208.

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