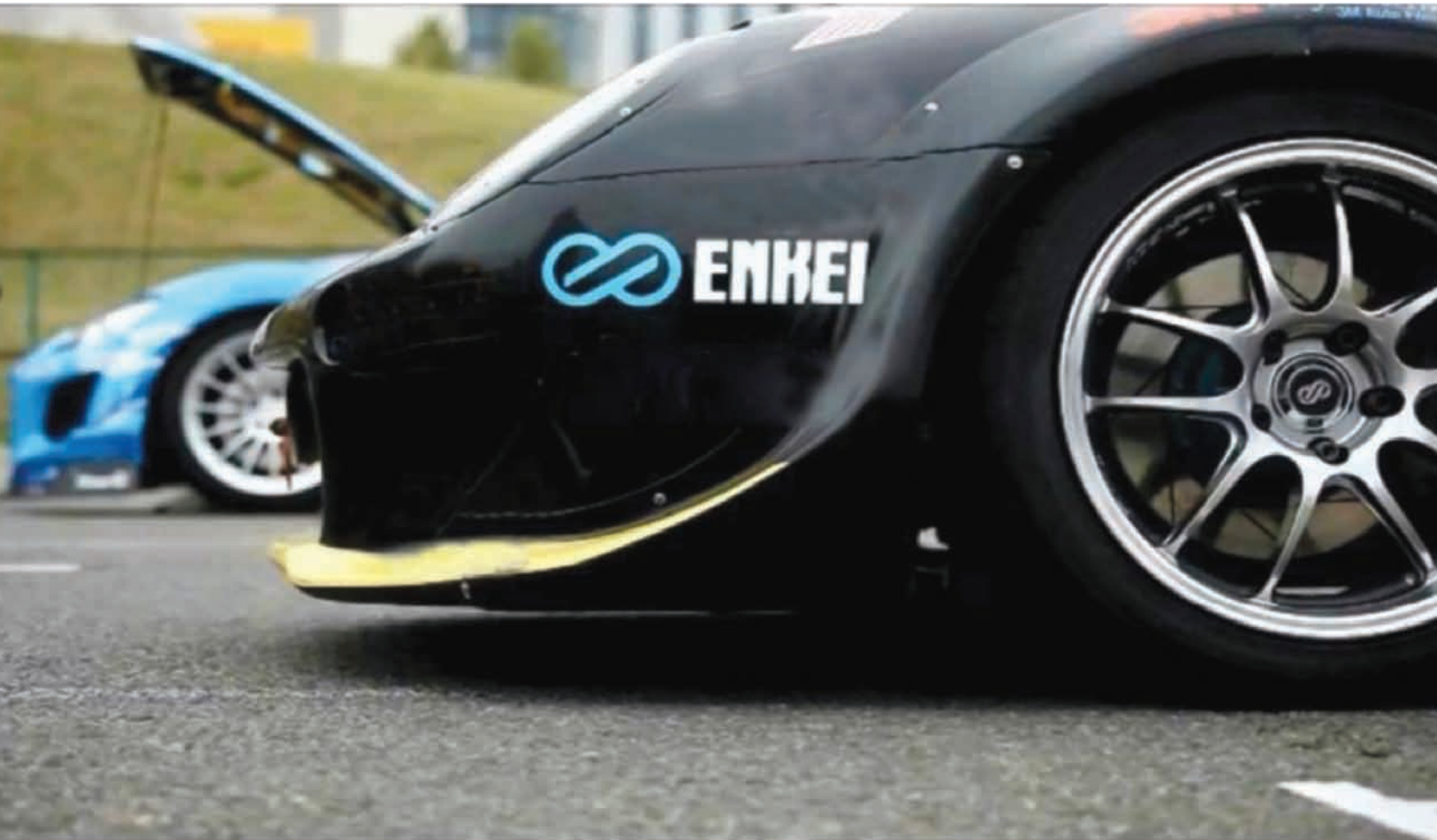




6th ANNUAL REPORT  
2014-2015



# Numbers do not lie

**ENKEI WHEELS (INDIA) LIMITED**

An ISO/TS 16949 ISO14001 OHSAS 18001:2007 Company



**BOARD OF DIRECTORS:**

Mr. Masakatsu Uchiyama	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
Mr. Kazuhiko Shimamura (upto 14th August 2014)	Alternate Director to Mr. Junichi Suzuki
Ms. Shilpa Dixit (w. e. f. 14th August 2014)	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

**COST AUDITORS:**

F.X. Nelson Leo & Associates  
Cost Auditors, Pune

**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

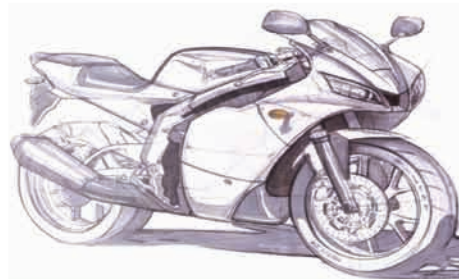
<b>Content</b>	<b>Page No.</b>
<b>MD's Message .....</b>	<b>3</b>
<b>Notice and Notes .....</b>	<b>5</b>
<b>Director's Report .....</b>	<b>9</b>
<b>Corporate Governance Report .....</b>	<b>33</b>
<b>Auditor's Report .....</b>	<b>44</b>
<b>Balance Sheet .....</b>	<b>48</b>
<b>Statement of Profit &amp; Loss .....</b>	<b>49</b>
<b>Cash Flow Statement .....</b>	<b>50</b>
<b>Notes to Accounts .....</b>	<b>52</b>

# PRODUCT PROFILE

## PASSENGER CAR WHEELS



## MOTORCYCLE WHEELS



## MESSAGE FROM MD's DESK

*With the help of our Enkei Group Company Motto 2015 "SUUJI WO MITE TSUKAU: "Numbers do not lie", we aspire to see the future by setting up clear goal in terms of the NUMBERS.*

### Dear Shareholders,

I would like to begin by expressing my gratitude to Each of you for extending your continuous support towards Enkei Wheels (India) Limited.

#### Performance

During the year under review, your company could get sufficient orders for the 4 wheelers & 2 wheelers segment and meet the required production with the utilisation of additional capacity of MAP4 production line. As a result, we could succeed in delivering 2.1 Million pieces of wheels and achieve net revenue amounting to INR 3840 million during the year. This marks a 20 % increase in sales over last year.

#### External Controllers

Considering the external perspective, spurred by the positive change in the Indian Government (Modi Government) in Indian General Elections in May 2014, India shows signs of economic recovery amidst favorable sentiment from within the country as well as across the globe. At the same time, the sale of many new models was started by our customers. The vigorous changes in the surrounding environment for Indian automobile industry hitherto unseen, is quite marked now. This was the prime reason for our growth during the year 2014-15.

As a result, the overall Indian automobile industry posted positive 3.9% growth (domestic sale) for passenger cars (incl. UV & Van) in 2014-15 against the previous fiscal year and the 2 wheeler segment, posted 8.1% positive growth.

#### Internal Controllers

Internally, we adopted the following types of measures:

- Exercising Enkei Core Values viz  
*"Regard for human life, Mutual Trust, Co-existence & co-prosperity"*  
We have also ensured the continuous practice of Enkei DNA, Level & Label up of employees with the help of fundamental tools like 5S activities.
- We have been continuously practicing the BEP (Break Even Point) Management, that is
  1. Increase Value Added Ratio (Implementation of 3 B)
  2. Reduce Fixed Cost (FCR Activity: Fixed Cost Reduction activity)
  3. Increase Sales Amount (Adoption of Product Mix strategy)
- Use of CFT Activity (Cross Function Team activity), Enhancement of communication
- Exhaustive practice of Health & Safety measures with the



commendation of OHSAS 18001 made us more vigilant in terms of Environmental Management

#### Backed by these, we could :

- **Ensure** maximum productivity
- **Meet** the challenge of competitive pricing and
- **Come up** with high quality that would deliver a sense of comfort feeling and foster customer's trust.

#### Enkei Parent support & Policy

It is known and we are proud to reiterate the fact that The biggest strength of Enkei Wheels (India) Limited, is that it brings to bear on the manufacture 63 years of vast experience of the Enkei Group in the field of research & development and manufacturing of aluminum alloy wheel. The ample technical support & cultural exchange from Japan and other ASEAN group companies of Enkei, help us to successfully sustain the No.1 position for aluminum wheels OEM supplier at present in India and we commit to continue the same growth.

In the current fiscal year 2015-16, consistently, like the previous year we will ride on this favorable wind and aim to obtain further new orders and ensure stable production. Along with this, we have strong intention to put our best foot forward towards making more profit than the previous financial year. With the help of our Enkei Group Company Motto 2015 "SUUJI WO MITE TSUKAU: "Numbers do not lie", we aspire to see the future by setting up clear goal in terms of the NUMBERS.

#### Looking Ahead

The Indian Government has ambitiously embarked on the concept of "Make in India" intended to strengthen the manufacturing bases in India. It is our belief that such move will ensure growth in more business opportunities.

#### Challenges

The recent changes introduced in Indian Companies Act, 2013, has enhanced the compliance obligations. We have geared up to ensure full compliance thereof. Fair compliance leads to corporate accountability and better corporate governance. As a part of an industry, we would like to meet these challenges and deliver the value to our stakeholders with transparency.

As a social obligation, we routinely exercise Health & Safety procedures, Environmental Management and serve the reason for existence in the society.

At the end of this communication, I would like to express my heartfelt thanks to all our stakeholders for taking keen interest in the company and giving ongoing support and look forward to receive the same in future as well.

**Masakatsu Uchiyama**  
Managing Director

Date: July 28, 2015

Dear Member,

You are cordially invited to attend the Sixth Annual General Meeting of the members to be held on Saturday the 19th day of September 2015 at 12.30 p.m. at the registered office of the Company at Gat No. 1425, Village Shikrapur, Taluka Shirur, Pune-412208.

The Notice for the meeting, containing the business to be transacted is enclosed herewith.

Very truly yours,

For **Enkei Wheels (India) Limited**

**Masakatsu Uchiyama**  
**Managing Director**  
**(DIN: 05239285)**

Encl: Notice

---

**NOTICE**

---

**NOTICE IS HEREBY GIVEN THAT THE SIXTH ANNUAL GENERAL MEETING OF THE MEMBERS OF ENKEI WHEELS (INDIA) LIMITED WILL BE HELD ON SATURDAY THE 19<sup>TH</sup> DAY OF SEPTEMBER 2015 AT 12.30 P.M. AT THE REGISTERED OFFICE OF THE COMPANY AT GAT NO. 1425, VILLAGE SHIKRAPUR, TALUKA SHIRUR, PUNE-412208 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 2015 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: 02628162), 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 seventh AGM of the Company to be held in calendar year 2016 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**

**Masakatsu Uchiyama**  
(Managing Director)  
(DIN: 05239285)

**Place : Pune**

**Date : July 28, 2015**

**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) 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.
- 3) The Registrar of Members and Share Transfer Books of the Company will be closed from 14th September 2015 to 19th September 2015 (both days inclusive).
- 4) Details pursuant to clause 49 of the Listing agreement with the stock exchanges in respect of directors seeking appointment/re-appointment at Annual General Meeting forms part of Corporate Governance Report.
- 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) Members/ proxies should being their attendance slip duly filled in for attending the meeting along with copy of the notice. Corporate shareholders intending to send their authorised representative to attend the meeting are requested to send a certified copy of Board Resolution authorising their representatives to attend and vote on their behalf in the meeting.
- 7) The Company is pleased to offer E-Voting facility for its Members to enable them to cast their votes electronically with the help of Central Depository Services (India) Limited (CDSL). For conducting this e-voting activity in a fair and transparent manner, the Board of Directors has appointed M/s. Shailesh Indapurkar & Associates, Practicing Company Secretaries Pune as Scrutinizers.

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on 16th September at IST 9.00 a.m. and ends on 18th September at 5.00 pm During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 12th September, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) 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.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>● Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and 8 digits of the Sequence number which is mentioned in address Label affixed on Annual Report, in the PAN field.</li> <li>● 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.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>● Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.</li> </ul>



- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (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](http://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](mailto: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](mailto: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.
- (xx) 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- i. In case of Members receiving the physical copy:**
- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on Wednesday 16th September 2015 and ends on Friday 18th September 2015 at

5.00 p.m. During this period, shareholders' of the Company, holding shares as on Saturday 12th September, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (C) 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.co.in](http://www.evotingindia.co.in)' under help section or write an email to '[helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)'.

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.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

#### **MEMBERS WHO WISH TO VOTE USING BALLOT FORM:**

In terms of Clause 35B of the Listing Agreement members may fill in the Ballot Form which is the part of this annual report 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 September, 2015. 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. The ballot form is also available on the website of the Company at [www.enkei.in](http://www.enkei.in)

**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 physical ballot form would be ignored.**

- The scrutiniser shall, immediately after the conclusion of voting at the annual general meeting, first count the votes cast at the meeting and votes cast through ballot paper; and thereafter unlock the votes through e-voting in the presence of at least two witnesses, not in the employment of the Company and make a consolidated scrutiniser's report of the total votes cast in favour or against, if any, upon conclusion of the meeting, to the Chairman of Meeting who shall countersign the same.
- The scrutiniser shall submit his report to the Chairman, who shall declare the result of the voting. The results declared along with the scrutiniser's report shall be placed on the Company's website [www.enkei.in](http://www.enkei.in) and shall also be communicated to the stock exchanges. The resolutions shall be deemed to be passed at the annual general meeting of the Company.

---

**DIRECTORS' REPORT**


---

To,  
The Members,

We are delighted to present to present the Sixth Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2015:

**Financial Highlights:**

The Company's financial performance during the year 2014-15, as compared to the previous year 2013-14 is summarized below:

Particulars	(₹ In Million)	
	For the Year ended March 31,2015	For the Year ended March 31,2014
Gross Sales	4,315.93	3,597.42
Net Sales	3,839.31	3,200.11
Earnings before exceptional items, extraordinary items, interest, tax, depreciation and amortisation (EBITDA)	381.27	164.17
Less: Depreciation	281.81	178.46
Less: Interest	81.17	86.41
Profit / (Loss) before exceptional and extraordinary items and tax	18.29	(100.70)
Less: Exceptional and Extraordinary items	(0.65)	(107.33)
Profit/(Loss) before Tax	18.94	6.63
Less: Provisions for Taxes		
a.Current Tax	3.78	1.33
b.Deferred Tax	(7.67)	-
Profit/(Loss) after Tax	22.83	5.30

**(A) REVIEW OF OPERATIONS:**

The Company operates into the business segment of manufacturing of aluminum alloy castings wheels mainly used in auto industry. This year was the year of Growth; the Company has achieved the milestone of Gross Turnover of Rs. 4000 Millions.

**Turnover**

During the year under review, the Company has recorded Gross Sales of ₹ 4,315.93 million (net Sales of ₹ 3,839.31) in current fiscal year as compared to Gross Sales of ₹ 3,597.42 million (net sales of ₹ 3,200.11 million) last fiscal year. The Company has recorded the sales growth of 19.97% as compared to last year.

**CAPITAL**

During the year under review, Company has allotted 671,000 Equity Shares on Preferential basis on 11th December 2014 against share application money of ₹ 33,550,000 received from its Holding Company i.e. Enkei Corporation, Japan after obtaining requisites approvals from all competent authorities.

**EXTERNAL COMMERCIAL BORROWINGS (ECB)**

During the year under review, the Company has refinanced all four existing ECB amounting to JPY 1060 Million availed from its Promoter company i.e. Enkei Corporation Japan with Bank of Tokyo Mitsubishi UFJ Ltd, Nagoya Branch, Japan. Low

interest rate & additional moderate period has been granted to Company which will help to reduce interest cost & increase the liquidity.

**(B) INDUSTRY STRUCTURE AND DEVELOPMENT:**

The Indian economy posted 7.4% growth in the financial year 2014-15 as against 6.9%(New Series) in the financial year 2013-14. After couple of challenging years, the year under review witnessed Overall, improved business sentiment, lower oil prices and policy measures helped the economy to build momentum.

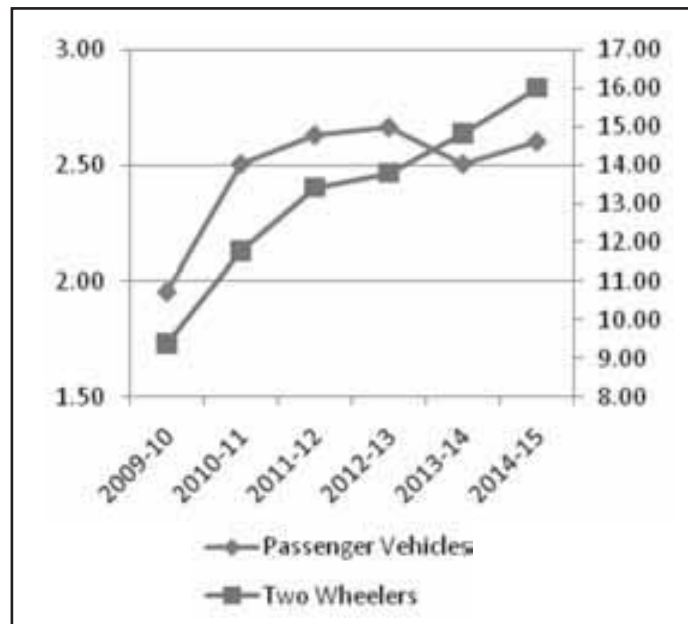
The Indian economy is expected to grow by between 8% to 8.5% in Financial Year 2015-16. Most economists believe that the Indian economy is at an inflexion point and is set for sustained growth in coming years. Lower oil prices, contained inflation, stable financial sector and expected policy actions will support growth this year.

The financial year 2014-15 has witnessed marginal growth for the Indian auto industry. The main factors were economic growth, positive sentiment in the country and new launches by major OEMs in the passenger car segment.

**DOMESTIC SALES**

Following are the statistics of Domestic sales for last six years.

**Domestic Sales**



(Source: SIAM)

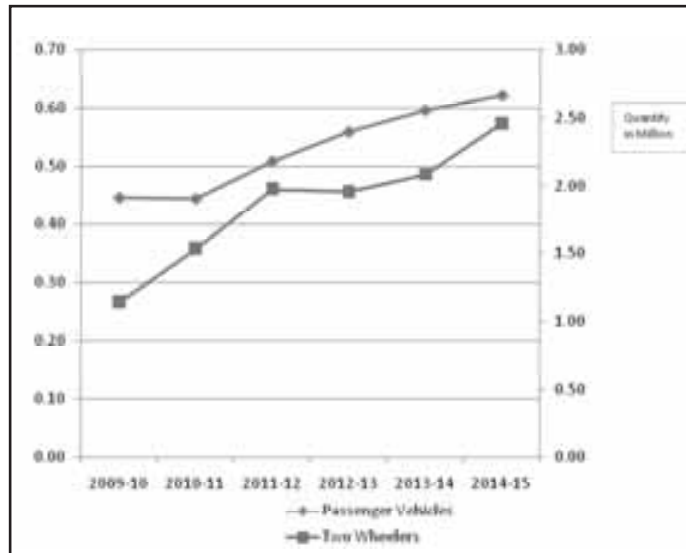
From above, we can see that, there is marginal increase in the sales in Financial year 2014-15 as compared to Financial Year 2013-14.

**EXPORTS**

During Financial Year 2014-15 Exports of also registered marginal growth as compared to Financial Year 2013-14.

Following is the trend of Export of last six years.

## Automobile Exports Trends



(Source: SIAM)

**(C) OPPORTUNITIES/OUTLOOK FOR THE COMPANY:**

The domestic passenger vehicle industry grew 3.9% by volume during the year against a drop of 6.1% in 2013-14. In the near future, the auto industry is likely to show positive growth across all segments on the back of healthy economic outlook, investment in roads, infrastructure and new launches by our Customers. The business environment is showing sign of improvement with the hope of revival of Economy. Due to deregulation, it is expected that, fuel prices will remain stable. This will have significant influence on sales of Passengers cars.

**(D) THREATS, RISKS AND CONCERN OF THE MANAGEMENT:**

Automobile industry is still some distance away from a full recovery. In passenger vehicles, out of eighteen manufacturers, only six posted positive growth. Industry is not expecting major increase in sales in Financial Year 2015-16. The major factors are withdrawal of Excise Duty exemption by Government & actual monsoon as against expectations. The slowdown in demand for two wheelers (especially motorcycles) rural consumption will be continued due to low agriculture income.

The Government stands on new regulations to revamp old legislation & expenditure on public infrastructure will have significant influence on sales of Automobile Industry.

**(E) EXPANSION AND CAPITAL EXPENDITURE:**

Company is currently focusing on full utilization of its existing capacity. Your Company is considering future expansion in land besides existing plant including new paint shop based on expansion plans of its existing customers.

**(F) INTERNAL CONTROL SYSTEM:**

The 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.

The Company remains committed to maintaining internal controls designed to safeguard the efficiency of operations and security of our assets. Accounting records are adequate for preparation of financial statements and other financial information. Your Company has implemented ERP system for a better internal control. The adequacy and effectiveness of internal controls across the various functional levels, as well as compliance with laid down systems and policies are monitored both by Company's internal control systems and also by the Company's internal Auditors on a regular basis. The Report of the internal Auditors is placed before the Audit Committee, and its recommendations are implemented to further improve the efficiency. Your Company's Statutory Auditors have, in their report, confirmed the adequacy of the internal control procedures.

---

**(G) HUMAN RESOURCE DEVELOPMENT:**

The Company is giving utmost importance to human resource development. 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

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 wish to place on record its highest appreciation of the contribution being made by all the employees.

**(H) CAUTIONARY STATEMENT:**

Statements in Management Discussion and Analysis Report describing the Company's objectives, projections, estimates and expectation may be "forward looking" within the meaning of applicable laws and regulations. Actual results might differ materially from those expressed or implied.

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

During the year under review, Government of India has introduced the new legislation "Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace Act, 2013". The Act 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 therewith 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 details of which are given in the Corporate Governance Report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and the Listing Agreement.

**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 24th March 2015 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 2015; 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 2015 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 and Clause 49 of the Listing Agreement.

## **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 policy is appended as 'Annexure II' to this Report.

## **AUDITORS:**

### **A. Statutory Auditor**

The Board of Directors of the Company has recommended the re-appointment of M/s. Asit Mehta & Associates, Chartered Accountants, Mumbai (Firm Registration Number 100733W). The Company has received requisite certificate pursuant to Section 141 of the Companies Act, 2013.

### **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 III' to this Report.

### **C. Cost Auditor**

Pursuant to the provisions of Section 148 of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014 the products manufactured by the company were not covered for maintenance of cost records, however company has Voluntarily appointed F.X.Nelson & Leo Associates, Pune as a cost auditor. They have conducted the cost audit for the year 2014-15.

---

**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 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.

**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:**

The particulars of contracts or arrangements with related parties referred to in Section 188 (1) of the Companies Act, 2013 in Form AOC-2 pursuant to Section 134 (3) (h) of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014 is attached as Annexure-IV to this Report.

**STATE OF COMPANY'S AFFAIRS:**

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

**AMOUNTS PROPOSED TO BE CARRIED TO RESERVES:**

In view of accumulated losses of the Company no amount is proposed to be carried forward to Reserves.

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

The Company has received letter from Rajasthan State Industries Development and Investment Corporation (RIICO) regarding making an investment in its land situated at Pathredi Industrial Area. This land was transferred to Company through scheme of arrangement between company and Alicon Castalloy Limited (Formerly known as Enkei Castalloy Limited). The Board of Directors of the Company is considering various options in this regard. The final decision will be informed to shareholder's accordingly.

**EMPLOYEES' REMUNERATION:**

In terms of the provisions of Section 197(12) of the Act, 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-V 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 undertaken & Completed many projects like Company has installed LED Lights in common area i.e in Canteen, Main Office area etc. Company has also installed Solar Lights in its Garden area. Your Company has also installed Recaputer to reduce consumption of Furnace Oil /CBFS and replaced high capacity/voltage motor with lower one with advance technology. Company also implements various Kaizan to conserve energy.



**RESEARCH AND DEVELOPMENT:**

During the year under review your company has started its own Laboratory equipped with latest technology for further development in its Products and Company has incurred ₹ 13.29 Million towards installing its new laboratory.

**FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Total foreign exchange earned : ₹ 0.59 Million

Total foreign exchange used : ₹ 2157.74 Million

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

**CORPORATE SOCIAL RESPONSIBILITY ( CSR)**

The provisions of Section 135 of the Companies Act, 2013 are not applicable to the company. Therefore Company has not constituted the CSR committee.

**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.

**OTHER MATTERS AS PER RULE 8 OF COMPANIES (ACCOUNTS) RULES 2014 :****DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR:****DIRECTORS APPOINTED DURING THE YEAR**

Name of Director	Designation	Term of appointment
Dr. Haresh Shah	Independent Director	5 Years
Mr. Satyavara P. Garimella	Independent Director	5 Years
Ms. Shilpa Dixit	Woman & Independent Director	2 Years

**EMPLOYEES DESIGNATED AS KEY MANAGERIAL PERSONNEL (KMP) DURING THE YEAR**

Name of the KMP	Designation
Mr. Masakatsu Uchiyama	Managing Directors
Mr. Jitendra Parmar	Chief Financial Officer
Mr. Omkar Kaulgud	Company Secretary

**DIRECTORS AND KMP'S RESIGNED DURING THE YEAR:**

Mr. Kazuhiko Shimamura, Alternate Director to Mr. Junichi Suzuki had resigned with effect from 14th August 2014. The Board places on record its sincere appreciation for the valuable services rendered by him as an Alternate Director.

**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 the Audit Committee has been mentioned in the Corporate Governance Report annexed to this Report.

**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 2015 is attached to the Balance Sheet.

**CORPORATE GOVERNANCE:**

Your Company is falling within the criteria of 1.a. of the SEBI Circular CIR/CFD/POLICY CELL/7/2014 dated 15th September, 2014 (Company's paid up Equity Capital was below ₹ 10 Crores and Net worth was below ₹ 25 Crores as per the latest audited Balance Sheet of the Company). Therefore revised Clause 49 of the Listing Agreement is not applicable to your Company w.e.f. 1st October, 2014.

The Company has complied with the corporate governance requirements, till 30th September, 2014 and the stipulated certificate of compliance is contained in this annual report.

**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**

<b>Masakatsu Uchiyama</b>	<b>Satyavara P. Garimella</b>
<b>Managing Director</b>	<b>Director</b>
<b>(DIN: 05239285)</b>	<b>(DIN : 05344245)</b>

Place : Pune

Date : July 28, 2015

## ANNEXURE TO DIRECTORS' REPORT

**Form No. MGT - 9**  
(as at Financial Year ended 31 March 2015)

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	<b>Universal Capital Securities Pvt Ltd.</b> (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 / Associate Subsidiary /	% 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	66.48	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	
<b>A.</b>	<b>Promoter</b>									
1)	<b>Indian</b>	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
	<b>Sub-total (A)(1):-</b>	0	0	0	0	0	0	0	0	0
2)	<b>Foreign</b>									
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	6,500,000	1,755,360	8,255,360	64.72	8,926,360	0	8,926,360	66.48	1.76
j)	Banks / FI	0	0	0	0	0	0	0	0	0
k)	Any Other....	0	0	0	0	0	0	0	0	0
	<b>Sub-total (A)(2):-</b>	6,500,000	1,755,360	8,255,360	64.72	8,926,360	0	8,926,360	66.48	1.76
<b>B.</b>	<b>Public Shareholding</b>									
1.	<b>Institutions</b>	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
	<b>Sub-total (B)(1)</b>	0	0	0	0	0	0	0	0	0
2.	<b>Non Institutions</b>									
a)	Bodies Corp.									
(i)	Indian	1,298,108	1,210	1,299,318	10.19	1,305,630	1,210	1,306,840	9.73	0.46
b)	Individuals									
(i)	Individual share holders holding nominal share capital upto Rs. 1 lakh	1,289,512	9,806	1,299,318	11.24	1,453,867	141,162	1595029	11.18	
(ii)	Individual share holders holding nominal share capital in excess of Rs 1 lakh	1,300,431	0.00	130,0431	10.20	1,185,253	0.00	1185253	8.83	
c)	Others(Specify)									
i.	Clearing Members	1,300,431	0.00	1,300,431	10.20	1,185,253	0.00	1,185,253	8.83	
ii.	NRI/OCB'S	137,189	0.00	137,189	1.08	120,885	0.00	120,885	0.90	
iii.	Directors & Relatives	312,984	0.00	312,984	2.45	277,834	0.00	277,834	2.07	
	<b>Sub-total(B)(2)</b>	4,354,028	145,972	4,500,000	35.28	4,357,628	142,372	4,500,000	33.52	
	<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	4,354,028	1,45,972	4,500,000	35.28	4,357,628	142,372	4,500,000	33.52	
C.	Shares held by Custodian for GDRs& ADRs	0	0	0	0	0	0	0	0	0
	<b>Grand Total (A+B+C)</b>	10,854,028	1,901,332	12,755,360	1,000	13,283,988	142,372	13,426,360	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	8,255,360	64.72	0.00	8,926,360	66.48	0.00	1.76
	<b>Total</b>	8,255,360	64.72	0.00	8,926,360	66.48	0.00	1.76

## (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		
	<b>At the beginning of the year</b>	<b>8,255,360</b>	<b>64.72</b>				
	Date wise increase / decrease in promoters' shareholding during the year specifying the reasons for increase / (e.g. allotment / transfer / bonus / sweat equity etc.)						
	<b>Date</b>	<b>Name of Promoter</b>	<b>Reason</b>				
1.	11th Dec. 2014	Enkei Corporation	Preferential Allotment	671,000	1.76	8,926,360	66.48
	<b>At the End of the Year</b>			<b>671,000</b>	<b>1.76</b>	<b>8,926,360</b>	<b>66.48</b>

## (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
		At the beginning of the year					
1	MOTILAL GOPILAL OSWAL	At the Beginning of the year	792000	6%			
		30th May 2014 Sale	(12,000)	0.09	Transfer	780000	5.81
		20th June 2014 Sale	(1772)	0.01	Transfer	778228	5.80
		30th June 2014 Sale	(14,288)	0.11	Transfer	764000	5.69
		4th July 2014 Sale	(7000)	0.05	Transfer	757000	5.64
		11th July 2014 Sale	(5400)	0.04	Transfer	751600	5.60
		18th July 2014 Sale	(200)	0.00	Transfer	751400	5.60
		25th July 2014 Sale	(1000)	0.01	Transfer	750400	5.59
		1st August 2014 Sale	(20400)	0.15	Transfer	730000	5.44
		8th August 2014 Sale	(1400)	0.01	Transfer	728600	5.43
		29th August 2014 Sale	(16100)	0.12	Transfer	712500	5.31
		5th September 2014 Sale	(37500)	0.28	Transfer	675000	5.03

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
		12th September 2014 Sale	(40000)	0.30	Transfer	635000	4.73
		19th September 2014 Sale	(40000)	0.03	Transfer	631000	4.70
		30th September 2014 Sale	(31000)	0.23	Transfer	600000	4.47
		At the end of the Year	600000	4.47			
2.	NASTIC TRADING LLP	At the Beginning of the Year	570000	4.47			
		At the end of the Year	570000	4.25			
3.	PAMELA TRADING LLP	At the Beginning of the Year	286000	2.24			
		At the end of the Year	286000	2.13			
4.	SKYBLUE TRADING AND INVESTMENTS P LTD	At the Beginning of the Year	254880	2.00			
		At the end of the Year	254880	1.90			
5.	CHANDRAPRAKASH PADIYAR	At the Beginning of the Year	102268	0.76	Transfer	0.00	0.00
		10th October 2014 Sale	(102268)	(0.76)			
		At the end of the Year	0.00	0.00			
6.	SAVITHA RAGHAVAN	At the Beginning of the Year	58365	0.45			
		At the end of the Year	58365	0.45			
7.	ONKAR SINGH KALRA	At the Beginning of the Year	53642	0.40	Transfer	54686	0.41
		6th June 2014 Purchase	1044	0.01	Transfer	57686	0.43
		13th June 2014 Purchase	3000	0.02	Transfer	58686	0.44
		20th June 2014 Purchase	1000	0.01	Transfer	60450	0.45
		11th July 2014 Purchase	1764	0.01	Transfer	64950	0.48
		18th July 2014 Purchase	4500	0.03	Transfer	67840	0.51
		15th August 2014 Purchase	2890	0.02	Transfer	68840	0.51
		29th August 2014 Purchase	1000	0.01	Transfer	69840	0.52
		5th September 2014 Purchase	1000	0.01	Transfer	88126	0.66
		19th September 2014 Purchase	18286	0.14	Transfer	95956	0.71
		30th September 2014 Purchase	7830	0.06	Transfer	100187	0.75
		10th October 2014 Purchase	4231	0.03	Transfer	100300	0.75
		24th October 2014 Purchase	113	0.00	Transfer	100800	0.75
		31st October 2014 Purchase	500	0.00	Transfer	108300	0.81
		14th November 2014 Purchase	7500	0.06	Transfer	110566	0.82
		21st November 2014 Purchase	2266	0.02	Transfer	111066	0.83
		28th November 2014 Purchase	500	0.00			
		At the end of the Year	111066	0.83			
8.	S KUSUMA BAI	At the Beginning of the Year	50937	0.38	Transfer	50955	0.38
		31st October 2014 Purchase	18	0.00			
		30th January 2015 Purchase	683	0.01	Transfer	51638	0.38
		At the end of the Year	51638	0.38			
9.	ATLAS CASTALLOY LIMITED	At the Beginning of the Year	49820	0.38			
		At the end of the Year	49820	0.37			
10.	JAYALAKSHMI MOLKA	At the Beginning of the Year	36020	0.27			
		14th November 2014 Purchase	18	0.00	Transfer	36038	0.27
		23rd January 2015 Purchase	900	0.01	Transfer	36938	0.28
		At the end of the Year	36938	0.28			
11.	BIJAL KISHORECHAND MADHANI	At the Beginning of the Year	15000	0.11			
		14th November 2014 Purchase	25000	0.19		40000	0.30
		At the end of the Year	40000	0.30			

## (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
	<b>At the beginning of the year</b>						
1.	Mr. Masakatsu Uchiyama	Nil	Nil	Nil	Nil	Nil	Nil
2.	Mr. Junichi Suzuki	Nil	Nil	Nil	Nil	Nil	Nil
3.	Mr. Shailendrajit Rai	282,724	2.22	Nil	20,050	262,674	1.96
4.	Dr. Haresh 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
<b>Indebtedness at the beginning of the financial year</b>				
a. Principal Amount	460.00	753.60	-	1,213.60
b. Interest due but not paid	1.17	-	-	1.17
c. Interest accrued but not due	-	-	-	-
<b>Total (a+b+c)</b>	461.17	753.60	-	1,214.76
Change in indebtedness during the financial year				
• Addition	320.00	1,831.36	-	2,151.36
• Reduction	564.55	1,925.86	-	2,490.41
Net Change	(244.55)	(94.50)	-	(339.04)
Indebtedness at the end of the financial year				
d. Principal Amount	215.45	659.10	-	874.55
e. Interest due but not paid	0.77	-	-	0.77
f. Interest accrued but not due	-	-	-	-
<b>Total (a+b+c)</b>	216.22	659.10	-	875.32

**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. Masakatsu Uchiyama Managing Director
1.	Gross Salary	3,616,204
	Salary as per provisions contained in Section 17 (1) of the Income Tax Act, 1961	3,056,190
	Value of perquisites under Section 17 (2) of the Income Tax Act, 1961	560,014
	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)	137,160
	<b>Total (A)</b>	<b>3,753,364</b>
	<b>Ceiling as per the Companies Act, 2013</b>	Mr. Masakatsu Uchiyama was appointed as managing director w.e.f. 10th April 2012 for period of 5 years. The shareholders of the company had confirmed is appointment alongwith his remuneration which was in compliance with schedule XIII of Companies Act, 2013 . His remuneration is in Compliance with Schedule V of Companies Act, 2013 also.



**B. Remuneration to other Directors:**

Particulars of Remuneration	Name of the Director			Total Amount
	Dr. Hareesh Shah	Mr. Satyavara Prasad Garimella	Ms. Shilpa Dixit	
<b>Independent Directors</b>				
Fee for attending board / committee meetings	55,000	55,000	20,000*	130,000
Commission	Nil	Nil	Nil	Nil
Others, please specify	Nil	Nil	Nil	Nil
<b>Total (1)</b>	55,000	55,000	20,000*	130,000
<b>Other Non-Executive Directors</b>	<b>Mr. Junichi Suzuki</b>	<b>Mr. Shailendra Rai</b>		
Fee for attending board / committee meetings	5,000	25,000		30,000
Commission	Nil	Nil		Nil
Others, please specify	Nil	Nil		Nil
<b>Total (2)</b>	5,000	25,000		30,000
<b>Total (B) = (1 + 2)</b>	60,000	80,000	20,000	160,000
<b>Total Managerial Remuneration</b>	3,913,364			
<b>Overall Ceiling as per the Companies Act, 2013</b>	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	1,684,763	374,948	2,059,711
a.	Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	1,684,763	374,948	2,059,711
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)	105,420	21,576	126,996
	<b>Total</b>	<b>1,790,183</b>	<b>396,524</b>	<b>2,186,707</b>

**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)
<b>A.</b>	<b>Company</b>					
	Penalty	--	--	--	--	--
	Punishment	--	--	--	--	--
	Compounding	--	--	--	--	--
<b>B.</b>	<b>Directors</b>					
	Penalty	--	--	--	--	--
	Punishment	--	--	--	--	--
	Compounding	--	--	--	--	--
<b>C.</b>	<b>Other Officers in Default</b>					
	Penalty	--	--	--	--	--
	Punishment	--	--	--	--	--
	Compounding	--	--	--	--	--

**Preamble:**

According to the Section 178 (3) of the Companies Act, 2013 read with the Companies (Meetings and its Powers) Rules, 2014 it is mandatory to Board of Directors of every listed Company to formulate Policy of remuneration payable to its Board of Director, Senior Management & Key Managerial Personnel.

Accordingly, this policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Committee and approved by the Board of Directors.

**Objectives of the Committee:****The Committee shall:**

- i. Formulate the criteria for determining qualifications, positive attributes of a director and recommend to the Board a policy relating to the remuneration of Directors, key managerial personnel and other employees.
- ii. To strike the right balance in the composition of the Board of Directors by ensuring experts from different spectrum of the existing and/or future business environment are co-opted on the Board to help the Company achieve its objectives, aspirations and growth potential
- iii. Formulation of criteria for evaluation of Independent Director and the Board
- iv. To strike appropriate balance between the elements comprising the remuneration so as to attract and retain potential high performing candidates for critical position in the Company for attaining continual growth in business.
- v. Devising a policy on Board diversity.
- vi. Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.

**Definitions:**

- **"Board"**:-Board means Board of Directors of the Enkei Wheels (India) Limited.  
Committee means Nomination & Remuneration Committee constituted by Board of Directors in accordance with Section 178 (3) of the Companies Act, 2013.
- **"Director"**:-Directors means Director appointed on Board of the Company including Executive, Non- Executive Independent Director.
- **"Committee"**:-Committee means Nomination and Remuneration Committee of the Company as constituted or reconstituted by the Board, from time to time.
- **"Key Managerial Personnel"**:- Key Managerial Personnel (KMP) means-
  - (i) the Chief Executive Officer or the managing director or the manager;
  - (ii) the Company Secretary;
  - (iii) the Whole-Time Director;
  - (iv) the Chief Financial Officer; and
  - (v) such other officer as may be prescribed under the applicable statutory provisions / regulations.

Member means, a Director of the Company appointed as a member of the Committee.

Nomination & Remuneration Policy shall means the Policy of remuneration of Directors. Key managerial Personnel, and other employees determined by the Committee.

- **"Senior Management"**:- The expression "senior management" means personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads. Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.

**Applicability:-**

The Policy is applicable to

- Directors (Executive and Non Executive)
- Key Managerial Personnel
- Senior Management Personnel

Constitution of the Nomination and Remuneration Committee:

The Board has the power to constitute/ reconstitute the Committee from time to time in order to make it consistent with the Company's policy and applicable statutory requirement. At present, the Nomination and Remuneration Committee comprises of following Directors:

- Dr. Haresh Shah, Chairman (Independent Director)
- Mr. Satyavara P. Garimella, Member (Independent Director)
- Mr. Shailendra Rai, Member (Non-Executive Director)

**General Appointment Criteria:**

- The Committee shall consider the ethical standards of integrity and probity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and accordingly recommend to the Board his / her appointment.
- The Company should ensure that the person so appointed as Director/ Independent Director/ KMP/ Senior Management Personnel shall not be disqualified under the Companies Act, 2013, rules made thereunder, Listing Agreement or any other enactment for the time being in force.
- The Director/ Independent Director/ KMP/ Senior Management Personnel shall be appointed as per the procedure laid down under the provisions of the Companies Act, 2013, rules made thereunder, Listing Agreement or any other enactment for the time being in force

**Additional Criteria for Appointment of Independent Directors:**

The Committee shall consider qualifications for Independent Directors as mentioned in herein earlier under the head 'Definitions' and also their appointment shall be governed as per the provisions of clause 49 of the Listing Agreement (as amended from time to time ) and Companies Act, 2013.

**Term / Tenure:**

The Term / Tenure of the Directors shall be governed as per provisions of the of the Companies Act,2013 and rules made thereunder as amended from time to time.

**Removal:**

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations or any other reasonable ground, the Committee may recommend to the Board for removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

Criteria for Evaluation of Independent Director and the Board:

**Following are the Criteria for evaluation of performance of Independent Directors and the Board:**

1. Executive Directors:

The Executive Directors shall be evaluated on the basis of targets / Criteria given to executive Directors by the board from time to time.

## 2. Non Executive Director:

The Non Executive Directors shall be evaluated on the basis of the following criteria i.e. whether they:

- a) act objectively and constructively while exercising their duties;
- b) exercise their responsibilities in a bona fide manner in the interest of the company;
- c) devote sufficient time and attention to their professional obligations for informed
- d) and balanced decision making; do not abuse their position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person;
- e) refrain from any action that would lead to loss of his independence
- f) inform the Board immediately when they lose their independence,
- g) assist the company in implementing the best corporate governance practices.
- h) strive to attend all meetings of the Board of Directors and the Committees;
- i) participate constructively and actively in the committees of the Board in which they are chairpersons or members;
- j) strive to attend the general meetings of the company;
- k) keep themselves well informed about the company and the external environment in which it operates;
- l) do not to unfairly obstruct the functioning of an otherwise proper Board or committee of the Board;
- m) moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.
- n) abide by Company's Memorandum and Articles of Association, company's policies and procedures including code of conduct, insider trading guidelines etc.

### **Policy on Board diversity:**

The Board of Directors shall have the optimum combination of Directors from the different areas / fields like production, Management, Quality Assurance, Finance, Sales and Marketing, Supply chain, Research and Development, Human Resources etc or as may be considered appropriate.

The Board shall have at least one Board member who has accounting or related financial management expertise and at least three members who are financially literate.

### **Remuneration:**

The Committee will recommend the remuneration to be paid to the Managing Director, Whole-time Director, KMP and Senior Management Personnel to the Board for their approval. The level and composition of remuneration so determined by the Committee shall be reasonable and sufficient to attract, retain and motivate directors, Key Managerial Personnel and Senior Management of the quality required to run the company successfully. The relationship of remuneration to performance should be clear and meet appropriate performance benchmarks. The remuneration should also involve a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals:

#### **1. Director/ Managing Director**

Besides the above Criteria, the Remuneration/ compensation/ commission etc to be paid to Director/ Managing Director etc shall be governed as per provisions of the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

#### **2. Non executive Independent Directors**

The Non- Executive Independent Director may receive remuneration by way of sitting fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

### **3. KMPs / Senior Management Personnel etc**

The Remuneration to be paid to KMPs/ Senior Management Personnel shall be based on the experience, qualification and expertise of the related personnel and governed by the limits, if any prescribed under the Companies Act, 2013 and rules made thereunder or any other enactment for the time being in force.

#### **CONSULTANTS AND ADVISORS:**

The Committee may take services of such consultants and advisors as may be required to assist in determination of optimum remuneration structure and evaluation of the same for the Company's Directors and senior management and shall have the authority to approve the fees payable to such consultants and advisors.

The Committee shall have access to data of the Company relating to annual operating plan, management and leadership programs, employee survey, initiatives, operational reviews for purpose of undertaking their terms of reference and providing such recommendations as are required under the policy and take such assistance from Executive Director as may be required for assessing the effectiveness and performance of any employee covered under the policy.

#### **AMENDMENT**

The Company reserves the right to amend or modify the Nomination and Remuneration Policy in whole or in part, at any time without assigning any reasons whatsoever. However, no such modification or amendment will be binding on the employees, Key Managerial Personnel and senior management employees unless the same is notified to them in advance.

Form No. MR-3

Annexure III

## SECRETARIAL AUDIT REPORT

## FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015

[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, 2015, 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, 2015, according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (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;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (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; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- 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) The Listing Agreements entered into by the Company with Bombay Stock Exchange;

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 and 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 11.12.2014. (Notice dated 08.12.2014) 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** generally there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with above laws, rules, regulations and guidelines.

**We further report that** during the audit period

- 1) The Company has made allotment of 671,000 equity shares to the promoters i.e. Enkei Corporation Japan on preferential basis.
- 2) The Company has obtained following approvals from members in pursuance to section 180 of the Companies Act, 2013:
  - a) Under Section 180 (1)(a) of the Companies Act, 2013, for mortgaging and / or charging, all or any of the movable or immovable properties wherever situated upto a limit not exceeding ₹ 200 crores only (Rupees Two Hundred Crores Only).
  - b) under Section 180 (1)(c) of the Companies Act, 2013, for borrowing monies from time to time in excess of the aggregate of the paid up Capital and free reserves of the Company, upto a limit not exceeding ₹ 200 crores only ( Rupees Two Hundred crores only)

**For Shailesh Indapurkar & Associates**

**Company Secretaries**

**CS Shailesh Indapurkar**

Proprietor

ACS 17306

C. P. No: 5701

**Place : Pune**

**Date : July 25, 2015**



## Form No. AOC-2

## Annexure IV

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

**1. Details of contracts or arrangements or transactions not at arm's length basis:**

Name(s) of the related party and nature of relationship	Nature of contracts /arrangements /transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contracts or arrangements or transactions	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188
N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2015, which were not at arm's length basis.

**2. Details of material contracts or arrangement or transactions at arm's length basis:**

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions	Amount (₹ In Lacs)	Date(s) of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188
Enkei Corporation (Holding Company)	Purchase of Factory Supply, Fixed Assets, Royalty, Interest & Supply of services	April 2014 Ongoing	Based on Transfer pricing Guidelines	851.84	26th May 2014	N.A.	N.A.
Enkei Audit & Computer Services Ltd (Group Company)	Computer Rental Fee	April 2014 Ongoing	Based on Transfer pricing Guidelines	8.06	26th May 2014	N.A.	N.A.
Enkei Thai Mouldings Ltd (Group Company)	Purchase of Casting Mold	April 2014 Ongoing	Based on Transfer pricing	528.46	26th May 2014	N.A.	N.A.
Alicon Castalloy Limited (Company having Common Director)	Rent	April 2014 Ongoing	Based on Transfer pricing Guidelines	189.03	26th May 2014	N.A.	N.A.
HU Consultancy Private Limited (Company having Common Director)	Management Consultancy Services	April 2014 Ongoing	Based on Transfer pricing Guidelines	17.52	26th May 2014	N.A.	N.A.
GSV Prasad & Co. (Director is Partner)	Corporate Advisory Services	April 2014 Ongoing	Based on Transfer pricing	15.56	26th May 2014	N.A.	N.A.
MRM Associates (Director is Partner)	Consultancy Services on Company Law Matters	August 2014 Ongoing	Based on Transfer pricing Guidelines	3.42	14th August 2014	N.A.	N.A.

For & On Behalf of the Board of Directors

**Masakatsu Uchiyama**  
Managing Director  
(DIN: 05239285)

**Satyavara P. Garimella**  
Director  
(DIN : 05344245)

**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 2014-15, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2014-15 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 2014-15 (In ₹)	% increase in Remuneration in the financial year 2014-15	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. Masakatsu Uchiyama (Managing Director)	3,616,204	Nil	15.90	The growth in revenue was 19.68% and increase in Profit after tax was 331% during FY 2014-15
2	Mr. Kazuhiko Shimamura (Alternate Director)	689,640	*	*	
3	Mr. Jitendra Parmar (Chief Financial Officer)	1,684,761	12.00	7.41	The growth in revenue was 19.68% and increase in Profit after tax was 331% during FY 2014-15
4	Mr. Omkar Kaulgud (Company Secretary)	374,948	10.51	1.65	The growth in revenue was 19.68% and increase in Profit after tax was 331% during FY 2014-15

\* Mr. Kazuhiko Shimamura has resigned w.e.f. 14th August 2014. The remuneration of Mr. Kazuhiko Shimamura has been disclosed till 14th August 2014.

2. The median remuneration of employees of the Company during the financial year 2014-15 was ₹ 227,406.

3. In the financial year 2014-15, there was an increase of 17.42% in the median remuneration of employees.

4. As on March 31, 2015, there were 673 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, 2015 increased by 331% whereas the median remuneration increased by 17.42% 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 2.91% from ₹ 77.22 Lacs in 2013-14 to ₹ 74.98 Lacs in 2014-15 whereas Profit After Tax increased by 331% from ₹ 53.01 Lacs in 2013-14 to ₹ 228.25 Lacs in 2014-15.

## CORPORATE GOVERNANCE REPORT

## A) MANDATORY REQUIREMENT

## 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 &amp; 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 <sup>1</sup>		No. of Committees of other Companies in which Member/ Chairman <sup>1</sup>	No. of Shares held in the Company as at 31.03.2015
			Public	Private		
Mr. Masakatsu Uchiyama	Executive Managing Director	None	1	0	0	NIL
Mr. Junichi Suzuki	Promoter & Non Executive	None	1	0	0	NIL
Mr. Shailendrajit Rai	Non Executive	None	4	6	2	262,674
Dr. Haresh Shah	Independent & Non Executive	None	0	5	0	NIL
Mr. Satyavara P. Garimella	Independent & Non Executive	None	0	0	0	NIL
Ms. Shilpa Dixit	Independent & Non-Executive	None	0	2	0	NIL

\* Excluding directorship in Foreign Companies & Companies under Section 8 of Companies Act, 2013.

None of the Directors on the Board of your Company is a member of more than 10 committees or Chairman of more than five committees (in compliance with Clause 49 of the Listing Agreement), considering all the companies in which they are Directors.

## c) Board Meetings and Annual General Meetings :

During the year 2014-15, 7 (Seven) meetings of the Board of Directors of the Company held on following dates:

26th May 2014; 28th July 2014; 14th August 2014, 30th October 2014; 13th November 2014, 11th December 2014 and 2nd February 2015;

The previous Annual General Meeting was held on 25th September, 2014.

Details regarding the attendance of Directors at the Board Meetings and the Annual General Meeting held during the year 2014-15 are presented in the following table.

Name of Director	No. of Board Meetings Attended (Total Meetings held - 7)	Whether last AGM attended
Mr. Masakatsu Uchiyamaya	7 / 7	Yes
Mr. Junichi Suzuki	1 / 7	No
Mr. Shailendrajit Rai	5 / 7	Yes
Dr. Hareesh Shah	7 / 7	Yes
Mr. Satyavara P. Garimella	7 / 7	No
Ms. Shilpa Dixit *	4 / 7	Yes

\* Appointed w.e.f. 14th August 2014.

#### 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.

### 3. BOARD COMMITTEES

In compliance with both the mandatory and non-mandatory requirements under the Listing Agreement, 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

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. Masakatsu Uchiyama, Managing Director. The terms of reference of this Committee are wide enough covering the matters specified for Audit Committee under the Listing Agreement 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 2014-15, 4 (Four) Audit Committee Meetings were held on following dates:

26th May 2014; 28th July 2014; 30th October 2014 and 2nd February 2015.

Particulars of attendance of Audit committee Members at the Audit committee Meetings held during the Financial Year 2014-15:

Name of Audit committee Member	Meetings Attended during Financial Year 2014-15 (Total Meetings held 4)
Dr. Haresh Shah	4
Mr. Masakatsu Uchiyama	4
Mr. Satyavara P. Garimella	4

**Powers of Audit Committee**

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

**(ii) Nomination & 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 and Clause 49 of the Listing Agreement entered into with BSE Ltd in which the Company's Equity Shares are listed.

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

During the Financial year 2014-15, 1 (One) meeting of Remuneration Committee was held on 14th August 2014.

Name of Nomination & Remuneration committee Member	Meetings Attended during Financial Year 2014-15 (Total Meetings held 1)
Dr. Haresh Shah	1
Mr. Shailendrajit Rai	1
Mr. Satyavara P. Garimella	1

**A. Details of remuneration paid to Managing Director-**

During the year 2014-15, the remuneration paid to the Managing Director is ₹ 3,753,364/- per annum.

**B. Details of sitting Fees paid to the Non-Executive Directors for attending the Board and Committee Meetings during the financial year 2014-2015.**

Name of the Non - Executive Director	Sitting Fees (In ₹)
Mr. Junichi Suzuki	₹ 5000/-
Mr. Shailendrajit Rai	₹ 25,000/-
Dr. Haresh Shah	₹ 55,000/-
Mr. Satyavara P. Garimella	₹ 55,000/-
Ms. Shilpa Dixit	₹ 20,000/-
Mr. Kazuhiko Shimamura	₹ 10,000/-

**(iii) Stakeholder Grievance Committee**

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

There were no complaints received from the shareholders during the year 2014-15.

Mr. Omkar kaulgud Company Secretary is Compliance officer of Company

**(iv) Share Transfer Committee**

The Share Transfer Committee comprises of Mr. Satyavara P. Garimella, Chairman of the Committee, Dr. Haresh Shah, and Mr. Masakatsu Uchiyama as members. The terms of reference of this Committee are to approve the share transfers.

During the Financial Year 2014-15, 1 (One) Share Transfer Committee Meetings was held on 14th November 2014.

Name of Share Transfer committee Member	Meetings Attended during Financial Year 2014-15 (Total Meetings held 1)
Mr. Satyavara P. Garimella	1
Dr. Haresh Shah	1
Mr. Masakatsu Uchiyama	1

#### 4. GENERAL BODY MEETINGS

Details of the last three Annual 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	AGM	25-Sept-2014	12.30 PM	Registered office of the Company at Gat No. 1425, Village Shikrapur, Tal - Shirur, Pune -412208	07
2	EGM	13-Dec-2013	3.00 PM	Registered office of the Company at Gat No. 1425, Village Shikrapur, Tal - Shirur, Pune -412208	01
3	AGM	10-Sept-2013	12.30 PM	Registered office of the Company at Gat No. 1425, Village Shikrapur, Tal - Shirur, Pune -412208	01

#### 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
Mr. Shailendrajit Rai	01-02-1956	30-03-2009	Chartered Accountant	Finance & Management	1. Alicon Castalloy Ltd 2. Atlas Castalloy Ltd 3. Silicon Meadows Engineering Services Ltd 4. Silicon Meadows Design Ltd	2

#### 6. DISCLOSURES:

##### i. Related Party Transactions:

During the financial year 2014-2015 there were no materially significant transactions entered into between the Company and its promoters, directors or the management or relatives, etc. that may have potential conflict with the interests of the Company at large. Declarations have been received from the senior management personnel to this effect.

##### ii. Statutory Compliance, Penalties and Strictures

The Company has complied with the requirements of the Stock Exchanges/SEBI and Statutory Authority on all matters related to capital markets. No penalties or strictures have been imposed on the Company by these authorities.

##### iii. CEO & CFO Certificate

The Managing Director and Chief Finance Officer have given a certificate to the Board as contemplated in Clause 49 of the Listing Agreement and the same was placed before the Board.

**7. MEANS OF COMMUNICATION:**

i) Financial results :	Quarterly and annual financial results are published in Business Standard, Mumbai Edition(English), Loksatta Pune Edition(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.
iv) Management discussion and Analysis forms part of the Annual Report	Yes
v) Corporate Filing and Dissemination + System(Corpfiling)	All disclosures and communications to Bombay Stock Exchange Limited, Mumbai (BSE) are filed electronically through BSE Listing Centre. Hard copies of the said disclosures and correspondence are also filed with the exchange.
vi) SCORES (SEBI Complaints Redressal System)	SEBI has commenced processing of investor complaints in a centralised web based complaints redress system i.e. SCORES. The Company supported SCORES by using it as a platform for communication between SEBI and the Company.

**8. GENERAL SHAREHOLDER INFORMATION:**
**(i) Annual General Meeting**

Date and Time	:	19th September 2015 at 12.30 p.m.
Venue	:	At the registered office of the Company at Gat No. 1425, Vilege Shikrapur, Taluka Shirur, District, Pune - 412208.

<b>(ii) Financial Year</b>	:	from 1st of April every year to 31st of March next year
<b>(iii) Date of Book closure</b>	:	14th September 2015 to 19th September 2015 (Both days inclusive)
<b>(iv) Dividend payment date</b>	:	N A
<b>(v) Listing on Stock Exchange</b>	:	The shares of the are listed Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers Dalal Street, Mumbai- 400001. (w.e.f. 11th July 2011)
<b>(vi) Stock Code</b>	:	The Bombay Stock Exchange Limited: 533477 Demat ISIN for NSDL and CDSL: INE130L01014.

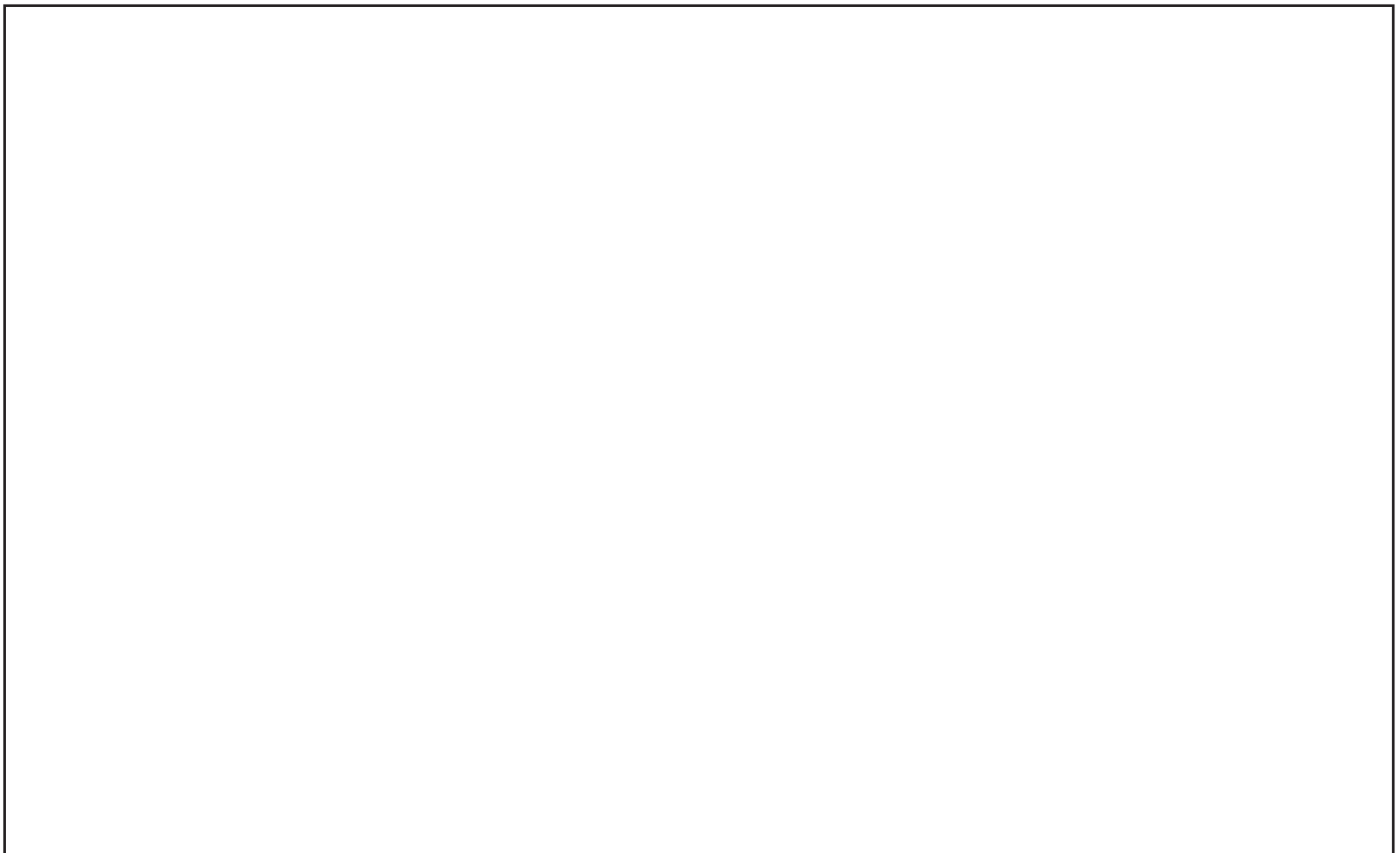
**(vii) Market Price Data for the Year 2014-15**

The high and low market price of Enkei's shares traded on the Bombay Stock Exchange (BSE) during the period from 1st April, 2014 to 31st March, 2015 are presented in the following table.



**Market Price Data:**

Month	High Price (In ₹)	Low price (In ₹)
Apr-14	47.95	39.00
May-14	56.05	41.50
Jun-14	77.95	53.15
Jul-14	82.85	66.30
Aug-14	80.00	66.10
Sep-14	109.45	73.15
Oct-14	129.95	98.10
Nov-14	163.55	136.40
Dec-14	163.25	132.05
Jan-15	171.00	143.00
Feb-15	164.40	116.00
Mar-15	153.00	108.50

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

**(viii) Registrars and share transfer agents:**

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.

**(ix) 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 30 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.

**(x) Distribution and Shareholding Pattern as on 31st March, 2015**

Category	No. of Shares	Percentage
Shareholding of Promoter and Promoter Group (Foreign)	892,6360	66.48
Public shareholding(Institutions)	Nil	Nil
Public shareholding (Non Institutions)	4,500,000	33.52
<b>TOTAL</b>	<b>13,426,360</b>	<b>100.00</b>

SHARES OR DEBENTURE HOLDINGS NOMINAL VALUE OF		SHARES DEBENTURE HOLDERS		SHARES DEBENTURE HOLDING		SHARES DEBENTURE AMOUNT	
Shares	Shares	Numbers Total	% to	Holding Total	% to	₹.	% to Total
UPTO -	500	1946	75.543	339,143	2.526	1,695,715.00	2.526
501 -	1000	267	10.365	216,667	1.614	1,083,335.00	1.614
1001 -	2000	174	6.755	269,522	2.007	1,347,610.00	2.007
2001 -	3000	49	1.902	123,772	0.922	618,860.00	0.922
3001 -	4000	30	1.165	107,905	0.804	539,525.00	0.804
4001 -	5000	23	0.893	104,951	0.782	524,755.00	0.782
5001 -	10,000	40	1.553	302,280	2.251	1,511,400.00	2.251
10,001	AND ABOVE	47	1.825	11,962,120	89.094	59,810,600.00	89.094
<b>TOTAL (A)</b>		<b>2576</b>	<b>100.000</b>	<b>13,426,360</b>	<b>100.000</b>	<b>67,131,800.00</b>	<b>100.000</b>

**(xi) Dematerialization of shares and liquidity**

As on 31st March 2015 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	1,380	11,730,229
(b) Electronic form - CDSL	872	1,553,759
(c) Physical form	374	142,372
<b>TOTAL (A)</b>	<b>2,626</b>	<b>13,426,360</b>

**(xii) Plant Location**

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

**(xiii) 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.

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

**B) NON-MANDATORY REQUIREMENTS**

The Company has also complied with most of the non-mandatory requirements as under:

**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. Audit qualifications :**

There are no qualifications on the financial statements of the Company for FY2015.

**3. Reporting of internal auditor:**

The internal auditor has direct access to the Chairman of the Audit Committee.

Place : Pune

Date : July 28, 2015

---

**DECLARATION**

---

In accordance with Clause 49(II)(E)(2) of the Listing Agreement entered into with the BSE Ltd., I, Masakastu Uchiyama, Managing Director of Enkei Wheels (India) Limited ("the Company"), hereby confirm that all the members of the Board of Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct.

**Place : Pune**

**Date : July 28, 2015**

**MASAKASTU UCHIYAMA**

(Managing Director)

(DIN : 05239285)

---

**AUDITORS CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

---

To The Members of

**Enkei Wheels (India) Limited,**

1. We have examined the compliance of conditions of Corporate Governance by ENKEI WHEELS (INDIA) LIMITED ("the Company") as stipulated in clause 49 of the Listing Agreement with the BSE Ltd. with relevant records and documents maintained by the Company and furnished to us and Report on Corporate Governance approved by its Board of Directors.

Our examination covered the period of six months ended September 30, 2014, since as explained to us and in our opinion, conditions of the revised Clause 49 of the Listing Agreement are not applicable to the Company w. e. f. October 1, 2014, as the Company is falling within criteria of 1.a. of Annexure to the SEBI Circular CIR/CFD POLICY CELL/ 7 / 2014 dated September 15, 2014.

2. The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to a review of the procedures and implementation thereof adopted by the Company for ensuring said compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. Based on aforesaid examination and according to the information and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance stipulated in Clause 49 of the Listing Agreement to the extent applicable, for the period of six months ended September 30, 2014.
4. 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 : July 28, 2015**

**Sanjay Rane**

(Partner)

Membership No. 100374

---

**CEO/CFO CERTIFICATION TO THE BOARD**

---

We, Masakastu Uchiyama, Managing Director and Jitendra Parmar, Chief Financial Officer of Enkei Wheels (India) Limited. (“the company”), certify that:

- A We have reviewed financial statements and the cash flow statement for the year and that to the best of our knowledge and belief :
1. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  2. 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 That there are, to the best of their knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the Company's code of Conduct.
- C That we accept responsibility for establishing and monitoring internal control system for financial reporting and evaluating in effectiveness of the systems 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:
1. That there are no significant changes in internal control over financial reporting during the year;
  2. That there are no significant changes in accounting policies during the year.
  3. That there are no instances of significant fraud of which we have become aware and which involve management or other employee having a significant role in the Company's internal control system over financial reporting.

**Place : Pune**  
**Date : May 23, 2015**

**Masakastu Uchiyama**  
Managing Director  
(DIN : 05239285)

**Jitendra Parmar**  
Chief Financial Officer

---

**INDEPENDENT AUDITORS' REPORT**

---

To,

The Members of,

**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, 2015, 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 & Company's 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.

This responsibility also includes maintenance of adequate accounting records in accordance with the Act for safeguarding of the assets of the Company and for prevention and detection of fraud 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 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.

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 but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors & Company's 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.

**Opinion**

6. 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, 2015, and its profit and its cash flows for the year ended on that date.

**Emphasis of Matter**

7. We draw attention to note 2.16 of the attached financial statements, "Assets/facilities retired from active use and held for re-work/disposal are classified separately as 'Assets held for Disposal'. In such situations, impairment loss is charged to the statement of Profit and Loss, in the year in which the loss is crystallised and quantified with ease."

During the year, the management of Company has physically verified its fixed assets. However, the exercise of comparison & reconciliation of assets with its book records, the technical documentation in respect of their useful lives etc. has been

---

stated to be under process.

The Company's management is of the view that the above would not result in any additional amount of provision (over and above the amount of depreciation already provided) either on account of impairment or otherwise, in the financial statements for the year ended March 31, 2015.

In the absence of the details, we have relied upon management representations.

Our opinion is not modified respect of these matters.

#### **Report on Other Legal and Regulatory Requirements**

- 8) As required by the Companies (Auditor's Report) Order, 2015, ('the Order') issued by the Central Government in terms of section 143 (11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the said Order.
- 9) As required by section 143 (3) of the Act, we report that:
- (a) Except for the matter described under 'Emphasis of Matter' in 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 purpose 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 aspects, with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014.
  - (e) On the basis of written representations received from the directors, as on March 31, 2015 and taken on record by the Board of Directors, none of the directors of the Company is disqualified as on 31st March 2015 from being appointed as a director in terms of section 164 (2) of the Act.
  - (f) With respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules 2014, in our opinion and to the best of our information and according to the explanations given to us :
    - i. The Company has in accordance with the generally accepted accounting practice disclosed the impact of pending litigations on its financial position in its financial statements. Also refer Note 32(k) of the financial statements.
    - ii. The Company did not have any long -term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. The provisions as to transferability of amount to the Investor Educator and Protection Fund are not applicable to the Company for the year under audit.

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

**Sanjay S. Rane**  
Partner  
Membership No.100374

**Place : Pune**  
**Date : May 23, 2015**

---

**ANNEXURE TO 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, 2015)

On the basis of such checks of the books and records of the Company, as we considered appropriate and according to the information and explanations given to us, we state that:

- (i) (a) The Company is maintaining records showing particulars including quantitative details and situation of fixed assets. However, the asset numbering exercise, documentation / certification of useful lives of assets etc. are stated to be under process.
- (b) As informed to us, the management of the Company has physically verified its fixed assets during the year. However, comparison and reconciliation of the assets with its book records are stated to be under process and therefore we are unable to comment on whether material discrepancies, if any have been noticed on such physical verification of fixed assets.
- (ii) (a) 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.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Company's management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) In our opinion and on the basis of our examination of records, the Company has maintained proper records of its inventories. The discrepancies noticed on physical verification of inventory as compared to book records were not material and have been properly dealt with in the accounts.
- (iii) In our opinion and according to the information and explanations given to us, during the year, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Hence, the provisions of clause (iii) (a) & (b) 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 and having regard to special nature of some capital goods which are imported and for which comparable alternative quotations are not available, there exists internal control system commensurate with the size of Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. However, in our opinion, the existing internal control system needs to be strengthened in respect of fixed assets. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the Company.
- (v) In our opinion and according to the information and explanations given to us, the Company, has not accepted any deposit within the meaning of Provisions of section 73 to 76 of the Act and rules framed there under and does not have any unclaimed deposits. Hence, the provisions of clause (v) of paragraph 3 of the Order are not applicable to the Company.
- (vi) In our opinion and according to the information and explanations given to us, the requirement for maintenance of cost records pursuant to the Companies (Cost Records and Audit) Rules, 2014 specified by the Central Government of India under section 148 of the Companies Act, 2013 are not applicable to the Company year under audit, though Company has voluntarily made and maintained cost records.
- (vii) (a) According to the information and explanations given to us and as per records of the Company, the Company is generally regular in depositing undisputed statutory dues including provident fund, income-tax, wealth-tax, service tax, duty of customs, duty of excise, sales-tax, value added tax, cess and other material statutory dues as applicable to it with the appropriate authorities during the year.



- (b) 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 31st March 2015 for a period of more than six months from the date on which those became payable.
- (c) According to the information and explanations given to us, there are no dues of income-tax, wealth-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 reported below.

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

- d) The provisions as to transferring the amount to Investor Education and Protection Fund under the Companies Act, 1956 (1 of 1956) are not applicable to the Company for the year under audit.
- (viii) The Company has accumulated losses as at the end of the financial year, which in our opinion and according to information and explanations given to us, are not more than fifty percent of its net worth. However, the Company has not incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- (ix) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to the banks during the year and did not have any amount default outstanding to the financial institutions or debenture holders.
- (x) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions during the year. Therefore, the provisions of clause (x) of paragraph 3 of the Order are not applicable to the Company.
- (xi) In our opinion and according to the information and explanations given to us the term loans have been applied, on an overall basis, for the purposes for which those were obtained.
- (xii) During the course of our examination of books and records of the Company carried out in accordance with auditing standards generally accepted in India, and to the best of our knowledge and belief and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year.

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

**Sanjay S. Rane**  
(Partner)  
Membership No. 100374

**Place : Pune**

**Date : May 23, 2015**

**BALANCE SHEET AS AT 31ST MARCH, 2015**
**(Amt. in ₹)**

Particulars	Note No.	As at 31st March,2015	As at 31st March,2014
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	3	67,131,800	63,776,800
(b) Reserves and surplus	4	115,993,827	62,973,461
(c) Money received against share warrants		-	-
<b>2 Share application money pending allotment</b>		-	33,550,000
<b>3 Non-current liabilities</b>			
(a) Long-term borrowings	5	625,093,274	863,598,001
(b) Deferred tax liabilities (net)	6	-	7,674,439
(c) Other Long term liabilities	7	1,062,187,084	1,245,720,916
(d) Long-term provisions	8	6,095,393	2,186,795
<b>4 Current liabilities</b>			
(a) Short-term borrowings	9	176,734,244	230,000,000
(b) Trade payables	10	659,753,946	502,943,381
(c) Other current liabilities	11	115,114,632	161,779,347
(d) Short-term provisions	12	4,071,655	2,307,054
	<b>TOTAL</b>	<b>2,832,175,855</b>	<b>3,176,510,194</b>
<b>II ASSETS</b>			
<b>1 Non-current assets</b>			
(a) <b>Fixed assets</b>			
(i) Tangible assets	13.1	1,638,158,713	1,810,703,563
(ii) Intangible assets	13.2	-	1,029,176
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments		-	-
(c) Deferred tax assets (net)		-	-
(d) Long term loans and advances	14	62,087,477	56,260,993
(e) Foreign Currency Monetary Item Translation Difference	15	158,479,326	229,961,609
<b>2 Current assets</b>			
(a) Current investments		-	-
(b) Inventories	16	182,783,502	100,213,519
(c) Trade receivables	17	562,837,066	555,799,498
(d) Cash and cash equivalents	18	84,729,729	268,759,654
(e) Short-term loans and advances	19	142,909,904	151,177,175
(f) Other current assets	20	190,138	2,605,007
	<b>TOTAL</b>	<b>2,832,175,855</b>	<b>3,176,510,194</b>
Significant Accounting Policies	1 & 2		
Other Notes on Financial Statements	32		

As per our report of even date attached.

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

**Sanjay S. Rane**  
(Partner)  
Membership No. : 100374

Place : Pune  
Date : May 23, 2015

For and on behalf of the Board of Directors

**Masakatsu Uchiyama**  
(Managing Director)  
(DIN : 05239285)

**Jitendra Parmar**  
(Chief Financial Officer)

Place : Pune  
Date : May 23, 2015

**Satyavara P. Garimella**  
(Director)  
(DIN : 05344245)

**Omkar Kaulgud**  
(Company Secretary)

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

(Amt. in ₹)

Particulars	Note No.	2014-2015	2013-2014
<b>I</b> Revenue from operations (Net of excise duty of ₹ 476,628,265) (PY : ₹ 397,311,731))	21	<b>3,839,306,604</b>	3,200,109,324
<b>II</b> Other income	22	<b>1,771,140</b>	9,121,357
<b>III Total Revenue (I+II)</b>		<b>3,841,077,744</b>	3,209,230,681
<b>IV Expenses</b>			
Cost of materials consumed	23	<b>2,152,629,229</b>	1,724,000,685
Purchases of stock-in-trade	24	<b>3,052,979</b>	4,514,996
Changes in inventories of work-in-progress and stock-in-trade	25	<b>(15,462,440)</b>	10,708,557
Employee benefits expense	26	<b>250,160,866</b>	203,751,765
Finance costs	27	<b>81,172,921</b>	86,405,009
Depreciation and amortization expense	28	<b>281,810,672</b>	178,459,987
Stores and spares consumed	29	<b>325,637,867</b>	307,197,726
Other expenses	30	<b>743,786,086</b>	794,891,090
	<b>TOTAL</b>	<b>3,822,788,180</b>	3,309,929,815
<b>V Profit before exceptional &amp; extraordinary items and tax (III - IV)</b>		<b>18,289,564</b>	(100,699,134)
<b>VI</b> Exceptional items - Income / (Expenses)	31	<b>650,931</b>	107,326,357
<b>VII Profit before extraordinary items and tax (V - VI)</b>		<b>18,940,495</b>	6,627,223
<b>VIII</b> Extraordinary items		-	-
<b>IX Profit before tax (VII - VIII)</b>		<b>18,940,495</b>	6,627,223
<b>X Tax expense:</b>			
(1) Current tax		<b>3,789,567</b>	1,325,958
(Less): MAT credit Entitlement		-	-
Net current tax		<b>3,789,567</b>	1,325,958
(2) Deferred tax charge / (credit)		<b>(7,674,439)</b>	-
		<b>(3,884,872)</b>	1,325,958
<b>XI Profit/(Loss) for the period (IX- X)</b>		<b>22,825,367</b>	5,301,265
Earnings per equity share (Face Value ₹ 5 /- )			
(1) Basic		<b>1.76</b>	0.43
(2) Diluted		<b>1.76</b>	0.28
Significant Accounting Policies	1 & 2		
Other Notes on Financial Statements	32		

As per our report of even date attached.

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

**Sanjay S. Rane**  
(Partner)  
Membership No. : 100374

Place : Pune  
Date : May 23, 2015

For and on behalf of the Board of Directors

**Masakatsu Uchiyama**  
(Managing Director)  
(DIN : 05239285)

**Jitendra Parmar**  
(Chief Financial Officer)

Place : Pune  
Date : May 23, 2015

**Satyavara P. Garimella**  
(Director)  
(DIN : 05344245)

**Omkar Kaulgud**  
(Company Secretary)

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2015**

(Amt. in ₹)

Particulars	2014-2015	2013-2014
<b>A. Cash flow from operating activities</b>		
Net Profit / (Loss) before extraordinary items and tax	<b>18,940,495</b>	6,627,223
<b>Adjustments for:</b>		
Depreciation, amortisation	281,810,672	178,459,987
Loss on impairment fixed assets -crystallised	-	57,062,589
Profit on sale of Fixed Assets	(101,776)	3,084
Interest on Loans	71,705,912	77,271,634
Interest Income	(1,662,431)	(8,421,053)
Unrealised Foreign Exchange Loss (net)	32,353,452	34,548,766
Write back of group liabilities	(928,146)	(108,990,049)
<b>Operating profit / (loss) before working capital changes</b>	<b>402,118,178</b>	<b>236,562,181</b>
<b>Adjustments for</b>		
Inventories	(82,569,983)	124,702,690
Trade receivables	(7,037,568)	(39,210,732)
Advances and other current assets	7,168,370	29,103,122
Trade payables	154,337,769	(195,202,652)
Other liabilities and provisions	(209,615,450)	41,133,485
	<b>(137,716,862)</b>	<b>(39,474,087)</b>
Cash generated from operations	<b>264,401,316</b>	197,088,094
Net income tax (paid) / refunds	<b>(2,917,076)</b>	(14,277,743)
<b>Net cash flow from / (used in) operating activities (A)</b>	<b>261,484,240</b>	<b>182,810,351</b>
<b>B. Cash flow from investing activities</b>		
Purchase of Fixed Assets, Capital Expenditure and Capital Advances	(108,142,394)	(153,460,230)
Sale of Fixed Assets	482,920	959,382
Investment in Term deposits (not considered as cash & cash equivalent)	-	-
Interest received	1,662,431	8,421,053
<b>Net cash flow from / (used in) investing activities (B)</b>	<b>(105,997,043)</b>	<b>(144,079,795)</b>
<b>C. Cash flow from financing activities</b>		
Proceeds from issue of share capital / share application	-	33,550,000
Proceeds from short term borrowings	46,734,244	-
Repayment of long term borrowings	(214,545,454)	(170,000,000)
Short term borrowings (net)	(53,265,756)	(40,237,372)
Interest on Loans	(71,705,912)	(77,271,634)

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2015 (Contd.)**

(Amt. in ₹)

Particulars	2014-2015	2013-2014
Net cash flow from / (used in) financing activities	(339,517,122)	(253,959,006)
Net increase / (decrease) in cash and cash equivalents (A+B+C)	(184,029,925)	(215,228,450)
Cash and cash equivalents at the beginning of the year	268,759,654	485,042,887
Effect of exchange difference on restatement of foreign currency cash and cash equivalents	-	(1,054,783)
Cash and cash equivalents at the end of the year	<u>84,729,729</u>	<u>268,759,654</u>
Reconciliation of cash and cash equivalents with the balance sheet :		
Cash and cash equivalents as per Balance Sheet (Refer Note 19)	84,729,729	268,759,654
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	<u>84,729,729</u>	<u>268,759,654</u>
Cash and cash equivalents at the end of the year*	<u>84,729,729</u>	<u>268,759,654</u>
* Comprises		
(a) Cash on Hand	116,510	1,275,794
(b) Balances with banks -Rupee accounts		
- in current accounts	82,293,219	134,058,853
- In deposit accounts	2,320,000	133,425,007

See accompanying notes forming part of the financial statements

As per our report of even date attached.

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

**Sanjay S. Rane**  
(Partner)  
Membership No. : 100374

Place : Pune  
Date : May 23, 2015

For and on behalf of the Board of Directors

**Masakatsu Uchiyama**  
(Managing Director)  
(DIN : 05239285)

**Jitendra Parmar**  
(Chief Financial Officer)

Place : Pune  
Date : May 23, 2015

**Satyavara P. Garimella**  
(Director)  
(DIN : 05344245)

**Omkar Kaulgud**  
(Company Secretary)

---

## SIGNIFICANT ACCOUNTING POLICIES

---

### 1 Corporate information

Enkei Wheels (India) Limited (“the Company”) is listed on the Bombay Stock Exchange. It is engaged in the manufacturing of aluminium alloy casting wheels (“products”) mainly used in automotive segment of the industry in India. At times, the Company has also traded in the products mainly to supplement its manufacturing capacities.

### 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 and are presented in Indian Rupees.
- b. The financial statements have been prepared from the books of account maintained on an accrual basis (unless stated otherwise hereinafter) and comply in all material respects with the accounting principles generally accepted in India, the Accounting Standards, to the extent applicable, issued by the Institute of Chartered Accountants of India and referred to in Section 133 of the Companies Act, 2013 (‘the Act’) of India read with Rule 7 of the Companies (Accounts) Rules, 2014.
- 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 unless 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 amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amount of revenue and expenses during the reported period. Actual results could differ from those estimates. Difference between the actual results and estimates are recognized in the period in which the results are known / materialised.

#### 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 Tangible Fixed Assets 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. The period of useful life of asset is reviewed periodically and excess /short amount of depreciation, if any provided earlier, is written back/ off to the revenue as the case may be.
- 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 machineries, with fair degree of

---

**SIGNIFICANT ACCOUNTING POLICIES (Contd).**


---

regularity and not only on the basis of the assets are ready to put to use, as the case may be.

- c. Individual asset costing less than RS. 5,000/- each is fully depreciated in the year of its purchase.
- d. The period of useful life of asset is reviewed periodically and excess /short amount of depreciation, if any provided earlier, is written back/ off to the revenue as the case may be.
- e. Intangible assets in the nature of computer software & functional software are amortised over a period of five years.
- f. The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and if there is a significant change in the expected pattern of economic benefits from the asset, the amortisation method is revised to reflect the changed/ actual pattern.

**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. Income from services

Revenues from contracts priced on a time and material basis are recognised when services are rendered and related costs are incurred.

- d. 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.

**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 Tangible Fixed Assets**

- a) Fixed assets, except Land 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 fixed assets for the period up to the date of bringing the asset to its working condition for its intended use or for the period till commencement of commercial production respectively. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

**2.9 Intangible assets**

- a. Intangible Assets are recognized only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprises and the cost of the assets can be measured reliably.
- b. Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price (net of recoverable of taxes) and expenses directly attributable for bringing the asset to its working condition for its intended use.

---

**SIGNIFICANT ACCOUNTING POLICIES (Contd).**

---

**2.10 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 restated at exchange rates prevailing as at end of the year.
- 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.
- d. Any income or expense on account of exchange difference either on settlement or on translation is 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.

**2.11 Investments**

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

**2.12 Employee benefits**

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

**Defined contribution plans**

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 in the form of 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 in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and 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 year when the employees render the service. These benefits include performance incentive, bonus, ex-gratia and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

**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 service are recognised as a liability 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.

**2.13 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



---

**SIGNIFICANT ACCOUNTING POLICIES (Contd).**


---

indented use. A longer period than period of twelve months has been considered as a substantial period of time in exceptional and unforeseen circumstances.

**2.14 Leases**

- a) Operating Leases : In respect of assets acquired on leases, rentals are charged to the Statement of Profit and Loss on Straight line basis and with reference to lease terms and other considerations.
- b) Finance Leases : In respect of the assets acquired under leases, the lower of the fair value of the assets and present value of the minimum lease rentals is capitalised as fixed assets with corresponding amount shown as a lease liability. 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.

**2.15 Taxes on income**

- a. Tax expense comprises of current tax and deferred tax.
- b. Current tax is the amount of tax due & payable on the taxable income as determined in accordance with the provisions of the Income Tax Act, 1961. "Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset. Accordingly, MAT is recognised as an asset in the Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with it will flow to the Company. "
- c. Deferred tax is 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 reverse 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.
- d. Deferred tax assets in respect of unabsorbed depreciation, carry forward of losses etc. 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 governign taxation laws. In case of others, deferred tax assets are not recognised.

**2.16 Impairment of assets**

- a. An asset is treated as impaired when the carrying amount of the asset exceeds its recoverable amount. 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. Assets/facilities retired from active use and held for re-work/disposal are classified separately as 'Assets held for Disposal'. In such situations, impairment loss is charged to the statement of Profit and Loss, in the year in which the loss is crystallised and quantified with ease.

**2.17 Provisions, contingencies and commitments**

- a. Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.
- b. Contingent Liabilities are not recognised but are disclosed in the notes to accounts. Contingent Assets are neither recognised nor disclosed in the financial statements.

**SIGNIFICANT ACCOUNTING POLICIES (Contd).**
**NOTE : 3 SHARE CAPITAL**
**(Amt. in ₹)**

Sr. No.	Particulars	As at 31st March 2015		As at 31st March 2014	
		Number of shares	Amount	Number of shares	Amount
<b>1</b>	<b>AUTHORISED :</b>				
	(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 Rs.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>
<b>2</b>	<b>ISSUED , SUBSCRIBED &amp; PAID UP</b>				
	(i) Equity shares of ₹ 5/- each with voting rights	13,426,360	67,131,800	12,755,360	63,776,800
	<b>TOTAL</b>	<u>13,426,360</u>	<u>67,131,800</u>	<u>12,755,360</u>	<u>63,776,800</u>

**a) Reconciliation of share capital**
**(Amt. in ₹)**

Sr. No.	Particulars	As at 31st March 2015		As at 31st March 2014	
		Number of shares	Amount	Number of shares	Amount
(i)	Shares outstanding at the beginning of the year	12,755,360	63,776,800	12,755,360	63,776,800
(ii)	Add/(Less) : Share issued during the year	671,000	3,355,000	-	-
		<u>13,426,360</u>	<u>67,131,800</u>	<u>12,755,360</u>	<u>63,776,800</u>
(iii)	Shares outstanding at the end of the year	<u>13,426,360</u>	<u>67,131,800</u>	<u>12,755,360</u>	<u>63,776,800</u>

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

Sr. No	Particulars	As at 31st March 2015	As at 31st March 2014
		No. of Equity shares with voting rights	No. of Equity shares with voting rights
	Lock-in of shares held by Promoters Enkei Corporation, Japan	8,926,360	8,255,360

**(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, 2015		As at 31st March, 2014	
		Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
(i)	<b>Equity shares with voting rights</b>				
	a Enkei Corporation, Japan	8,926,360	66.48	8,255,360	64.72
	b Motilal Gopilal Oswal	600,000	4.47	792,000	6.21

**SIGNIFICANT ACCOUNTING POLICIES (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)				
		2014-15	2013-14	2012-13	2011-12	2010-11
(i)	<b>Equity shares :</b>					
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	11,000,000
c	Shares bought back	-	-	-	-	-

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

Sr. No	Particulars	As at 31st March, 2015		As at 31st March, 2014	
		Number of shares held	Amount	Number of shares held	Amount
(i)	<b>Equity shares with voting rights</b>				
a	Enkei Corporation, Japan	8,926,360	4,46,31,800	8,255,360	41,276,800

**NOTE : 4 RESERVES & SURPLUS**

(Amt. in ₹)

Sr. No.	Particulars	As at 31st March, 2015	As at 31st March, 2014
1	<u>Securities premium account</u>		
	As per last Balance sheet	158,767,508	158,767,508
	Add: Addition during the year	30,195,000	-
		188,962,508	158,767,508
2	<u>Surplus / (Deficit) in Statement of Profit and Loss</u>		
	As per last Balance sheet	(95,794,048)	(101,095,312)
	Add: Profit / (Loss) for the year	22,825,367	5,301,265
		(72,968,681)	(95,794,047)
	<b>TOTAL</b>	115,993,827	62,973,461

**NOTE : 5 LONG-TERM BORROWINGS**

1	<b>Secured</b>		
	<b>Term Loans</b>		
	(A) From Banks	72,727,274	240,000,000
2	<b>Unsecured</b>		
	(A) Foreign Currency Loans (ECBs)	552,366,000	623,598,001
	<b>TOTAL</b>	625,093,274	863,598,001

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

**SIGNIFICANT ACCOUNTING POLICIES (Contd).**
**NOTE : 5 LONG-TERM BORROWINGS (Contd).**
**(Amt. in ₹)**

Sr. Particulars No.	As at 31st March,2015	As at 31st March,2014
------------------------	--------------------------	--------------------------

**Details of terms of repayment of long-term borrowings,  
applicable rate of interest, security wherever provided etc.**
**1 Secured**
**Term Loans from Banks**

Bank	Amount of Loan Sanctined ( ₹ Miln)	Amount of Loan Availed ( ₹ Miln)	Outstanding Loan Amount ( ₹ Miln)	Installment Amount in ₹ Miln	Rate of Interest	Number of Installments due-8 Qtr. Installments
Mizuho Bank Ltd	480	480	145.45	18.18	base rate + 4.10%	8 Equal Qtrly Installment
Security-First Parri-Passu charge by way of Equitable Mortgage on the existing Fixed Assets in a favour of Mizuho Bank Ltd.						

**145,454,546**      360,000,000

Sub-Total

**145,454,546**      360,000,000

Less: Current maturities of long-term debt (Refer Note No. 11)

**7,272,272**      120,000,000

**TOTAL**
**72,727,274**      240,000,000

**2 Unsecured**

Foreign Currency Loans from Holding &amp; Promoter Company

**External Commercial Borrowings**

From - ENKEI CORPORATION, Japan

CURRENCY	ECB Amount (in JPY Million)	Rate of Interest	ECB Repayment Amt (in JPY Million)	Repayment Date
JPY	300	3%	100	11-Jul-15
			100	11-Jan-16
			100	11-Jul-16
JPY	200	3%	60	25-Jul-17
			70	25-Jan-18
			70	25-Jul-18
JPY	260	3%	78	23-Jan-18
			91	23-Jul-18
			91	23-Jan-19
JPY	300	3%	100	13-Sep-18
			200	13-Mar-19

Lender -THE BANK OF TOKYO-MITSUBISHI UFJ LTD , Japan

**552,366,000**      -

Bank	ECB AMT in JPY	Rate of Interest	ECB Repayment	No. of Installment	Repayment Date
Bank Tokyo Mitsubhshi UFJ Ltd	1060	1.515%	106	10	Half Yearly Equal installments starting from 30th September 2018

Sub-Total

**552,366,000**      623,598,001

Less: Current maturities of long-term debt (Refer Note No. 11)

**-**      -

**TOTAL**
**552,366,000**      623,598,001

**Total Long -term Borrowings**
**625,093,274**      863,598,001

Note - The Company has availed foreign currency term loan (ECB) of JPY 1060 million from Bank of Tokyo Mitsubishi UFJ Ltd, Japan to refinance its existing term loan (ECBs) of equivalent amount earlier availed from its promoter holding Company as perssible RBI / FEMA guidelines.

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)

## NOTE : 6 DEFERRED TAX LIABILITIES (NET)

(Amt. in ₹)

Sr. No.	Particulars	As at 31st March,2015	As at 31st March,2014
	<b>Deferred tax liabilities</b>		
	Fixed Assets / Depreciation	27,861,410	15,372,274
		<u>27,861,410</u>	<u>15,372,274</u>
	<b>Deferred tax assets *</b>		
	Unabsorbed depreciation and carry forward of losses	(27,861,410)	(7,697,835)
		<u>(27,861,410)</u>	<u>(7,697,835)</u>
	<b>TOTAL</b>	<u>-</u>	<u>7,674,439</u>

\* In the absence of virtual certainty of realisation, deferred tax assets in respect of carry forward of losses are recognised to the extent of deferred tax liability.

## NOTE : 7 OTHER LONG-TERM LIABILITIES

a	Trade Payables	895,408,920	926,914,273
b	Others - Fixed Assets	166,778,164	318,211,430
c	Finance lease obligations	-	595,213
	<b>TOTAL</b>	<u>1,062,187,084</u>	<u>1,245,720,916</u>

## NOTE : 8 LONG-TERM PROVISIONS

**Provision for employee benefits:**

1	Defined benefit obligation - Leave encashment	6,095,393	2,186,795
	<b>TOTAL</b>	<u>6,095,393</u>	<u>2,186,795</u>

\* Net of Plan Assets

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)**
**NOTE : 9 SHORT-TERM BORROWINGS**
**(Amt. in ₹)**

Sr. Particulars No.	As at 31st March,2015	As at 31st March,2014
<b>1 Secured</b>		
Working Capital Demand Loans		
- From Banks	70,000,000	100,000,000
	<u>70,000,000</u>	<u>100,000,000</u>
<b>2 Unsecured</b>		
Working Capital Demand Loans		
- From Banks	60,000,000	130,000,000
- Bill Discounting Facility	46,734,244	-
	<u>106,734,244</u>	<u>130,000,000</u>
<b>TOTAL</b>	<u><u>176,734,244</u></u>	<u><u>230,000,000</u></u>

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

**Note : 9. Short-term borrowings (contd.)**
**Details of applicable rate of interest, security wherever provided etc.**

<b>1 SECURED</b>		
<b>Working Capital Demand Loans from Banks</b>		
(a) Axis Bank Ltd.	70,000,000	100,000,000
Security		
Exclusive Charge on current assets of the company -Present and future		
Repayment		
From time to time, nevertheless payable on demand.		
(rollover arrangements are entered with the bank with the same terms)		
<b>2 UNSECURED</b>		
(a) <b>Working Capital Demand Loans from Banks</b>		
(1) Bank of Tokyo Mitsubishi UFJ Ltd.	60,000,000	90,000,000
Repayment		
From time to time, nevertheless payable on demand.		
(rollover arrangements are entered with the bank with the same terms)		
(2) Mizuho Bank Ltd.	-	40,000,000
Repayment		
From time to time, nevertheless payable on demand.		
(rollover arrangements are entered with the bank with the same terms)		
(b) <b>Bill Discounting Facility</b>		
(1) Kotak Mahindra Bank Ltd	46,734,244	-

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)

<b>NOTE : 10 TRADES PAYABLES</b>		(Amt. in ₹)	
Sr. No.	Particulars	As at 31st March,2015	As at 31st March,2014
1	Micro, Small & Medium Enterprises	-	-
2	<u>Others</u>		
	Raw materials & Components	556,781,192	443,899,491
	Services & Expenses	56,680,398	35,615,599
3	<u>Payables to Overseas Group Companies</u>		
	Raw materials & Components	4,506,777	17,273,597
	Services & Expenses	41,785,579	6,154,694
	<b>TOTAL</b>	<b>659,753,946</b>	<b>502,943,381</b>
<b>NOTE : 11 OTHER CURRENT LIABILITIES</b>			
1.	Current maturities of long-term debt	72,727,272	120,000,000
2.	Current Maturities of Finance lease obligation	595,213	539,517
3.	Interest accrued and due on borrowings	768,581	1,166,813
4.	Payables on purchase of fixed assets	1,294,874	2,622,814
5.	Statutory remittances	29,491,063	28,771,130
6.	Employee dues	9,437,947	8,513,158
7.	Others	799,682	165,915
	<b>TOTAL</b>	<b>115,114,632</b>	<b>161,779,347</b>
* there are no amounts due and outstanding to be credited to the Investor Education and Protection Fund.			
<b>NOTE : 12 SHORT-TERM PROVISIONS</b>			
1	Provision for employee benefits		
	a Defined benefit obligation - (Gratuity) - (net of plan assets)	-	503,708
	b Defined benefit obligation - Leave encashment	282,088	462,188
2	Others		
	Income Tax - Current Tax	3,789,567	1,341,158
	<b>TOTAL</b>	<b>4,071,655</b>	<b>2,307,054</b>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)

**NOTE : 13.1 TANGIBLE FIXED ASSETS**

(₹)

Sr. No	Particulars upto	Gross Block				Effect of foreign currency exchange differences	Cost As on 31-03-2015	Depreciation				Net Block	
		Cost As on 01-04-2014	Additions during the year	Deductions during the year	Effect of foreign currency exchange differences			Depreciation As on 01-04-2014	Depreciation for the year	Deduction on for the year	Depreciation upto 31-03-2015	As on 31.03.2015	As on 31.03.2014
1	Freehold Land	323,214,994	9,623,322	-	-	332,838,316	-	-	-	-	-	332,838,316	323,214,994
2	Leasehold Land	212,672,150	-	-	-	212,672,150	-	-	-	-	-	212,672,150	212,672,150
3	Buildings	208,298,385	11,426,158	-	-	219,724,543	32,748,612	6,718,063	-	39,466,675	-	180,257,868	175,549,773
4	Plant and Machinery	1,343,642,285	23,536,353	159,276	(11,429,130)	1,355,902,311	567,779,337	201,419,891	2,509	769,196,719	2,509	586,393,512	775,862,948
5	Factory Equipments	90,514,230	2,512,397	188,100	-	92,838,526	48,182,383	14,665,950	14,786	62,833,547	14,786	30,004,979	42,331,847
6	Electrical Installation	60,675,717	1,464,968	-	-	62,140,685	25,783,709	5,335,255	-	31,118,964	-	31,021,721	34,892,008
7	Furniture and Fixture	13,463,995	349,954	-	-	13,813,949	4,550,270	1,972,044	-	6,522,314	-	7,291,635	8,913,725
8	Computers	9,954,649	5,850,657	691,724	-	15,113,582	3,917,587	4,049,478	691,724	7,275,341	7,275,341	7,838,241	6,037,062
9	Office Equipments	9,787,353	440,793	-	-	10,228,147	2,908,910	4,595,333	-	7,504,243	7,504,243	2,723,904	6,878,443
10	Quality Control Equipments	2,451,611	163,015	-	-	2,614,626	1,602,079	447,632	-	2,049,711	-	564,915	849,532
11	Vehicles - Owned	9,719,356	1,617,144	969,744	-	10,366,756	4,061,157	1,743,437	918,681	4,885,913	4,885,913	5,480,843	5,658,199
	- Leased	2,104,193	-	-	(2,108,469)	2,104,193	373,508	265,102	-	638,610	-	1,465,583	1,730,685
12	Dies & Moulds	296,841,157	65,170,629	-	-	359,903,316	80,728,960	39,569,310	-	120,298,270	-	239,605,046	216,112,197
	<b>SUB TOTAL (i)</b>	<b>2,583,340,075</b>	<b>122,155,390</b>	<b>2,008,844</b>	<b>(13,537,599)</b>	<b>2,689,949,020</b>	<b>772,636,512</b>	<b>280,781,495</b>	<b>1,627,700</b>	<b>1,051,790,307</b>	<b>1,638,158,713</b>	<b>1,810,703,563</b>	<b>1,810,703,563</b>
	<b>(Current Year)</b>												
	<b>(Previous Year)</b>												
		2,114,641,177	453,359,138	1,264,486	16,604,245	2,583,340,075	594,945,309	177,993,218	302,015	772,636,512	1,810,703,563	1,519,695,868	

**Note : 13.2 Intangible Fixed Assets**

(₹)

Sr. No.	Particulars	Gross Block				Effect of foreign currency exchange differences	Cost As on 31-03-2015	Amortisation				Net Block	
		Cost As on 01-04-2014	Additions during the year	Deductions during the year	Effect of foreign currency exchange differences			Amortisation As on 01-04-2014	Amortisation for the year	Deduction During the year	Amortisation upto 31-03-2015	As on 31.03.2015	As on 31.03.2014
	Computers & Functional Software	2,333,839	-	-	-	2,333,839	1,304,663	1,029,176	-	2,333,839	-	-	1,029,176
	<b>SUB TOTAL (iii)(Current Year)</b>	<b>2,333,839</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,333,839</b>	<b>1,304,663</b>	<b>1,029,176</b>	<b>-</b>	<b>2,333,839</b>	<b>-</b>	<b>1,029,176</b>	<b>1,029,176</b>
	<b>(Previous Year)</b>												
		2,333,839	-	-	-	2,333,839	837,895	466,768	-	1,304,663	1,304,663	1,029,176	1,495,944



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)****NOTE : 14 LONG TERM LOANS AND ADVANCES****(Amt. in ₹)**

Sr. No.	Particulars	As at 31st March,2015	As at 31st March,2014
	<u>Unsecured, considered good</u>		
a	Capital Advances	1,714,540	2,318,902
b	Security Deposits	22,850,985	21,710,285
c	Other Loans and advances		
i)	Advance income tax	7,607,099	4,690,023
ii)	MAT credit entitlement	14,798,582	14,798,582
iii)	Balances with government authorities	15,116,271	12,743,201
	<b>TOTAL</b>	<b>62,087,477</b>	<b>56,260,993</b>

**NOTE : 15 FOREIGN CURRENCY MONETARY ITEM TRANSLATION DIFFERENCE**Foreign Currency Monetary Item Translation Difference

As per last Balance sheet	229,961,609	194,030,941
Add: Accumulation / Reversal during the year	(39,786,418)	81,732,505
	190,175,191	275,763,446
Less: Amortisation during the year	31,695,865	45,801,837
<b>TOTAL</b>	<b>158,479,326</b>	<b>229,961,609</b>

**NOTE : 16 INVENTORIES**

1	Raw Materials	127,522,495	63,267,124
2	Work-In-Progress	33,626,697	18,307,528
3	Stock of Traded Goods	837,679	694,409
4	Stores,Spares & Consumables	20,796,631	17,944,458
	<b>TOTAL</b>	<b>182,783,502</b>	<b>100,213,519</b>

**NOTE : 17 TRADE RECEIVABLES**

1	<u>Unsecured, Considered Good :</u>	-	-
	Outstanding for a period exceeding six months from due date of payment) *	7,247,277	21,051,184
	Others	555,589,789	534,748,314
		562,837,066	555,799,498
	Less: Provision for Bad & Doubtful debts	-	-
		562,837,066	555,799,498
2	<u>Unsecured, Doubtful:</u>	-	-
	Outstanding for a period exceeding six months from due date of payment) *	-	-
	Others	-	-
	Less: Provision for Bad & Doubtful debts	-	-
		-	-
	<b>TOTAL</b>	<b>56,28,37,066</b>	<b>55,57,99,498</b>

\* Credit period has varied from customer to customer. Further, in case of some customers, credit period begins from the date on which receipt of goods is acknowledged by them.

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)**
**NOTE : 18 CASH & CASH EQUIVALENTS**
**(Amt. in ₹)**

Sr. No.	Particulars	As at 31st March, 2015	As at 31st March, 2014
<b>1</b>	<b><u>Balances with Banks*</u></b>		
	In current accounts	82,293,219	134,058,853
	In deposit accounts	2,320,000	133,425,007
<b>2</b>	<b>Cash On Hand</b>	116,510	1,275,794
	<b>TOTAL</b>	<b>84,729,729</b>	<b>268,759,654</b>

\*Bank Balances do not include any balance held as margin money. There are no deposits which have an original maturity or maturity of more than 12 months from the balance sheet date.

**NOTE : 19 SHORT TERMS LOANS AND ADVANCES**

Sr. No.	Particulars	As at 31st March, 2015	As at 31st March, 2014
1	<u>Secured, Considered Good :</u>	-	-
2.	<u>Unsecured, Considered Good :</u>		
	i) Loans and advances to employees & Others	648,044	367,180
	ii) Prepaid Expenses	3,804,670	3,392,228
	iii) Balances with government authorities	137,959,249	147,417,767
	iv) Advance paid to the Gratuity Fund	497,941	-
	<b>TOTAL</b>	<b>142,909,904</b>	<b>151,177,175</b>

**NOTE : 20 OTHER CURRENT ASSETS**

	Accrued interest on term deposits	190,138	2,605,007
	<b>TOTAL</b>	<b>190,138</b>	<b>2,605,007</b>

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

(Amt. in ₹)

Sr. No.	Particulars	For the year ended 31st March, 2015	For the year ended 31st March, 2014
1	Sale of Products	4,256,087,334	3,549,185,584
2	Other operating revenues	59,847,535	48,235,471
		<u>4,315,934,869</u>	<u>3,597,421,055</u>
	Less:		
	Excise duty	476,628,265	397,311,731
	<b>TOTAL</b>	<u><b>3,839,306,604</b></u>	<u><b>3,200,109,324</b></u>

**NOTE: 21.1 PARTICULARS OF SALE OF PRODUCTS**

a	<u>Manufactured goods</u>		
i	Wheels - Two Wheelers	16,020,59,587	1,550,348,270
ii	Wheels - Four Wheelers	21,794,84,437	1,601,346,472
	<b>TOTAL - Sale of manufactured goods</b>	<u><b>37,815,44,024</b></u>	<u><b>3,151,694,742</b></u>
b	<u>Traded goods</u>		
i	Wheels - Two Wheelers	-	-
ii	Wheels - Four Wheelers	-	509,919
iii	Accessories	3,655,735	5,855,549
	<b>TOTAL - Sale of traded goods</b>	<u><b>3,655,735</b></u>	<u><b>6,365,468</b></u>
	<b>TOTAL - Sale of products</b>	<u><b>3,785,199,759</b></u>	<u><b>3,158,060,210</b></u>

**NOTE : 22 OTHER INCOME**

1	Interest on Term Deposits with Banks *	1,662,431	8,421,053
2	Profit on sale of fixed assets	101,776	-
3	Other Income	6,933	700,304
	<b>TOTAL</b>	<u><b>1,771,140</b></u>	<u><b>9,121,357</b></u>

\* net of capitalisation of ₹ Nil (PY Rs. 78,73,441/-)

**NOTE : 23 COST OF MATERIALS CONSUMED**

1	Opening Stock	63,267,125	164,775,850
	Add: Purchases	<u>2,216,884,599</u>	<u>1,622,491,960</u>
		2,280,151,724	1,787,267,810
	Less: Closing Stock	<u>127,522,495</u>	<u>63,267,125</u>
	<b>Cost of materials consumed</b>	<u><b>2,152,629,229</b></u>	<u><b>1,724,000,685</b></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, 2015		For the year ended 31st March, 2014	
	%	Value	%	Value
<b>Raw Materials</b>				
Imported	93.8	2,078,451,469	92.8	1,506,370,042
Indigenous	6.2	138,433,131	7.2	116,121,918
<b>TOTAL</b>	<b>100.0</b>	<b>2,216,884,600</b>	<b>100.0</b>	<b>1,622,491,960</b>

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

Sr. Particulars No.	For the year ended 31st March, 2015	For the year ended 31st March, 2014
2 Accessories	3,052,979	4,514,996
<b>TOTAL</b>	<b>3,052,978</b>	<b>4,514,996</b>

**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, 2015		For the year ended 31st March, 2014	
	%	Value	%	Value
<b>Traded Goods</b>				
Imported	0.0	-	86.1	3,889,406
Indigenous	100.0	3,052,979	13.9	625,590
<b>TOTAL</b>	<b>100.0</b>	<b>3,052,979</b>	<b>100.0</b>	<b>4,514,996</b>

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

Sr. Particulars No.	For the year ended 31st March, 2015	For the year ended 31st March, 2014
<b>1 Inventories (at close)</b>		
a Semi Finished goods	33,626,696	18,307,527
b Stock-In-Trade	837,681	694,410
	<b>34,464,377</b>	<b>19,001,937</b>
<b>2 Inventories (at commencement)</b>		
a Semi Finished goods	18,307,527	28,021,229
b Stock-In-Trade	694,410	1,689,265
	<b>19,001,937</b>	<b>29,710,494</b>
<b>TOTAL</b>	<b>(15,462,440)</b>	<b>10,708,557</b>

**NOTE : 26 EMPLOYEE BENEFITS EXPENSES**

1 Salaries & Wages	192,383,224	165,440,966
2 Contribution to Provident, Gratuity and other Funds	15,484,730	9,344,877
3 Leave Encashment	5,837,384	204,524
4 Welfare Expenses	36,455,528	28,761,398
<b>TOTAL</b>	<b>250,160,866</b>	<b>203,751,765</b>

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)

## NOTE : 27 FINANCE COST

(Amt. in ₹)

Sr. No.	Particulars	For the year ended 31st March, 2015	For the year ended 31st March, 2014
1	Interest on Rupee Loans	26,123,516	56,335,376
2	Interest on Foreign Currency Loans (ECB)	17,285,471	19,402,632
		<b>43,408,987</b>	<b>75,738,008</b>
	Less: capitalised during the year	-	(30,003,603)
		<b>43,408,987</b>	<b>45,734,405</b>
3	Interest on Working Capital Loans	28,296,925	31,537,229
4	Other Borrowing Costs	9,467,009	9,133,375
	<b>TOTAL</b>	<b>81,172,921</b>	<b>86,405,009</b>

## NOTE : 28 DEPRECIATION &amp; AMORTISATION EXPENSE

1	Depreciation on tangible fixed assets	280,781,495	177,993,219
2	Amortisation on intangible assets	1,029,177	466,768
	<b>TOTAL</b>	<b>281,810,672</b>	<b>178,459,987</b>

## NOTE : 29 COST OF STORES &amp; SPARES CONSUMED

1	Opening Stock	17,944,458	30,429,865
	Add: Purchases	328,490,040	294,712,319
		<b>346,434,498</b>	<b>325,142,184</b>
	Less: Closing Stock	20,796,631	17,944,458
	<b>COST OF MATERIALS CONSUMED</b>	<b>325,637,867</b>	<b>307,197,726</b>

## NOTE : 29.1 CONSUMPTION - STORES &amp; SPARES IMPORTED AND INDIGENOUS ITEMS

Sr. No.	Particulars	For the year ended 31st March, 2015		For the year ended 31st March, 2014	
		%	Value	%	Value
	Consumption- Stores and Spares				
	Imported	7.0	22,902,309	6.7	20,564,258
	Indigenous	93.0	302,735,558	93.3	286,633,468
	<b>TOTAL</b>	<b>100.0</b>	<b>325,637,867</b>	<b>100.0</b>	<b>307,197,726</b>

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)**
**NOTE : 30 OTHER EXPENSES**
**(Amt. in ₹)**

Sr. No.	Particulars	For the year ended 31st March, 2015	For the year ended 31st March, 2014
<b>1</b>	<b>Manufacturing Expenses</b>		
a	Power and Fuel	294,695,597	291,955,657
b	Processing Charges- Remelting	76,586,558	67,921,163
c	Processing Charges- Others	64,375,958	46,422,762
d	Royalty	42,786,763	40,395,612
e	Other Manufacturing Expenses	68,155,048	65,164,923
		<u>546,599,924</u>	<u>511,860,117</u>
<b>2</b>	<b>Foreign Exchange Fluctuation Loss/(Gain)</b> (including unrealised loss of ₹ 34,168,661/- PY ₹ 50,634,789/-)	41,927,515	80,223,458
<b>3</b>	<b>Administrative Expenses</b>		
a	Legal and Professional Fees	9,018,984	7,812,865
b	Other Administrative expenses	43,259,569	42,048,291
		<u>52,278,553</u>	<u>49,861,156</u>
<b>4</b>	<b>Selling &amp; Distribution Expenses</b>		
a	Freight Outward	91,601,128	71,897,757
b	Other selling & distribution expenses	11,378,966	23,986,013
		<u>102,980,094</u>	<u>95,883,770</u>
<b>5</b>	<b>Loss on Disposal/Impairment of fixed assets</b>		
a	Loss on Disposal/Impairment of fixed assets	-	57,062,589
	<b>TOTAL</b>	<u><u>743,786,086</u></u>	<u><u>794,891,090</u></u>

**NOTE : 31 PRIOR PERIOD & EXCEPTIONAL ITEMS**

a	<u>Prior period income</u>		
	Group companies (overseas) liabilities (old) written back	928,146	108,990,049
b	<u>Less : Prior period expenses</u>		
i	Other Supplier- Expenses	277,215	88,347
ii	Non-refundable CENVAT Duty - Advance Licenses	-	1,575,345
		<u>277,215</u>	<u>1,663,692</u>
	<b>TOTAL</b>	<u><u>650,931</u></u>	<u><u>107,326,357</u></u>

**NOTE 32 NOTES FORMING PART OF FINANCIAL STATEMENTS :**
**Note 32 Additional information to the financial statements**
**a Share Capital**

During the year, the Company has allotted 6,71,000 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**

Particulars	(Amt. in ₹)	
	As at 31st March, 2015	As at 31st March, 2014
(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 as per Clause 32 of the Listing Agreements with the Stock Exchanges**

Loans and advances in the nature of loans given to subsidiaries, associates and others and investment in shares of the Company by such parties:

Name of the party	Relationship	Amount outstanding as at 31st March, 2015	Amount outstanding as at 31st March, 2014
Enkei Corporation, Japan (equity shares of ₹ 44,631,800/- (PY ₹ 41,276,800/-) are held by the holding company in the equity capital of the Company.	Promoter Holding Company	-	-
		(-)	(-)

Note: Figures in bracket relate to the previous year ended 31st March 2014.

**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 but remained outstanding at the year end are :

	(Amt. in ₹)	
	As at 31st March, 2015	As at 31st March, 2014
Forward Contracts against Imports	<b>in Foreign Currency</b>	in Foreign Currency
- In US Dollars ..... Number of contracts.....(1)	589,005	1,971,433
- In Japanese Yen Nil Number of contracts.....(Nil)	589,005	1,971,433
	<b>in Indian Rupees</b>	in Indian Rupees
- Equivalent Indian Rupees	36,865,841	122,390,462

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)**

		(Amt. in ₹)	
		As at 31st March, 2015	As at 31st March, 2014
<b>e</b>	<b>Details of the year-end foreign currency exposures that have not been hedged</b>		
	Particulars with balances as per books of account		
	External Commercial Borrowings	552,366,000	623,598,001
	Purchase of Fixed Assets	166,778,164	318,211,430
	Trade Payables	1,319,894,476	1,218,512,620
		<u>2,039,038,640</u>	<u>2,160,322,051</u>
<b>f</b>	<b>Value of imports calculated on CIF basis @:</b>		
	Raw materials	2,078,451,469	1,506,370,042
	Traded Goods	-	3,889,406
	Spare parts	22,902,309	20,564,258
	Capital goods	56,265,005	55,140,155
		<u>2,157,618,783</u>	<u>1,585,963,861</u>
	@ the total value of imports relates to the imports made excluding the relevant taxes:		
<b>g</b>	<b>Expenditure in foreign currency #:</b>		
	Foreign Travel	644,078	709,124
	Computer Hire Charges	806,310	824,707
	Interest on Foreign Currency Loans	17,285,471	19,402,633
		<u>1,8735,859</u>	<u>20,936,464</u>
	# on accrual basis on the gross amount of expenditure (i.e. the expenditure before withholding taxes)		
<b>h</b>	<b>Earnings in foreign exchange:</b>		
	Export of goods calculated on FOB basis	599,700	796,560
		<u>599,700</u>	<u>796,560</u>
<b>i</b>	<b>Remittance in foreign currency during the year on account of dividends</b>		
	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		
<b>j</b>	<b>Auditors Remuneration</b>		
	Audit Fees	890,000	816,875
	Limited Reviews	105,000	105,000
	Certifications	30,000	45,000
	Out of Pocket Expenses	149,362	121,064
		<u>1,144,362</u>	<u>1,087,939</u>



## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)

		(Amt. in ₹)	
		As at 31st March, 2015	As at 31st March, 2014
<b>k</b>	<b>Contingent liabilities and commitments (to the extent not provided for)</b>		
<b>(i)</b>	<b>Contingent liabilities</b>		
	(a) Claims against the Company /disputed liabilities not acknowledged as debts*	55,850,000	5,000,000
	(b) Guarantees and Letters of Credits issued by the banks	2,000,000	1,580,452
	(c) Other money for which the company is contingently liable	-	-
	Differential Tax Liability - C Forms not received	822,086,643	343,754,772
<b>(ii)</b>	<b>Commitments</b>		
	(a) Estimated amount of contracts remaining to be executed on capital account and not provided for - Tangible Assets	5,809,675	12,466,328
	(b) Other Commitments	-	-
<b>l</b>	<b>Earning per Share as computed in accordance with Accounting Standard 20</b>		
	Net profit / (loss) for the year	22,825,367	5,301,265
	(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>22,825,367</u>	<u>5,301,265</u>
	Weighted average number of equity shares for calculation of Basic EPS	12,957,579	12,755,360
	Weighted average number of equity shares for calculation of Diluted EPS	12,957,579	12,755,360
	Face value per share	₹ 5/- per share	₹ 5/- per share
	Earnings per share - Basic	1.76	0.42
	Earnings per share excluding extraordinary items - Basic	1.76	0.42
	Earnings per share - Diluted	1.76	0.42
	Earnings per share, excluding extraordinary items - Diluted	1.76	0.42

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)**
**Note 32 Disclosures under Accounting Standards (contd.)**
**m 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 ₹ 8,925,540/- (Year ended 31 March, 2014 ₹ 7,454,411/-) 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

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, 2015		Year ended 31st March, 2014	
	Gratuity	Leave Entitlements	Gratuity	Leave Entitlements
<b>(Amt. in ₹)</b>				
<b>Components of employer expense</b>				
Current service cost	1,421,803	849,405	1,303,211	778,556
Interest on obligation	658,028	166,177	511,736	212,461
Expected return on plan assets	(707,121)	-	(429,138)	-
Net Actuarial (gain) / loss recognized in the year	2,962,053	2,799,647	(384,700)	(1,459,564)
Past service cost	-	-	-	-
Actuarial losses/(gains) on curtailments & settlement	-	-	-	-
<b>Expense recognised in the Statement of Profit and Loss</b>	<b>4,334,763</b>	<b>3,815,229</b>	<b>1,001,109</b>	<b>(468,547)</b>
<b>Net asset / (liability) recognised in the Balance Sheet</b>				
Present value of defined benefit obligation	12,555,887	6,377,480	7,452,632	2,648,983
Fair value of plan assets	13,053,827	-	6,948,924	-
Funded status [Surplus / (Deficit)]	497,940	(6,377,480)	(503,708)	(2,648,983)
Unrecognised past service costs	-	-	-	-
Unrecognised Actuarial loss	-	-	-	-
<b>Net asset / (liability) recognised in the Balance Sheet</b>	<b>497,940</b>	<b>(6,377,480)</b>	<b>(503,708)</b>	<b>(2,648,983)</b>
<b>Change in defined benefit obligations (DBO) during the year</b>				
Present value of DBO at beginning of the year	7,452,632	1,875,983	6,505,501	2,837,446
Current service cost	1,421,803	849,405	1,303,211	778,556
Interest cost	658,028	166,177	511,736	212,461
Actuarial (gains) / losses	3,171,144	2,799,647	(338,176)	(1,459,564)
Past service cost	-	1,861,635	-	773,000
Loss (gains) on Curtailments	-	-	-	-

## NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)

Particulars	Year ended 31st March, 2015		Year ended 31st March, 2014	
	Gratuity	Leave Entitlements	Gratuity	Leave Entitlements
Benefits paid	(147,720)	(1,175,367)	(529,640)	(492,916)
Present value of DBO at the end of the year	<u>12,555,887</u>	<u>6,377,480</u>	<u>7,452,632</u>	<u>2,648,983</u>
<b>Change in fair value of assets during the year</b>				
Fair value of plan assets at beginning of year	6,948,924	-	3,335,608	-
Expenses deducted from the fund	(132,601)	-	-	-
Expected return on plan assets	707,121	-	429,138	-
Actuarial gain / (loss)	209,091	-	46,524	-
Assets distributed on settlements	-	-	-	-
Contribution by the employer	5,469,012	-	3,667,294	-
Benefits paid	(147,720)	-	(529,640)	-
Plan assets at the end of the year	<u>13,053,827</u>	<u>-</u>	<u>6,948,924</u>	<u>-</u>
<b>Actual return on plan assets</b>	<u>916,212</u>	<u>-</u>	<u>475,662</u>	<u>-</u>
<b>Composition of the plan assets is as follows:</b>				
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%
<b>Actuarial assumptions</b>				
Discount rate	7.80%	7.80%	9.10%	9.10%
Expected return on plan assets	8.00%	0.00%	8.75%	0.00%
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 32 Disclosures under Accounting Standards (contd.)**

n Related party transactions Disclosure

Details of related parties:

Description of relationship	Names of related parties
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
Key Managerial Personnel (KMP)	Masakatsu Uchiyama, Managing Director
Key Managerial Personnel (KMP)	Kazuhiko Shimamura, Alternate Director (Up to 14th August,2014
Key Managerial Personnel (KMP)	Jitendra Parmar, Chief Financial Officer
Key Managerial Personnel (KMP)	Omkar Kaulgud, Company Secretary

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, 2015:

(Amt. in ₹)

Particulars		Associates	Holding & Promoter Company	Key Management Personnel (KMP)	Total
Purchase of Traded goods	CY	48,832	-	-	48,832
	PY	-	-	-	-
Export Sale	CY	-	599,700	-	599,700
	PY	-	796,560	-	796,560
Purchase of Stores & Spares	CY	491,667	10,436,325	-	10,927,992
	PY	2,758,078	13,091,564	-	1,5849,642
Reimbursement of expenses (net)	CY	265,524	-	-	265,524
	PY	229,930	-	-	2,29,930
Royalties Paid/Payable	CY	-	42,786,763	-	42,786,763
	PY	-	40,395,612	-	40,395,612
Interest Paid/Payable	CY	-	17,285,471	-	17,285,471
	PY	-	19,402,633	-	19,402,633
Remuneration	CY	-	-	6,365,555	6,365,555
	PY	-	-	7,722,994	7,722,994
Other Expenses Charged to Company	CY	1,328,060	11,257,896	-	12,585,957
	PY	1,058,777	8,574,905	-	9,633,682
Write-back of Liabilities (old)	CY	928,146	-	-	928,146
	PY	108,990,049	-	-	108,990,049
Purchase of fixed assets	CY	52,846,993	3,418,011	-	56,265,005
	PY	22,868,320	32,271,835	-	55,140,155
Sale of fixed assets	CY	-	-	-	-
	PY	826,049	-	-	826,049
<b>Net Transaction during the year</b>	CY	55,909,223	85,784,167	6,365,555	148,058,944
	PY	136,731,202	114,533,109	7,722,994	258,987,305
Balances with related parties					
Amount Receivable	CY	-	-	-	-
	PY	-	-	-	-
Amount Payable	CY	884,954,550	223,524,891	-	1,108,479,441
	PY	876,134,554	396,278,945	-	1,272,413,499

Note: Figures in CY relates to the year 2014-15 and PY relates to the year 2013-14

---

**NOTES FORMING PART OF THE FINANCIAL STATEMENTS (CONTD.)**


---

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

i) where the Company is a lessee :

**Finance Leases**

The Company has acquired a vehicle (motor car) on finance lease. The lease covers a period, which is fixed and non-cancellable. The minimum lease rentals and the present value of minimum lease payments in respect of assets acquired under finance leases are as follows.

Particulars	Minimum lease payments		Present value of minimum lease payments	
	As at 31st March, 2015	As at 31st March, 2014	As at 31st March, 2015	As at 31st March, 2014
Payable not later than one year	<b>412,454</b>	647,448	<b>637,750</b>	539,517
Payable later than one year but not later than five years	-	412,454	-	402,756
Payable later than five years	-	-	-	-
Total	<b>412,454</b>	1,059,902	<b>637,750</b>	942,273
Less: Future finance charges	<b>9698</b>	117,629	-	-
Present Value of minimum lease payments	<b>402,756</b>	942,273	<b>637,750</b>	942,273

**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	As at 31st March, 2015	As at 31st March, 2014
Not later than one year	<b>26,881,822</b>	24,451,021
Later than one year but not later than five years	-	-
Later than five years	-	-

- p During the year, the Company has mandatorily followed the useful lives of the assets prescribed under Part C of Schedule II to the Companies Act, 2013. Accordingly, the remaining useful life of all its assets / class of assets has been revised and the carrying amount as on April 1, 2014 has been depreciated over the revised remaining useful life. As a result of these changes made to comply the requirements of the Companies Act, 2013 , depreciation charge for the year ended March 31,2015 is higher by ₹ 76,721,704/-(including charge of ₹ 75,947,183/-pertaining to the period upto March 31, 2015.
- 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.



## 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 'SIXTH ANNUAL GENERAL MEETING' of the Company to be held on Saturday, 19th September, 2015 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.

6th Annual General Meeting on 19th September 2015.

### 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 6th Annual General Meeting of the Company scheduled to be held on Saturday, 19th September 2015 and at any adjournment thereof, in respect of following resolutions.

ORDINARY BUSINESS	
1.	To receive, consider and adopt financial statements of the Company for the year ended March 31, 2015, and the reports of the Board of Directors and Auditors thereon.
2.	To appoint a director in place of Mr. Shailendrajit Rai (DIN: 02628162), who retires by rotation, and being eligible, seeks reappointment.
3.	Ratification of the appointment of M/s Asit Mehta & Associates as Statutory Auditors of the Company.

Signed this .....day of .....2015

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 6th 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 sixth Annual General Meeting (AGM) of the Company to be held on Saturday, 19th September, 2015 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 financial statements of the Company for the year ended March 31, 2015, and the reports of the Board of Directors and Auditors thereon.			
2.	To appoint a director in place of Mr. Shailendrajit Rai (DIN: 02628162), who retires by rotation, and being eligible, seeks reappointment.			
3.	Ratification of the appointment of M/s Asit Mehta & Associates as Statutory Auditors of the Company.			

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 September, 2015 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 September, 2015. 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.

Tel. : (02137) 618700

Email: [secretarial@enkei.in](mailto:secretarial@enkei.in)

Website : [www.enkei.in](http://www.enkei.in)